

CITY OF FRANKLIN, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Special Revenue Funds							Total
	Library Operating Fund	Library Auxiliary Fund	Solid Waste Collection Fund	St Martin's Fair Fund	Donation Fund	Civic Celebrations Fund	Grant Fund	
ASSETS								
Cash and investments	\$ 422,739	\$ 126,130	\$ 348,032	\$ -	\$ 126,736	\$ 46,151	\$ 165,650	\$ 1,235,438
Receivables								
Accounts receivable	-	-	30,694	-	-	-	12,593	43,287
Taxes receivable	1,240,000	-	1,172,069	-	-	-	-	2,412,069
Special assessments receivable	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Due from other governments	101,087	-	-	-	-	-	3,272	104,359
Prepaid items	-	900	-	-	-	-	-	900
Long-term advances	-	-	-	-	-	-	-	-
Total assets	\$ 1,763,826	\$ 127,030	\$ 1,550,795	\$ -	\$ 126,736	\$ 46,151	\$ 181,515	\$ 3,796,053
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts payable	\$ 38,826	-	161,797	-	\$ 4,186	\$ -	\$ 3,879	\$ 208,688
Accrued liabilities	14,518	335	54	-	-	-	30	15,427
Due to other funds	-	-	-	11,552	-	-	-	11,552
Due other governments	-	-	-	-	-	-	2,386	2,386
Total liabilities	53,344	335	162,341	11,552	4,186	-	6,295	238,053
DEFERRED INFLOWS OF RESOURCES								
Unearned & unavailable revenue	1,240,000	-	1,172,069	-	-	-	-	2,412,069
FUND BALANCES (DEFICIT)								
Nonspendable:								
Prepaid items	-	900	-	-	-	-	-	900
Restricted:								
Utility improvements	-	-	-	-	-	-	-	-
Development	-	-	-	-	-	-	-	-
Donations	-	-	-	-	122,550	-	-	122,550
Health services	-	-	-	-	-	-	175,220	175,220
Library services	470,482	125,795	-	-	-	-	-	596,277
Solid waste	-	-	216,385	-	-	-	-	216,385
Recreational services	-	-	-	-	-	46,151	-	46,151
Assigned:								
Capital projects	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	(11,552)	-	-	-	(11,552)
Total fund balances (deficit)	470,482	126,695	216,385	(11,552)	122,550	46,151	175,220	1,145,931
Total liabilities, deferred inflows and fund balances (deficit)	\$ 1,763,826	\$ 127,030	\$ 1,550,795	\$ -	\$ 126,736	\$ 46,151	\$ 181,515	\$ 3,796,053

(Continued)

CITY OF FRANKLIN, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	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		
ASSETS								
Cash and investments	\$ 386,092	\$ 2,192,445	\$ 2,054,360	\$ 381,120	\$ 466,649	\$ 845,339	\$ 6,326,005	\$ 7,561,443
Receivables								
Accounts receivable	-	-	65,042	-	-	-	65,042	108,329
Taxes receivable	433,200	339,500	-	687,300	205,782	-	1,665,782	4,077,851
Special assessments receivable	-	-	-	-	1,246,019	-	1,246,019	1,246,019
Due from other funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	67,272	-	-	67,272	171,631
Prepaid items	-	-	-	-	-	-	-	900
Long-term advances	-	-	-	-	-	3,325,000	3,325,000	3,325,000
Total assets	\$ 819,292	\$ 2,531,945	\$ 2,119,402	\$ 1,135,692	\$ 1,918,450	\$ 4,170,339	\$ 12,695,120	\$ 16,491,173
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts payable	\$ 82,744	\$ 2,772	\$ 136,344	\$ 217,555	\$ -	\$ -	\$ 439,415	\$ 648,103
Accrued liabilities	-	-	-	-	-	-	-	15,427
Due to other funds	-	-	7,457	-	-	-	7,457	19,009
Due to other governments	-	-	-	-	-	-	-	2,386
Total liabilities	82,744	2,772	143,801	217,555	-	-	446,872	684,925
DEFERRED INFLOWS OF RESOURCES								
Unearned & unavailable revenue	433,200	339,500	-	687,300	1,246,019	-	2,706,019	5,118,068
FUND BALANCES (DEFICIT)								
Nonspendable:								
Prepaid items	-	-	-	-	-	-	-	900
Restricted:								
Utility improvements	-	-	-	-	672,431	-	672,431	672,431
Development	-	-	-	-	-	4,170,339	4,170,339	4,170,339
Donations	-	-	-	-	-	-	-	122,550
Health services	-	-	-	-	-	-	-	175,220
Library services	-	-	-	-	-	-	-	596,277
Solid waste	-	-	-	-	-	-	-	216,385
Recreational services	-	-	-	-	-	-	-	46,151
Assigned:								
Capital projects	303,348	2,189,673	1,975,601	230,837	-	-	4,699,459	4,699,459
Unassigned (deficit)	-	-	-	-	-	-	-	(11,552)
Total fund balances (deficit)	303,348	2,189,673	1,975,601	230,837	672,431	4,170,339	9,542,229	10,688,160
Total liabilities, deferred inflows and fund balances (deficit)	\$ 819,292	\$ 2,531,945	\$ 2,119,402	\$ 1,135,692	\$ 1,918,450	\$ 4,170,339	\$ 12,695,120	\$ 16,491,173

CITY OF FRANKLIN, WISCONSIN
 Combining Schedule of Revenue, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 Year Ended December 31, 2014

	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	
REVENUE								
Taxes	\$ 1,240,000	\$ -	\$ 1,168,087	\$ -	\$ -	\$ -	\$ -	\$ 2,408,087
Intergovernmental revenue	101,087	-	69,214	-	16,237	-	175,887	362,405
Public charges for services	-	5,652	355,668	25,592	-	73,158	-	460,070
Investment earnings	8,368	137	7,300	-	714	-	-	18,519
Miscellaneous revenue	-	71,462	7,044	450	26,102	20,575	10,896	136,529
Total revenue	<u>1,349,455</u>	<u>77,251</u>	<u>1,607,313</u>	<u>26,042</u>	<u>43,053</u>	<u>93,733</u>	<u>166,763</u>	<u>3,383,610</u>
EXPENDITURES								
Current:								
Public safety	-	-	-	-	17,900	-	5,217	23,117
Public works	-	-	1,579,235	-	-	-	-	1,579,235
Health and human services	-	-	-	-	395	-	32,116	32,511
Culture and recreation	1,204,927	84,140	-	47,886	-	112,058	3,400	1,412,381
Capital outlay	113,716	49,088	-	-	4,534	-	65,861	233,199
Total expenditures	<u>1,318,643</u>	<u>93,178</u>	<u>1,579,235</u>	<u>47,886</u>	<u>22,829</u>	<u>112,058</u>	<u>106,614</u>	<u>3,280,443</u>
Excess (deficiency) of revenue over expenditures	30,812	(15,927)	28,078	(21,844)	20,224	(18,325)	80,149	103,167
OTHER FINANCING SOURCES (USES)								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	11,000	-	13,000	-	24,000
Transfers out	-	-	-	-	-	-	(70,775)	(70,775)
General obligation debt issued	-	-	-	-	-	-	-	-
Net change in fund balances	30,812	(15,927)	28,078	(10,844)	20,224	(5,325)	9,374	56,392
Fund balances - beginning	<u>439,670</u>	<u>142,622</u>	<u>188,307</u>	<u>(708)</u>	<u>102,326</u>	<u>51,476</u>	<u>165,846</u>	<u>1,089,539</u>
Fund balances (deficit) - ending	<u>\$ 470,482</u>	<u>\$ 126,695</u>	<u>\$ 216,385</u>	<u>\$ (11,552)</u>	<u>\$ 122,550</u>	<u>\$ 46,151</u>	<u>\$ 175,220</u>	<u>\$ 1,145,931</u>

(Continued)

CITY OF FRANKLIN, WISCONSIN
Combining Schedule of Revenue, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2014

	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		
REVENUE								
Taxes	\$ 430,000	\$ 337,000	\$ -	\$ 681,600	\$ -	\$ -	\$ 1,448,600	\$ 3,856,687
Intergovernmental revenue	10,082	-	-	67,273	-	-	77,355	439,760
Public charges for services	67,000	100,000	504,004	133,000	-	-	804,004	1,264,074
Special assessments	-	-	-	-	305,695	683,227	988,922	988,922
Investment earnings	12,842	49,885	198	12,175	65,710	161,665	302,475	318,994
Miscellaneous revenue	508	-	-	131,250	-	-	131,758	268,287
Total revenue	520,432	486,885	504,202	1,025,298	371,405	844,892	3,753,114	7,136,724
EXPENDITURES								
Current:								
Public safety	-	-	-	-	-	-	-	23,117
Public works	-	-	-	-	1,031	-	1,031	1,580,266
Health and human services	-	-	-	-	-	-	-	32,511
Culture and recreation	-	-	-	-	-	-	-	1,412,381
Capital outlay	575,424	237,781	1,366,746	1,013,024	11,007	-	3,403,982	3,637,181
Debt service - debt issuance costs	-	-	27,340	-	-	-	27,340	27,340
Total expenditures	575,424	237,781	1,394,086	1,013,024	12,038	-	3,432,353	6,712,796
Excess (deficiency) of revenue over expenditures	(54,992)	249,104	(1,089,884)	12,274	359,367	844,892	320,761	423,928
OTHER FINANCING SOURCES (USES)								
Sale of capital assets	20,765	19,129	-	-	-	-	39,894	39,894
Transfers in	-	5,395	766,557	-	-	-	761,952	785,952
Transfers out	-	-	-	-	(130,374)	(1,726,721)	(1,857,095)	(1,927,870)
General obligation debt issued	-	-	1,990,000	-	-	-	1,990,000	1,990,000
Total other financing sources (uses)	20,765	24,524	2,746,557	-	(130,374)	(1,726,721)	934,751	887,976
Net change in fund balances	(34,227)	273,628	1,656,673	12,274	228,993	(881,829)	1,255,512	1,311,904
Fund balances - beginning	337,575	1,916,045	318,928	218,563	443,438	5,052,168	8,286,717	9,376,256
Fund balances (deficit) - ending	\$ 303,348	\$ 2,189,673	\$ 1,975,601	\$ 230,837	\$ 672,431	\$ 4,170,339	\$ 9,542,229	\$ 10,688,160

CITY OF FRANKLIN, WISCONSIN
General Fund
Schedule of Revenue - Budget and Actual (on a Budgetary Basis)
Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
TAXES				
General property taxes	\$ 16,220,400	\$ 16,220,400	\$ 16,217,272	\$ (3,128)
Water Utility - tax equivalent	1,059,000	1,059,000	1,046,864	(12,136)
Cable TV franchise fees	500,000	500,000	509,767	9,767
Mobile home assessments	26,500	26,500	24,647	(1,853)
Motel room tax	185,000	185,000	174,359	(10,641)
	<u>17,990,900</u>	<u>17,990,900</u>	<u>17,972,909</u>	<u>(17,991)</u>
INTERGOVERNMENTAL REVENUE				
State shared revenue	475,000	475,000	433,411	(41,589)
State expenditure restraint revenue	255,525	255,525	252,238	(3,287)
Fire insurance - dues	112,500	112,500	132,436	19,936
Local, state and federal grants and aids				
Computer aid	350,925	350,925	350,949	24
Transportation aids	1,295,600	1,295,600	1,295,337	(263)
Other	60,000	60,000	71,816	11,816
	<u>2,549,550</u>	<u>2,549,550</u>	<u>2,536,187</u>	<u>(13,363)</u>
LICENSES, FEES AND PERMITS				
Licenses:				
Beer and liquor	30,500	30,500	31,988	1,488
Bartenders	16,500	16,500	17,076	576
Amusement and related	11,750	11,750	9,390	(2,360)
Peddlers	2,000	2,000	7,967	5,967
Food and related	1,400	1,400	4,369	2,969
Electrical contractors	-	-	168	168
Dog and cat	9,000	9,000	12,865	3,865
Health	56,000	56,000	56,896	896
Other	11,250	11,250	13,281	2,031
Permits:				
Building	528,500	528,500	460,340	(68,160)
Electrical	89,500	89,500	74,156	(15,344)
Plumbing	70,000	70,000	79,522	9,522
Sign	10,000	10,000	5,902	(4,098)
Park	12,000	12,000	13,606	1,606
Fire	5,000	5,000	4,640	(360)
Other	10,900	10,900	16,136	5,236
	<u>864,300</u>	<u>864,300</u>	<u>808,302</u>	<u>(55,998)</u>
FINES, FORFEITURES AND PENALTIES	<u>444,000</u>	<u>444,000</u>	<u>421,976</u>	<u>(22,024)</u>

(Continued)

CITY OF FRANKLIN, WISCONSIN
General Fund
Schedule of Revenue - Budget and Actual (on a Budgetary Basis)
Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
PUBLIC CHARGES FOR SERVICES				
General government				
Property reports and document fees	\$ 10,250	\$ 10,250	\$ 12,225	\$ 1,975
Public safety				
Police Department and related	9,000	9,000	8,276	(724)
Ambulance service	1,006,700	1,006,700	999,269	(7,431)
Fire Department and related	92,000	92,000	102,465	10,465
Quarry reimbursement	42,000	42,000	23,950	(18,050)
Weights and measures	4,000	4,000	7,837	3,837
Public works				
Weed cutting	14,000	14,000	13,120	(880)
Street lighting	8,000	8,000	13,688	5,688
Engineering and DPW fees	37,000	37,000	30,340	(6,660)
Landfill tipping fees	59,500	59,500	62,163	2,663
Health and human services				
Health clinics and other health fees	60,000	60,000	45,889	(14,111)
Conservation and development				
Zoning, subdivision and other filing fees	73,950	73,950	48,515	(25,435)
	<u>1,416,400</u>	<u>1,416,400</u>	<u>1,367,737</u>	<u>(48,663)</u>
INTERGOVERNMENTAL CHARGES FOR SERVICES	<u>125,000</u>	<u>125,000</u>	<u>136,372</u>	<u>11,372</u>
INVESTMENT EARNINGS (LOSS)	<u>138,500</u>	<u>138,500</u>	<u>290,132</u>	<u>151,632</u>
MISCELLANEOUS REVENUE				
Municipal property rental	34,000	34,000	43,753	9,753
Property sales	1,450	1,450	8,986	7,536
Refunds and reimbursements	20,000	20,000	21,901	1,901
Insurance dividend	15,000	15,000	66,395	51,395
Other revenue	4,250	4,250	1,979	(2,271)
	<u>74,700</u>	<u>74,700</u>	<u>143,014</u>	<u>68,314</u>
TOTAL REVENUE	<u>\$ 23,603,350</u>	<u>\$ 23,603,350</u>	<u>\$ 23,676,629</u>	<u>\$ 73,279</u>

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CITY OF FRANKLIN, WISCONSIN
General Fund
Schedule of Expenditures - Budget and Actual (on a Budgetary Basis)
Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
CURRENT				
General Government				
Mayor - Personnel Services	\$ 18,500	\$ 18,500	\$ 18,500	\$ -
Mayor - Other Services	8,100	8,100	4,973	3,127
Aldermen - Personnel Services	47,450	47,450	47,450	-
Aldermen - Other Services	25,080	25,080	21,927	3,153
Municipal court - Personnel Services	178,671	178,671	168,785	9,886
Municipal court - Other Services	44,850	49,250	49,194	56
City clerk - Personnel Services	284,398	293,098	293,014	84
City clerk - Other Services	26,950	26,950	24,341	2,609
Elections - Personnel Services	41,568	42,468	42,462	6
Elections - Other Services	16,800	22,400	22,350	50
Information services	361,205	361,205	333,122	28,083
Administration - Personnel Services	355,668	355,668	275,322	80,346
Administration - Other Services	209,525	209,525	166,424	43,101
Finance - Personnel Services	404,978	404,978	398,929	6,049
Finance - Other Services	56,783	56,783	53,175	3,608
Independent Audit	29,790	29,790	28,135	1,655
Assessor - Personnel Services	52,790	53,090	53,014	76
Assessor - Other Services	171,450	171,450	163,141	8,309
Legal counsel	329,950	329,950	307,077	22,873
Municipal buildings - Personnel Services	34,280	36,080	35,854	226
Municipal buildings - Other Services	134,833	141,933	141,696	37
Property and liability insurance	100,647	107,847	107,748	99
Other	2,500	2,500	1,939	561
Contingency	714,700	426,800	197,700	229,100
Total General Government	<u>3,651,466</u>	<u>3,399,566</u>	<u>2,956,472</u>	<u>443,094</u>
Public Safety				
Police:				
Police - Personnel Services	8,086,034	8,078,234	7,622,804	455,430
Police - Other Services	1,177,017	1,184,817	1,062,143	122,674
Fire - Personnel Services	5,452,854	5,452,854	5,324,561	128,293
Fire - Other Services	393,780	463,780	438,471	25,309
Fire protection service charge	251,700	256,200	256,165	35
Building inspection - Personnel Services	707,157	707,157	628,409	78,748
Building inspection - Other Services	38,580	38,580	25,743	12,837
Sealer of weights and measures	6,800	6,800	6,800	-
Total Public Safety	<u>16,113,922</u>	<u>16,188,422</u>	<u>15,365,096</u>	<u>823,326</u>

(Continued)

CITY OF FRANKLIN, WISCONSIN
General Fund
Schedule of Expenditures - Budget and Actual (on a Budgetary Basis)
Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
CURRENT				
Public Works				
Engineering - Personnel Services	597,006	597,006	678,865	18,141
Engineering - Other Services	24,132	28,132	28,078	54
Highway - Personnel Services	1,745,877	1,765,195	1,717,881	47,314
Highway - Other Services	819,623	949,205	922,259	26,946
Street lighting	324,630	324,630	327,063	(2,433)
Weed control	15,050	15,050	10,875	4,175
Total Public Works	3,526,318	3,679,218	3,585,021	94,197
Health and Human Services				
Public health - Personnel Services	557,899	557,899	535,155	22,744
Public health - Other Services	58,205	65,305	65,220	85
Animal control	41,700	41,700	33,589	8,111
Total Health and Human Services	657,804	664,904	633,964	30,940
Culture and Recreation				
St. Martin's fair	11,000	11,000	11,000	-
Civic celebrations	13,000	13,000	13,000	-
Senior activities and travel program	15,000	16,600	15,149	1,451
Parks - Personnel Services	107,910	125,310	125,258	52
Parks - Other Services	25,172	25,172	23,938	1,234
Total Culture and Recreation	172,082	191,082	188,345	2,737
Conservation and Development				
Planning - Personnel Services	319,708	319,708	316,036	3,672
Planning - Other Services	60,750	60,750	33,111	27,639
Economic development - Personnel Services	75,800	75,800	-	75,800
Economic development - Other Services	15,500	15,500	6,207	9,293
Total Conservation and Development	471,758	471,758	355,354	116,404
TOTAL EXPENDITURES	\$ 24,593,360	\$ 24,594,950	\$ 23,084,252	\$ 1,510,698

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CITY OF FRANKLIN, WISCONSIN
Debt Service Fund
Schedule of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2014

	Original and Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
REVENUE			
Taxes	\$ 1,600,000	\$ 1,600,000	\$ -
Special assessments	-	68,166	68,166
Investment earnings	-	21,966	21,966
Total revenue	<u>1,600,000</u>	<u>1,690,132</u>	<u>90,132</u>
EXPENDITURES			
Debt service			
Principal	570,000	570,000	-
Interest	345,644	345,644	-
Total expenditures	<u>915,644</u>	<u>915,644</u>	<u>-</u>
Excess of revenue over expenditures	684,358	774,488	90,132
OTHER FINANCING SOURCES (USES)			
Transfers in	377,644	226,811	(150,833)
Premium (discount) on debt issued	-	66,747	66,747
Total other financing sources (uses)	<u>377,644</u>	<u>293,558</u>	<u>(84,086)</u>
Net change in fund balances	<u>\$ 1,062,000</u>	1,068,046	<u>\$ 6,046</u>
Fund balances (deficit) - beginning		<u>(1,492,767)</u>	
Fund balances (deficit) - ending		<u>\$ (424,721)</u>	

CITY OF FRANKLIN, WISCONSIN
Library Operating Fund
Schedule of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget - Favorable (Unfavorable)
REVENUE				
Taxes	\$ 1,240,000	\$ 1,240,000	\$ 1,240,000	\$ -
Intergovernmental revenue	50,000	50,000	101,087	51,087
Investment earnings (loss)	5,000	5,000	8,368	3,368
Total revenue	<u>1,295,000</u>	<u>1,295,000</u>	<u>1,349,455</u>	<u>54,455</u>
EXPENDITURES				
Current:				
Culture and recreation	1,257,006	1,257,006	1,204,927	52,079
Capital outlay	110,500	99,500	92,716	6,784
Total expenditures	<u>1,367,506</u>	<u>1,356,506</u>	<u>1,297,643</u>	<u>58,863</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(72,506)</u>	<u>(61,506)</u>	<u>51,812</u>	<u>113,318</u>
Net change in fund balances	<u>\$ (72,506)</u>	<u>\$ (61,506)</u>	<u>51,812</u>	<u>\$ 113,318</u>
Adjustments to generally accepted accounting principles basis				
2013 encumbrances			(21,000)	
2014 encumbrances			-	
Fund balances - beginning			<u>439,670</u>	
Fund balances - ending			<u>\$ 470,482</u>	

CITY OF FRANKLIN, WISCONSIN
Solid Waste Collection Fund
Schedule of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2014

	Original and Final Budget	Actual	Variance with Final Budget - Favorable (Unfavorable)
REVENUE			
User fees	\$1,157,000	\$ 1,168,087	\$ 11,087
Intergovernmental revenue	69,000	69,214	214
Public charges for services - Landfill siting	331,800	355,668	23,868
Sales of recycling bins	5,000	7,044	2,044
Investment earnings (loss)	-	7,300	7,300
	<u>1,562,800</u>	<u>1,607,313</u>	<u>44,513</u>
EXPENDITURES			
Current:			
Public works	1,523,754	1,579,235	(55,481)
Total expenditures	<u>1,523,754</u>	<u>1,579,235</u>	<u>(55,481)</u>
Net change in fund balances	<u>\$ 39,046</u>	28,078	<u>\$ (10,968)</u>
Fund balances - beginning		<u>188,307</u>	
Fund balances - ending		<u>\$ 216,385</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, 2014

	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)
REVENUE								
Taxes	\$ 430,000	\$ 430,000	\$ 430,000	\$ -	\$ 337,000	\$ 337,000	\$ 337,000	\$ -
Intergovernmental revenue	-	-	10,082	10,082	-	-	-	-
Public charges for services - Landfill siting	67,000	67,000	67,000	-	100,000	100,000	100,000	-
Investment earnings (loss)	-	-	12,842	12,842	-	-	49,885	49,885
Miscellaneous revenue	-	-	508	508	-	-	-	-
Total revenue	<u>497,000</u>	<u>497,000</u>	<u>520,432</u>	<u>23,432</u>	<u>437,000</u>	<u>437,000</u>	<u>486,885</u>	<u>49,885</u>
EXPENDITURES								
Capital outlay	641,646	738,942	558,658	180,284	231,500	242,100	227,181	14,919
Total expenditures	<u>641,646</u>	<u>738,942</u>	<u>558,658</u>	<u>180,284</u>	<u>231,500</u>	<u>242,100</u>	<u>227,181</u>	<u>14,919</u>
Excess (deficiency) of revenue over expenditures	(144,646)	(241,942)	(38,226)	203,716	205,500	194,900	259,704	64,804
OTHER FINANCING SOURCES (USES)								
Sale of capital assets	30,000	30,000	20,765	(9,235)	-	-	19,129	19,129
Transfers in	-	-	-	-	-	-	5,395	5,395
Transfers out	-	-	-	-	-	-	-	-
General obligation debt issued	-	-	-	-	-	-	-	-
Net changes in fund balances	<u>\$ (114,646)</u>	<u>\$ (211,942)</u>	<u>(17,461)</u>	<u>\$ 194,481</u>	<u>\$ 205,500</u>	<u>\$ 194,900</u>	<u>284,228</u>	<u>\$ 89,328</u>
Adjustments to generally accepted accounting principles basis								
2013 encumbrances			(55,104)				(10,600)	
2014 encumbrances			38,338					
Fund balances - beginning			<u>337,575</u>				<u>1,916,045</u>	
Fund balances - ending			<u>\$ 303,348</u>				<u>\$ 2,189,673</u>	

(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, 2014

	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)
REVENUE								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 681,600	\$ 681,600	\$ 681,600	\$ -
Intergovernmental revenue	-	-	-	-	78,000	78,000	67,273	(10,727)
Public charges for services - Landfill siting	296,000	296,000	504,004	208,004	133,000	133,000	133,000	-
Investment earnings (loss)	-	-	198	198	-	-	12,175	12,175
Miscellaneous revenue	147,000	147,000	-	(147,000)	-	-	131,250	131,250
Total revenue	443,000	443,000	504,202	61,202	892,600	892,600	1,025,298	132,698
EXPENDITURES								
Capital outlay	7,475,033	7,475,033	1,710,997	5,764,126	960,000	996,900	1,013,024	(16,124)
Debt issuance costs	50,000	50,000	27,348	22,660	-	-	-	-
Total expenditures	7,525,033	7,525,033	1,738,345	5,786,786	960,000	996,900	1,013,024	(16,124)
Excess (deficiency) of revenue over expenditures	(7,082,033)	(7,082,033)	(1,234,045)	5,847,988	(67,400)	(104,300)	12,274	116,574
OTHER FINANCING SOURCES (USES)								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	5,310,140	5,310,140	756,557	(4,553,583)	200,000	-	-	(200,000)
Transfers out	-	-	-	-	200,000	-	-	(200,000)
General obligation debt issued	2,000,000	2,000,000	1,990,000	(10,000)	-	-	-	-
Net changes in fund balances	\$ 228,107	\$ 228,107	1,512,512	\$ 1,284,405	\$ 332,600	\$ (104,300)	12,274	\$ (283,426)
Adjustments to generally accepted accounting principles basis								
2013 encumbrances								
2014 encumbrances			144,161					
Fund balances - beginning			318,928				218,563	
Fund balances - ending			\$ 1,975,601				\$ 230,837	

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, 2014

	Development Fund			Variance with final budget - Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
REVENUE				
Special assessments	\$ 645,000	\$ 645,000	\$ 683,227	\$ 38,227
Investment earnings	95,694	95,694	161,665	65,971
Total revenue	<u>740,694</u>	<u>740,694</u>	<u>844,892</u>	<u>104,198</u>
EXPENDITURES				
General Government		3,241	-	3,241
Total expenditures		<u>3,241</u>	<u>-</u>	<u>3,241</u>
Excess of revenue over expenditures	740,694	737,453	844,892	107,439
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(2,013,125)	(2,890,093)	(1,726,721)	1,163,372
General obligation debt issued	-	-	-	-
Net changes in fund balances	<u>\$ (1,272,431)</u>	<u>\$ (2,152,640)</u>	<u>(881,829)</u>	<u>\$ 1,270,811</u>
Fund balances - beginning			<u>5,052,168</u>	
Fund balances - ending			<u>\$ 4,170,339</u>	

CITY OF FRANKLIN, WISCONSIN
Fiduciary Funds
Combining Schedule of Changes in Assets and Liabilities - Agency Funds
Year Ended December 31, 2014

PROPERTY TAX AGENCY FUND	12/31/13	Additions	Deductions	12/31/14
ASSETS				
Cash and investments	\$ 49,622,176	\$ 99,453,337	\$ 95,946,483	\$ 53,129,030
Receivables				
Taxes receivable	21,205,488	69,319,207	74,130,103	16,394,592
Accounts receivable	11,689	-	11,689	-
	<u>11,689</u>	<u>-</u>	<u>11,689</u>	<u>-</u>
Total assets	\$ 70,839,353	\$ 168,772,544	\$ 170,088,275	\$ 69,523,622
LIABILITIES				
Accounts payable	\$ 344,885	\$ 204,416	\$ 344,886	\$ 204,415
Due to other governments	70,494,468	69,319,207	70,494,468	69,319,207
	<u>70,494,468</u>	<u>69,319,207</u>	<u>70,494,468</u>	<u>69,319,207</u>
Total liabilities	\$ 70,839,353	\$ 69,523,623	\$ 70,839,354	\$ 69,523,622
OTHER AGENCY FUND				
ASSETS				
Cash and investments	\$ 163,886	22,238	\$ 179,060	\$ 7,064
Accounts receivable		26,248	20,428	5,820
	<u>163,886</u>	<u>26,248</u>	<u>20,428</u>	<u>5,820</u>
Total assets	\$ 163,886	\$ 48,486	\$ 199,488	\$ 12,884
LIABILITIES				
Accounts payable	\$ 2,560	\$ 28,216	\$ 28,899	\$ 1,877
Special deposits	161,326	28,193	178,512	11,007
	<u>161,326</u>	<u>28,193</u>	<u>178,512</u>	<u>11,007</u>
Total liabilities	\$ 163,886	\$ 56,409	\$ 207,411	\$ 12,884
TOTAL AGENCY FUNDS				
ASSETS				
Cash and investments	\$ 49,786,062	\$ 99,475,576	\$ 96,125,543	\$ 53,136,094
Receivables				
Taxes receivable	21,205,488	69,319,207	74,130,103	16,394,592
Accounts receivable	11,689	26,248	32,117	5,820
	<u>11,689</u>	<u>26,248</u>	<u>32,117</u>	<u>5,820</u>
Total assets	\$ 71,003,239	\$ 168,821,031	\$ 170,287,763	\$ 69,536,506
LIABILITIES				
Accounts payable	\$ 347,445	\$ 232,632	\$ 373,785	\$ 206,292
Due to other governments	70,494,468	69,319,207	70,494,468	69,319,207
Special deposits	161,326	28,193	178,512	11,007
	<u>161,326</u>	<u>28,193</u>	<u>178,512</u>	<u>11,007</u>
Total liabilities	\$ 71,003,239	\$ 69,580,032	\$ 71,046,765	\$ 69,536,506

CITY OF FRANKLIN, WISCONSIN
TIF Districts Fund
Combining Balance Sheet
December 31, 2014

	<u>District #3</u>	<u>District #4</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 3,717,160	\$ 61,645	\$ 3,778,805
Taxes receivable	1,681,577	1,009,060	2,690,637
Note receivable	-	-	-
Due from other governments	17,866	-	17,866
Total assets	<u>\$ 5,416,603</u>	<u>\$ 1,070,705</u>	<u>\$ 6,487,308</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 37,048	\$ 37,517	\$ 74,565
Long term advances	3,350,000	1,238,000	4,588,000
Total liabilities	<u>3,387,048</u>	<u>1,275,517</u>	<u>4,662,565</u>
DEFERRED INFLOWS OF RESOURCES			
Unearned revenue	1,681,577	1,009,060	2,690,637
FUND BALANCES (DEFICIT)			
Restricted:			
TIF #3	347,978	-	347,978
Unassigned (deficit)	-	(1,213,872)	(1,213,872)
Total fund balances (deficit)	<u>347,978</u>	<u>(1,213,872)</u>	<u>(865,894)</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 5,416,603</u>	<u>\$ 1,070,705</u>	<u>\$ 6,487,308</u>

CITY OF FRANKLIN, WISCONSIN
TIF Districts Fund
Schedule of TIF Districts Revenue, Expenditures
and Changes in Fund Balances
Year Ended December 31, 2014

	<u>District #3</u>	<u>District #4</u>	<u>Total</u>
REVENUE			
Taxes	\$ 1,572,198	\$ 972,728	\$ 2,544,926
Intergovernmental revenue	407,508	24,620	432,128
Investment earnings (loss)	107,932	906	108,838
Miscellaneous revenue	-	-	-
Total revenue	<u>2,087,638</u>	<u>998,254</u>	<u>3,085,892</u>
EXPENDITURES			
Current:			
Conservation and development	12,482	93,345	105,827
Capital outlay	330,265	-	330,265
Debt service			
Principal	9,695,000	-	9,695,000
Interest and fiscal charges	25,740	59,904	385,644
Debt issuance costs	45,751	-	45,751
Total expenditures	<u>10,409,238</u>	<u>153,249</u>	<u>10,562,487</u>
Excess (deficiency) of revenue over expenditures	(8,321,600)	845,005	(7,476,595)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
General obligation debt issued	3,330,000	-	3,330,000
Premium on debt issued	166,080	-	166,080
Principal payment on current refunding	-	-	-
Total other financing sources (uses)	<u>3,496,080</u>	<u>-</u>	<u>3,496,080</u>
Net change in fund balances	(4,825,520)	845,005	(3,980,515)
Fund balances (deficit) - beginning	<u>5,173,498</u>	<u>(2,058,877)</u>	<u>3,114,621</u>
Fund balances (deficit) - ending	<u>\$ 347,978</u>	<u>\$ (1,213,872)</u>	<u>\$ (865,894)</u>

CITY OF FRANKLIN, WISCONSIN
Capital Assets Used in the Operation of Governmental Funds
Schedule by Source
December 31, 2014

Governmental funds capital assets:

Land	\$ 24,949,631
Buildings and improvements	24,717,845
Machinery and equipment	17,514,597
Infrastructure improvements	93,860,788
Construction in process	<u>423,313</u>

Total governmental funds capital assets \$ 161,466,174

Investment in governmental capital assets by source:

General Fund	\$ 2,074,005
Special Revenue Funds	3,114,091
Capital Projects Funds	86,308,145
Donations	<u>69,969,933</u>

Total governmental funds capital assets \$ 161,466,174

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 For Discussion Purposes Only
 Subject to Change
 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, 2014

<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>
General Government:						
Mayor	\$ -	\$ -	\$ 2,202	\$ -	\$ -	\$ 2,202
Aldermen	-	-	9,584	-	-	9,584
Municipal court	-	-	36,340	-	-	36,340
City clerk	-	-	10,042	-	-	10,042
Elections	-	-	36,352	-	-	36,352
Information services	-	-	504,170	-	-	504,170
Administration	-	-	258,471	-	-	258,471
Human resources	-	-	8,609	-	-	8,609
Finance	-	-	163,117	-	-	163,117
Assessor	-	-	46,080	-	-	46,080
Attorney	-	-	906	-	-	906
Municipal buildings	803,111	3,217,149	499,539	-	-	4,519,799
Total General Government	<u>803,111</u>	<u>3,217,149</u>	<u>1,575,412</u>	<u>-</u>	<u>-</u>	<u>5,595,672</u>
Public Safety:						
Police	1,201,829	8,418,912	3,032,450	-	-	12,653,191
Fire	112,013	4,226,242	3,598,732	-	-	7,846,987
Building inspection	-	-	272,540	-	-	272,540
Total Public Safety	<u>1,313,842</u>	<u>12,645,154</u>	<u>6,813,722</u>	<u>-</u>	<u>-</u>	<u>20,772,718</u>
Public Works:						
Engineering	-	-	347,934	-	-	347,934
Highway	357,407	2,737,523	5,472,137	-	-	8,567,067
Street Lighting	-	-	1,097	-	-	1,097
Infrastructure	18,038,776	41,578	-	93,860,788	-	111,941,142
Construction in process	-	-	-	-	423,313	423,313
Total Public Works	<u>18,396,183</u>	<u>2,779,101</u>	<u>5,821,168</u>	<u>93,860,788</u>	<u>423,313</u>	<u>121,280,553</u>
Health & Human Services:						
Health	-	-	137,200	-	-	137,200
Culture and Recreation:						
Library	16,769	4,927,456	2,775,396	-	-	7,719,621
Parks	4,419,726	1,148,985	307,232	-	-	5,875,943
Total Culture and Recreation	<u>4,436,495</u>	<u>6,076,441</u>	<u>3,082,628</u>	<u>-</u>	<u>-</u>	<u>13,595,564</u>
Conservation and Development:						
Community development	-	-	-	-	-	-
Planning	-	-	84,467	-	-	84,467
Total Conservation and Development	<u>-</u>	<u>-</u>	<u>84,467</u>	<u>-</u>	<u>-</u>	<u>84,467</u>
Total governmental funds capital assets	<u>\$ 24,949,631</u>	<u>\$ 24,717,845</u>	<u>\$ 17,514,597</u>	<u>\$ 93,860,788</u>	<u>\$ 423,313</u>	<u>\$ 161,466,174</u>

CITY OF FRANKLIN, WISCONSIN
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity
Year Ended December 31, 2014

<u>Function and Activity</u>	<u>Governmental Funds Capital Assets</u>			
	<u>01/01/14</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/14</u>
General Government:				
Mayor	\$ 2,202	\$ -	\$ -	\$ 2,202
Aldermen	9,584	-	-	9,584
Municipal court	36,340	-	-	36,340
City clerk	10,042	-	-	10,042
Elections	36,352	-	-	36,352
Information services	483,348	20,822	-	504,170
Administration	253,471	5,000	-	258,471
Human resources	1,295	7,314	-	8,609
Finance	163,117	-	-	163,117
Assessor	46,080	-	-	46,080
Attorney	906	-	-	906
Municipal buildings	4,516,594	3,205	-	4,519,799
Total General Government	5,559,331	36,341	-	5,595,672
Public Safety:				
Police	12,676,234	438,516	461,559	12,653,191
Fire	7,916,339	141,624	210,976	7,846,987
Building inspection	256,567	15,973	-	272,540
Total Public Safety	20,849,140	596,113	672,535	20,772,718
Public Works:				
Engineering	344,847	3,086	-	347,933
Highway	8,390,018	331,738	154,688	8,567,068
Street lighting	1,097	-	-	1,097
Infrastructure	110,197,754	1,743,388	-	111,941,142
Construction in process	152,923	720,606	450,216	423,313
Total Public Works	119,086,639	2,798,818	604,904	121,280,553
Health & Human Services:				
Health	137,200	-	-	137,200
Culture and Recreation:				
Library	7,822,487	168,623	271,489	7,719,621
Parks	5,541,823	357,026	22,906	5,875,943
Total Culture and Recreation	13,364,310	525,649	294,395	13,595,564
Conservation and Development:				
Community development	-	-	-	-
City development	84,467	-	-	84,467
Total Conservation and Development	84,467	-	-	84,467
Total governmental funds capital assets	\$ 159,081,087	\$ 3,956,921	\$ 1,571,834	\$ 161,466,174

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.

Table 1

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

	2014	2013	2012	2011	Fiscal Year					2005
					2010	2009	2008	2007	2006	
Governmental activities										
Net investment in capital assets	\$ 106,031,877	\$ 104,721,982	\$ 104,097,426	\$ 94,637,222	\$ 88,776,271	\$ 84,176,261	\$ 71,753,307	\$ 72,970,239	\$ 56,402,113	\$ (1,368,021)
Restricted										
Debt service	580,605	722,710	535,337	4,076,267	3,050,470	2,263,238	8,550,662	12,588,371	4,204,277	1,708,141
Utility improvements	1,918,450	1,523,989	1,623,959	1,985,774	1,723,133	1,643,220	1,353,540	2,205,799	2,293,840	2,424,150
Development	4,170,339	5,052,168	4,614,731	3,895,040	3,620,826	3,051,562	3,083,708	2,643,952	3,484,891	2,853,329
Library	598,752	582,292	541,825	492,473	488,302	442,509	414,428	357,875	259,824	-
Donations and other	560,306	507,955	541,755	300,582	311,101	279,730	286,114	283,198	243,331	236,147
Unrestricted (deficit)	8,848,660	4,889,734	1,487,025	2,552,454	2,311,076	(2,085,981)	(791,175)	(11,089,755)	10,880,166	10,480,237
Total governmental activities net position	\$ 122,708,969	\$ 116,000,800	\$ 113,442,056	\$ 107,969,822	\$ 100,281,181	\$ 89,772,539	\$ 64,950,584	\$ 79,929,678	\$ 79,768,442	\$ 18,343,983
Business-type activities										
Net investment in capital assets	\$ 88,567,257	\$ 99,095,184	\$ 89,398,082	\$ 69,550,504	\$ 60,202,124	\$ 90,828,559	\$ 90,842,486	\$ 90,242,854	\$ 88,299,652	\$ 85,096,937
Restricted										
Sewer equipment replacement	313,558	277,230	334,508	263,644	261,852	227,368	231,384	225,177	215,267	178,274
Unrestricted	4,015,630	3,017,842	2,519,834	3,171,133	2,762,610	2,875,722	2,309,236	2,342,349	2,255,577	2,360,429
Total business-type activities net position	\$ 92,896,445	\$ 92,380,256	\$ 92,251,424	\$ 76,315,561	\$ 93,297,586	\$ 93,931,669	\$ 93,383,106	\$ 92,610,360	\$ 90,770,496	\$ 87,657,640
Total										
Net investment in capital assets	\$ 194,599,134	\$ 193,817,166	\$ 193,495,508	\$ 164,187,816	\$ 178,978,395	\$ 175,006,820	\$ 162,595,793	\$ 163,213,092	\$ 146,701,765	\$ 83,730,916
Restricted										
Debt service	580,605	722,710	535,337	4,076,267	3,050,470	2,263,238	8,550,662	12,588,371	4,204,277	1,708,141
Utility improvements	1,918,450	1,523,989	1,623,959	1,985,774	1,723,133	1,643,220	1,353,540	2,205,799	2,293,840	2,424,150
Development	4,170,339	5,052,168	4,614,731	3,895,040	3,620,826	3,051,562	3,083,708	2,643,952	3,484,891	2,853,329
TIF Districts	598,752	582,292	541,825	492,473	488,302	442,509	414,428	357,875	259,824	-
Donations and grants	560,306	507,955	541,755	300,582	311,101	279,730	286,114	283,198	243,331	236,147
Sewer replacement	313,558	277,230	334,508	293,844	261,852	227,368	231,384	225,177	215,267	178,274
Unrestricted	12,864,290	7,907,546	4,095,859	5,753,587	5,874,686	789,741	1,518,061	(6,757,406)	13,135,743	12,870,886
Total net position	\$ 216,895,434	\$ 216,391,056	\$ 205,693,482	\$ 200,965,383	\$ 193,508,767	\$ 183,704,208	\$ 178,033,690	\$ 172,740,058	\$ 170,538,938	\$ 104,001,623

Notes:

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

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

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Expenses										
Governmental activities:										
General government	\$ 2,919,940	\$ 2,915,267	\$ 2,794,497	\$ 2,749,207	\$ 2,897,491	\$ 2,946,713	\$ 3,028,903	\$ 2,769,041	\$ 2,730,575	\$ 2,588,256
Public safety	16,194,631	16,494,847	17,228,769	16,622,396	16,003,896	15,526,031	15,999,642	14,587,891	13,987,313	13,533,975
Public works	7,231,238	6,550,808	6,162,036	6,596,316	6,208,391	6,034,720	6,900,498	6,800,767	4,709,613	4,673,462
Health and human services	673,332	693,088	730,499	649,656	699,944	708,094	683,262	630,002	572,091	510,520
Culture and recreation	1,665,832	1,838,700	1,670,573	1,890,350	1,919,689	1,753,139	1,803,155	1,766,274	1,673,815	1,561,066
Conservation and development	459,684	422,095	412,066	957,877	529,835	600,099	718,032	6,581,661	634,983	666,277
Interest on long term debt	582,211	802,562	1,372,721	1,553,257	1,620,023	2,253,215	2,654,969	2,705,294	2,574,761	2,204,861
Total governmental activities expenses	29,827,068	29,712,967	30,491,161	31,019,948	30,178,269	29,624,001	31,367,371	35,650,930	27,063,151	25,739,437
Business-type activities										
Water	5,077,744	5,051,635	5,064,149	4,251,167	4,076,409	4,216,453	3,926,578	3,620,524	3,342,925	3,307,057
Sewer	4,160,846	4,133,632	3,640,106	3,373,459	3,378,505	3,226,261	3,069,523	2,640,092	2,603,652	2,349,419
Total business-type activities expenses	9,238,590	9,185,267	8,704,255	7,624,626	7,454,914	7,442,714	6,996,101	6,260,616	5,946,577	5,656,476
Total expenses	\$ 39,165,758	\$ 38,897,634	\$ 39,195,416	\$ 38,643,695	\$ 37,633,183	\$ 37,266,715	\$ 38,363,472	\$ 41,911,546	\$ 33,009,728	\$ 31,394,913
Program Revenue										
Governmental activities:										
Charges for services:										
General government	\$ 213,328	\$ 251,573	\$ 163,947	\$ 217,366	\$ 270,412	\$ 305,232	\$ 210,433	\$ 228,496	\$ 145,072	\$ 148,803
Public safety	2,269,334	2,459,946	2,226,209	2,173,666	2,154,616	2,068,413	2,267,589	2,473,899	2,784,237	2,715,134
Public works	1,478,630	1,234,601	1,274,933	1,460,346	1,230,437	660,670	739,948	1,071,513	1,497,290	1,543,476
Health and human services	115,650	118,702	128,116	105,666	54,385	68,855	84,439	89,853	62,339	91,767
Culture and recreation	118,008	113,217	45,962	181,354	311,757	146,256	143,797	136,793	237,278	212,301
Conservation and development	51,917	63,356	33,530	76,367	64,188	67,051	305,299	127,711	138,411	72,964
Operating grants and contributions	1,901,262	1,836,950	2,184,164	2,136,106	1,921,605	2,080,213	2,285,275	2,957,937	2,015,885	1,838,699
Capital grants and contributions	1,437,524	1,659,659	1,240,439	1,334,285	2,570,564	1,190,090	1,735,333	2,753,612	4,680,241	6,728,526
Total governmental activities program revenue	7,576,653	7,740,214	7,291,930	7,716,926	8,578,146	6,587,780	7,774,104	9,839,745	11,770,753	13,351,570
Business-type activities										
Charges for services:										
Water	5,421,719	5,403,994	5,361,646	4,539,066	4,395,269	4,454,495	4,218,653	3,926,626	3,585,661	3,815,195
Sewer	3,266,897	3,243,737	3,142,062	3,124,795	3,062,496	2,994,024	2,706,563	2,029,447	1,866,703	1,732,737
Capital grants and contributions	236,557	-	-	-	210,666	337,667	734,367	1,825,536	1,477,041	3,161,334
Total business-type activities program revenue	8,925,173	8,647,731	8,503,708	7,663,861	7,668,423	7,786,186	7,659,603	7,585,609	6,929,405	8,729,266
Total program revenue	\$ 16,501,826	\$ 16,387,945	\$ 15,795,638	\$ 15,380,787	\$ 16,246,569	\$ 14,373,966	\$ 15,433,707	\$ 17,425,354	\$ 18,700,158	\$ 22,080,836

continued

Table 2
(continued)

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

	2014	2013	2012	2011	2010	Fiscal Year		2007	2006	2005
						2009	2008			
Net (Expense)/Revenue										
Governmental activities	\$ (22,350,415)	\$ (21,972,153)	\$ (23,199,231)	\$ (23,302,123)	\$ (21,800,123)	\$ (23,236,221)	\$ (23,593,267)	\$ (25,811,185)	\$ (15,312,396)	\$ (12,386,867)
Business-type activities	(331,517)	(537,738)	(266,547)	39,206	215,509	343,472	661,502	1,324,993	962,628	3,972,790
Total net expense	\$ (22,681,932)	\$ (22,509,891)	\$ (23,399,778)	\$ (23,262,917)	\$ (21,384,614)	\$ (22,892,749)	\$ (22,931,765)	\$ (24,486,192)	\$ (14,329,570)	\$ (9,314,077)
General Revenue and other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes	\$ 20,073,959	\$ 20,037,661	\$ 19,841,893	\$ 19,058,282	\$ 18,523,570	\$ 18,237,375	\$ 17,534,150	\$ 16,404,257	\$ 15,350,390	\$ 14,576,053
Property taxes levied for debt service	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	2,310,000
Property taxes levied for TIF Districts	2,526,925	2,410,131	2,589,324	5,645,805	7,457,955	4,829,216	4,665,811	3,127,316	2,860,368	2,919,738
Other taxes	726,774	723,985	708,832	673,736	699,431	666,767	472,575	429,674	418,168	381,116
Intergovernmental revenue not restricted to specific programs	1,519,848	1,620,331	1,590,208	2,292,528	1,485,982	1,389,418	1,320,266	1,461,840	1,334,584	1,271,794
Investment earnings	695,541	67,278	784,832	873,389	937,723	1,401,560	1,862,888	2,547,179	2,531,912	1,111,774
Miscellaneous revenue	43,170	66,191	394,032	40,091	58,885	43,566	14,451	452,613	77,294	119,276
Gain on sale of capital assets	16,988	2,024	32,129	58,821	64,070	-	-	-	-	-
Transfers	(144,601)	(66,726)	1,009,126	348,101	1,011,149	(100,726)	424,212	(580,258)	(1,970,735)	(934,281)
Total governmental activities	27,058,604	26,590,895	28,671,467	30,892,764	32,438,765	28,358,176	28,314,173	25,872,421	22,812,991	21,755,470
Business-type activities:										
Investment earnings	642,227	569,444	318,669	32,326	41,393	46,738	57,617	113,197	112,453	44,096
Miscellaneous revenue	50,878	40,888	126,862	64,550	50,164	57,627	267,819	41,436	46,840	51,510
Transfers	144,601	66,726	(1,009,126)	(348,101)	(1,011,149)	(100,726)	(424,212)	580,258	1,970,735	934,281
Total business-type activities	637,706	676,568	(563,599)	(251,231)	(919,592)	205,091	(88,776)	714,691	2,130,028	1,029,867
Total	\$ 27,696,310	\$ 27,267,463	\$ 28,107,877	\$ 30,739,533	\$ 31,189,173	\$ 28,563,267	\$ 28,225,397	\$ 26,687,312	\$ 24,943,019	\$ 22,785,337
Change in Net Position										
Governmental activities	\$ 4,708,199	\$ 4,558,742	\$ 5,472,236	\$ 7,688,641	\$ 10,508,642	\$ 5,121,955	\$ 4,720,906	\$ 161,236	\$ 7,500,593	\$ 9,368,603
Business-type activities	506,199	138,832	(784,137)	(212,025)	(704,083)	548,583	572,726	2,839,884	3,112,856	4,102,677
Total	\$ 5,214,398	\$ 4,697,574	\$ 4,708,099	\$ 7,476,616	\$ 9,804,559	\$ 5,670,518	\$ 5,293,632	\$ 2,201,120	\$ 10,613,449	\$ 13,471,280

Table 3

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

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Fund										
Nonspendable:										
Inventories and prepaid items	\$ 78,455	\$ 45,866	\$ 62,936	\$ 55,820	\$ 75,673	\$ 24,927	\$ 25,109	\$ 24,990	\$ 31,870	\$ 38,391
Advances to other funds	2,198,616	505,040	-	-	-	-	-	1,000,000	700,000	-
Assigned	207,270	-	-	-	-	-	-	-	-	-
Unassigned	<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>5,979,711</u>	<u>5,519,932</u>	<u>4,910,492</u>	<u>6,289,964</u>	<u>6,430,669</u>
Total general fund	<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>	<u>6,469,060</u>
All other governmental funds:										
Nonspendable:										
Prepays	900	2,475	21,800	10,311	10,181	15,707	-	-	4,100	10,032
Restricted:										
Debt service	546,238	6,801,945	7,423,733	7,876,755	8,393,278	8,845,900	12,091,660	12,240,785	3,466,738	2,001,554
Utility improvements	672,431	443,438	543,408	840,787	356,286	147,317	12,640	380,961	478,801	1,129,596
Development	4,170,339	5,052,168	4,614,731	2,833,048	6,468,826	5,869,562	9,383,708	14,100,900	10,413,660	9,571,316
TIF Districts	347,978	-	-	553,904	1,004,838	536,476	184,257	-	-	-
Donations	122,560	102,326	105,238	859,982	311,101	279,730	286,114	263,198	243,331	184,458
Health services	175,220	165,846	179,228	-	-	-	-	-	-	-
Library services	596,277	579,817	520,775	482,473	488,302	442,509	414,428	357,875	259,824	-
Solid waste	216,385	188,307	100,546	-	-	-	-	-	-	-
Recreational services	46,151	51,476	52,244	72,857	179,224	165,348	132,206	1,206,529	294,820	218,770
Assigned:										
Purchases on order	-	-	-	-	-	-	-	-	-	-
Capital projects	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	7,276,473
Unassigned	<u>(2,196,383)</u>	<u>(5,180,799)</u>	<u>(5,965,890)</u>	<u>(3,663,211)</u>	<u>(4,009,430)</u>	<u>(5,904,216)</u>	<u>(5,891,813)</u>	<u>(14,651,138)</u>	<u>(4,569,471)</u>	<u>(1,294,109)</u>
Total all other government funds	<u>9,397,545</u>	<u>10,998,110</u>	<u>10,320,588</u>	<u>16,287,972</u>	<u>16,653,363</u>	<u>11,777,304</u>	<u>20,264,170</u>	<u>15,675,518</u>	<u>16,713,631</u>	<u>19,998,090</u>
Total fund balances	<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>\$ 21,811,000</u>	<u>\$ 23,735,465</u>	<u>\$ 25,567,150</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									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenue										
Taxes	\$ 24,927,658	\$ 24,821,797	\$ 24,861,039	\$ 27,277,823	\$ 26,580,856	\$ 25,633,368	\$ 24,692,536	\$ 22,071,047	\$ 20,839,926	\$ 20,186,907
Intergovernmental revenue	3,408,075	3,438,041	3,757,618	4,380,850	3,704,159	3,299,648	3,536,635	4,269,969	3,088,814	2,917,513
Licenses and permits	808,302	912,357	755,027	702,674	729,432	609,278	723,225	978,942	1,386,588	1,486,966
Fines, forfeitures and penalties	421,976	411,795	457,499	433,106	422,508	385,427	362,928	392,451	332,090	361,656
Public charges for services	2,631,811	2,637,607	2,466,600	2,589,786	2,211,119	1,600,313	1,908,473	1,988,695	2,160,144	2,087,870
Special assessments	1,057,088	1,463,350	1,236,114	1,305,578	1,119,230	817,736	1,114,498	1,581,962	3,688,746	3,520,814
Intergovernmental charges for services	136,372	162,308	103,615	245,000	237,319	291,584	206,156	426,387	574,835	591,834
Investment earnings	739,930	229,806	661,976	938,226	878,978	1,276,600	1,797,738	2,513,703	2,504,185	1,127,163
Miscellaneous revenue	411,381	288,485	674,305	365,129	597,611	635,424	723,724	934,141	752,207	806,105
Total revenue	34,542,513	34,379,526	34,973,793	38,238,172	36,461,310	34,549,368	35,065,913	35,167,298	35,327,535	33,186,828
Expenditures										
Current										
General government	2,786,740	2,710,650	2,631,419	2,596,203	2,692,374	2,780,444	2,825,835	2,609,731	2,487,971	2,314,862
Public safety	15,390,139	15,465,617	16,429,496	16,050,393	15,206,317	15,043,628	15,236,640	13,858,032	13,289,602	12,677,768
Public works	5,140,650	4,855,870	4,848,569	4,817,644	4,521,991	4,504,611	4,632,957	4,110,460	4,039,438	3,746,773
Health and human services	666,475	668,711	719,447	681,384	629,499	701,821	666,364	631,887	572,918	499,496
Culture, recreation and education	1,575,381	1,514,668	1,538,040	1,575,825	1,565,093	1,427,945	1,490,936	1,436,987	1,568,591	1,270,440
Conservation and development	461,181	416,765	409,996	394,810	524,705	603,961	729,274	6,587,035	628,634	654,928
Capital outlay	3,967,446	3,172,706	2,915,169	3,343,196	1,953,999	6,061,625	7,627,455	10,931,589	8,882,837	3,735,408
Debt service										
Principal	10,265,000	3,790,000	15,825,000	7,395,000	5,275,000	10,915,000	6,000,000	5,170,000	4,050,000	4,215,000
Interest	731,288	1,033,519	1,334,958	1,618,615	1,939,762	2,350,882	2,543,194	2,584,080	2,838,291	2,123,340
Debt issuance costs	79,091	-	-	-	-	-	65,650	130,602	35,700	46,250
Total expenditures	41,057,391	33,628,506	41,653,083	38,993,848	34,310,740	44,389,917	41,818,305	48,048,403	38,343,062	31,284,265
Excess of revenue over (under) expenditures	(6,514,878)	751,020	(6,679,290)	(755,676)	4,170,570	(9,840,549)	(6,752,392)	(12,881,105)	(3,015,547)	1,902,563
Other financing sources (uses)										
Debt issued	5,320,000	-	-	-	-	-	10,000,000	10,000,000	10,000,000	10,000,000
Refunding debt issued	-	-	-	-	-	-	-	9,925,000	-	-
Premium on debt issued	232,827	-	-	-	-	-	83,583	34,970	176,524	204,561
Payment to refunding escrow agent	-	-	-	-	-	-	-	(10,040,675)	-	-
Principal payment on current refunding	-	-	-	-	-	-	-	-	(9,770,000)	-
Sale of capital assets	39,894	75,559	32,129	58,871	64,070	-	-	-	-	-
Transfers in	2,125,007	2,769,157	2,398,454	2,415,916	1,389,654	2,229,036	5,786,181	6,237,805	3,957,696	3,486,467
Transfers out	(1,951,870)	(1,638,782)	(1,337,416)	(1,440,214)	(376,288)	(1,305,756)	(4,929,161)	(5,400,460)	(3,180,358)	(4,420,748)
Net change in fund balances	\$ (749,020)	\$ 1,956,954	\$ (5,586,123)	\$ 278,897	\$ 5,248,006	\$ (8,917,269)	\$ 4,188,211	\$ (2,124,465)	\$ (1,831,685)	\$ 11,172,843
Debt service as a percentage of non capital expenditures *	28.2%	15.1%	30.9%	24.6%	22.2%	33.4%	24.0%	19.7%	21.0%	22.6%

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				
2014	\$ 3,279,586,200	\$ 3,498,464,700	\$ 85,006,800	\$ 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	90,861,800	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	71,027,000	74,310,100	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%
2005	2,617,341,900	2,955,304,500	64,650,760	75,511,400	2,681,992,660	6.83	3,030,815,900	88.49%

* Reassessment year
Revaluation year

Assessed Valuation by School District - 2014

	Franklin School District	Oak Creek/ Franklin School District	Whitnail School District	Total Assessed Value
Total	\$ 2,480,755,500	\$ 678,153,500	\$ 205,678,800	\$ 3,364,592,800

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) Estimate Actual Property value					(2) Residential Construction		(2) Nonresidential Construction	
	Residential	% of Total	Commercial and Manufacturing	Agricultural, Swamp and Other	Total	# of Units	Value	# of Permits	Value
2014	\$ 2,580,859,500	73.8%	\$ 894,256,900	\$ 23,348,300	\$ 3,498,464,700	n/a	n/a	n/a	n/a
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	17,498,500	3,573,233,300	27	6,559,696	40	22,533,497
2009	2,774,343,200	72.6%	1,026,852,400	19,204,900	3,820,400,500	25	6,709,653	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
2005	2,236,076,000	75.7%	696,096,000	23,132,500	2,955,304,500	458	86,085,165	49	49,075,431

(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			Milwaukee Area		Milwaukee Metropolitan			
								Franklin	Oak Creek	Whitnall	School Credits	Technical College	Milwaukee County	Sewerage District		State
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	(1.85)	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	9.08	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	8.85	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	5.75	10.95	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
2006	5.00	0.42	0.86	0.10	0.15	0.30	6.83	12.01	8.90	10.32	(1.40)	2.13	4.81	1.60	0.21	26.19

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	2014		Percent of Total Taxable Assessed Valuation	2005		Percent of Total Taxable Assessed Valuation
		Taxable Assessed Value	Rank		Taxable Assessed Value	Rank	
Northwestern Mutual	Insurance Services	\$ 119,477,000	1	3.55%	\$ 72,734,560	1	2.86%
Wal-Mart	Retailer	28,573,800	2	0.85%	16,455,000	4	0.65%
Wheaton Health Care System	Medical facilities	26,705,900	3	0.79%	10,264,400	10	0.40%
Whitnall Pointe Apartments	Apartments	20,233,900	4	0.60%	18,927,640	2	0.74%
Manchester Oaks	Apartments	19,354,100	5	0.58%	18,628,030	3	0.73%
VTLC Development	Packaging manufacturing	16,477,300	6	0.49%			
Baptista's Bakery, Inc	Manufacturing	15,396,500	7	0.46%			
Menard Inc	Retail - Home Improvement	13,690,400	8	0.41%	12,458,030	8	
HTA - Wisconsin Mob 2 LLC	Medical facilities	12,880,300	9	0.38%			
Franklin Wyndham, LLC	Land held for Development	12,800,000	10	0.38%			
All Glass Aquarium	Aquariums and fluorescent lights				11,160,600	9	0.44%
Waste Management	Landfill and refuse collection				15,747,740	5	0.62%
Harley Davidson	Motorcycle manufacturing				13,708,100	6	0.54%
Mission Hills Apts	Apartments				13,606,620	7	0.54%
		<u>\$ 285,589,200</u>		8.49%	<u>\$ 203,690,720</u>		7.52%

Source: City of Franklin Assessor's Office

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			
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
2005	2,925,386	16,899,300	19,824,686	19,811,739	99.93%	52,998

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					City of Franklin			Total
			Franklin	Whitnall	Oak Creek-Franklin	MATC	MMSD	Local	Tax Increment	Special Charges	
2014	\$ 609,193	\$ 17,713,835	\$ 32,782,988	\$ 2,285,650	\$ 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	2,526,324	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	15,112,930	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	4,264,165	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	4,192,123	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	5,905,586	4,175,609	18,501,000	3,127,116	680,126	77,550,545
2005	568,521	12,370,412	23,516,671	1,986,396	3,765,902	5,474,766	3,974,373	17,566,000	2,860,368	636,113	72,719,522

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
Ratio 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	Less Impact Fee Amounts due from Future Development	Net General Bonded Debt	(1) Percent of Estimated Actual Property Value	(2) Percent of Personal Income	(2) Per Capita
	Governmental			Business-type											
	General Obligation Bonds	General Obligation Notes	Lease Revenue Bonds	Sewer General Obligation Notes	Water General Obligation Bonds										
2014	\$ 7,615,000	\$ 5,320,000	\$ -	\$ 23,486,522	\$ 1,290,000	\$ 37,711,522	\$ 424,721	\$ (3,330,000)	\$ (23,486,522)	\$ (4,261,930)	\$ 7,037,791	0.20%	N/A	197	
2013	8,185,000	9,695,000	-	24,565,423	-	42,445,423	1,491,385	(9,695,000)	(24,565,423)	(4,355,130)	5,321,255	0.16%	0.44%	149	
2012	8,805,000	12,865,000	-	22,064,833	-	43,734,833	2,553,267	(12,865,000)	(22,064,833)	(4,586,130)	6,772,137	0.20%	0.56%	191	
2011	9,525,000	22,970,000	-	-	-	32,495,000	(4,094,755)	(15,520,000)	-	(4,709,600)	8,170,645	0.23%	0.74%	230	
2010	9,730,000	30,160,000	-	-	-	39,890,000	(3,021,276)	(21,860,000)	-	(4,920,150)	10,988,572	0.28%	0.93%	285	
2009	9,880,000	35,285,000	-	-	-	45,165,000	(2,078,900)	(26,265,000)	-	(5,112,688)	11,888,414	0.31%	1.12%	347	
2008	10,030,000	46,050,000	-	-	-	56,080,000	(8,339,240)	(25,400,000)	-	(4,775,000)	13,565,760	0.36%	1.23%	404	
2007	10,180,000	39,525,000	2,375,000	-	-	52,080,000	(12,240,285)	(22,375,000)	-	(4,294,700)	13,169,515	0.36%	1.18%	395	
2006	9,775,000	31,625,000	5,195,000	-	-	46,795,000	(10,395,500)	(15,195,000)	-	(4,497,000)	16,707,493	0.49%	1.53%	506	
2005	9,825,000	23,075,000	17,715,000	-	-	50,615,000	(8,718,542)	(17,705,000)	-	(4,754,000)	19,426,458	0.66%	2.04%	587	

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

(2) Population and personal income can be found in Table 13

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-repealable 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 \$1,290,000 of 20 Year bonds. Proceeds were used to finance the Water Building.
In 2014 the City issued \$5,320,000. Proceed were used to provide funding for TIF projects and Capital Improvement projects
In 2012 the City issued \$27,562,754. 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 \$9,825,000. 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 needs 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.
In 2005 the City issued \$10,000,000. Proceeds were used to provide funding for two TIF Districts and public works projects with repayment completed in 2012

Table 12

CITY OF FRANKLIN, WISCONSIN
 Schedule of Direct and Overlapping Debt - Governmental Activities
 December 31, 2014

Jurisdiction	Net general obligation bonded debt outstanding	Percentage applicable to City	Amount applicable to City
Milwaukee County ¹	\$ 685,012,910	6.2408%	\$ 42,750,442
Whitnall School District	280,000	13.9325%	39,011
Oak Creek - Franklin School District	43,550,000	17.4840%	7,614,274
Franklin School District	33,940,000	100.0000%	33,940,000
Milwaukee Area Technical College	109,920,000	5.0324%	5,531,580
Milwaukee Metropolitan Sewerage District	923,728,417	6.3604%	58,752,848
Total Overlapping Debt	1,796,431,327		148,628,155
City of Franklin	12,935,000	100.0000%	12,935,000
Total	\$ 1,809,366,327		\$ 161,563,155

History	Milwaukee County	School Districts				MAT	MMSD	Overlapping Debt Total	City of Franklin	Total
		Franklin	Whitnall	Oak Creek/Franklin						
2014	\$ 42,750,442	\$ 33,940,000	\$ 39,011	\$ 7,614,274	\$ 5,531,580	\$ 58,752,848	\$ 148,628,155	\$ 12,935,000	\$ 161,563,155	
2013	43,757,820	36,275,000	46,013	7,660,950	5,659,039	59,969,813	153,388,635	17,880,000	171,268,635	
2012	46,023,745	5,105,000	56,142	6,444,583	5,929,102	63,513,083	129,071,865	21,670,000	150,741,865	
2011	49,686,048	6,885,000	1,175,097	8,483,031	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	53,906,419	125,776,973	39,890,000	165,666,973	
2009	48,685,158	9,860,000	398,980	9,860,000	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	24,417,746	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	2,894,885	39,475,550	93,621,829	41,600,000	135,221,829	
2005	24,869,812	22,100,000	1,190,187	5,572,164	3,253,637	37,814,976	94,820,976	32,900,000	127,720,976	

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.

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
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	132,470,462	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	56,089,000	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%	**		
2005	3,030,815,900	151,540,795	32,900,000	118,640,795	21.71%	**		

(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

Table 14

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

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
2014	35,702	N/A	N/A	N/A	N/A	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	20,395	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%
2005	32,548	951,934,636	29,247	19,372	22,214	3.4%	5.2%	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

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2014</u>			<u>2005</u>		
		<u>Employees</u>	<u>Rank</u>	<u>Percent of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percent of Total City Employment</u>
Northwestern Mutual	Insurance/Investment Services	3,230	1	17.68%	800	1	4.61%
Wheaton Franciscan Healthcare	Medical & surgical hospital	798	2	4.37%	-	-	-
Franklin Public Schools	K-12 Education	550	3	3.01%	541	2	3.12%
Krones, Incorporated	High speed labeling/filler machines	509	4	2.79%	400	T-4	2.30%
Milwaukee County County Corrections South	Government	361	5	1.98%	450	3	2.59%
Baptista's Bakery	Commercial Bakery	358	6	2.12%	-	-	-
General Automotive Mfg LLC	Off-road engine components mfg	323	7	1.77%	400	T-4	2.30%
Wal-Mart	Retailer	272	8	1.49%	280	7	1.61%
Conway Trucking	Trucking	256	9	1.40%	-	-	-
Carlisle Interconnect Technologies	Wire harnesses	255	10	1.40%	-	-	-
Waste Management	Landfill and refuse collection	-	-	-	340	6	1.96%
Central Aquatics	Aquariums and fluorescent lights	-	-	-	280	8	1.61%
City of Franklin	Government	-	-	-	259	9	1.49%
BD Medical Systems	Medical devices/syringes	-	-	-	220	10	1.27%
		<u>6,942</u>		<u>38.00%</u>	<u>3,970</u>		<u>22.87%</u>

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

<u>Department</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>	<u>2005</u>
General government										
Common council	-	-	-	-	-	-	0.48	0.48	0.48	-
Municipal buildings Clerk	2.50	2.50	2.50	2.00	2.00	2.00	2.00	2.00	2.00	0.50
Information services Administration	4.14	4.14	4.14	4.00	4.00	4.00	3.53	3.53	3.50	3.50
Finance	-	-	-	-	-	-	-	-	-	-
Assessor	4.00	3.00	3.00	3.60	3.60	3.60	3.80	3.80	3.80	3.75
Municipal buildings	6.60	7.10	7.10	7.03	7.10	7.10	7.10	7.30	7.30	7.45
Total general government	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	2.78	3.74	3.74	3.92	4.74	4.74	4.83	4.83	4.90	4.68
	21.02	21.48	21.48	21.55	22.44	22.44	22.74	22.94	22.98	20.88
Public safety										
Police	75.75	75.75	76.75	77.25	77.25	77.25	77.25	77.25	77.25	78.75
Fire	46.50	46.50	46.45	46.48	46.45	46.45	46.45	45.45	44.00	44.00
Building inspection	7.00	7.00	7.00	8.00	8.00	8.00	10.00	10.00	10.00	12.00
Total public safety	129.25	129.25	130.20	131.73	131.70	131.70	133.70	132.70	131.25	134.75
Public works										
Engineering	8.25	8.25	8.25	8.25	8.80	8.80	9.80	9.80	9.80	9.80
Highway	22.48	22.00	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	2.27	1.79	1.25	1.25
Total public works	32.73	32.25	32.25	32.25	32.80	32.80	34.07	33.59	33.05	33.05
Public health	6.75	6.15	6.25	6.25	6.15	6.15	6.50	6.63	6.50	6.50
Planning	4.00	4.00	4.60	5.60	5.60	5.60	7.60	7.60	6.60	6.60
Economic Development	0.58	-	-	-	-	-	-	-	-	-
Total general fund	194.33	193.13	194.78	197.38	198.69	198.69	204.61	203.46	200.38	201.78
Public health - grant	-	-	-	-	-	-	-	-	-	0.25
Library	17.19	17.70	16.82	17.12	17.11	17.11	17.20	17.22	16.92	16.10
Sewer & water	10.80	11.55	11.53	11.53	12.55	12.55	12.85	12.85	12.85	11.10
Total	222.32	222.38	223.13	226.03	228.35	228.35	234.66	233.53	230.15	229.23

Source: City of Franklin Budget Document

Table 17

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

	<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>	<u>2005</u>
Police										
Part 1 Major crimes	894	873	852	689	629	804	994	1,066	764	775
Arrests	1,455	1,012	1,799	1,554	1,606	1,235	1,467	1,492	2,021	1,954
Traffic & parking citations	9,742	7,431	9,449	11,093	9,125	7,793	6,880	8,449	6,730	8,021
Calls for service	40,627	38,692	39,329	38,714	37,273	28,267	27,107	28,169	-	-
Number of sworn officers	59	58	58	58	58	58	59	59	59	59
Fire										
Fire responses	688	679	594	540	574	496	704	573	588	514
EMS responses	2,838	2,754	2,688	2,605	2,546	2,515	2,790	2,767	2,526	2,451
Fire inspections	2,480	2,436	2,485	2,765	2,463	2,511	2,578	2,364	2,267	2,056
Number of full-time firefighters	45	45	45	45	45	46	46	46	45	43
Basic Life Support Transports	1,190	1,155	1,137	1,099	1,341					
Paramedic Transports	1,004	975	910	863	823					
Highway										
Miles of crack sealing	38	28	32	30	28	31	34	31	21	19
Trees pruned	1,000	704	1,053	1,427	2,126	927	378	558	1,640	823
Vehicles maintained	167	167	167	165	165	165	165	159	150	150
Solid waste										
Non-recyclable refuse collected (tons)		7600	8,205	8,353	8,320	7,762	8,519	8,381	8,368	8,296
Recyclables collected (tons)	3,000	3000	2,737	2,813	2,693	2,676	2,825	3,008	3,108	3,132
Yard waste (tons)	310	310	338	274	295	375	214	205	208	193
Health										
Home visits	1,300	1,276	1,435	1,213	1,383	1,616	1,280	1,401	1,602	1,440
Immunization clinic visits	2,400	1,825	2,488	2,653	3,660	8,658	3,407	3,015	3,904	3,140
Sanitarian inspections	400	383	438	298	366	380	274	196	393	420
Animal control										
Animal control pickups	110	104	92	120	167	126	165	223	194	208
Library										
Circulation	494,000	477,991	502,989	514,163	519,580	519,054	490,843	471,442	465,468	452,382
Collection size	140,000	140,000	144,000	142,000	140,000	135,688	130,000	127,000	120,724	117,804
Internet use	31,200	33,507	39,976	49,638	50,369	50,222	55,000	54,000	51,187	46,364
Sanitary sewer										
Number of customers	10,090	10,060	10,010	9,970	9,775	9,883	9,853	9,779	9,567	9,216
Feet of sewer cleaned	255,000	250,000	250,000	217,000	218,000	250,000	264,000	92,010	119,200	317,042
Water										
Number of customers -average	8,000	7,930	7,931	7,850	7,807	7,756	7,683	7,561	7,288	6,930
Average daily consumption	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	2,519,000
Peak daily consumption	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	5,737,376

Source: City Budget Document

Table 18

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

	<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>	<u>2005</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	17,700
Acres developed (approximate)	9,694	9,540	9,410	11,336	11,329	11,267	11,233	10,878	10,210	6,200
Acres in park and open space	5,167	4,928	4,854	3,873	3,873	3,873	3,873	3,851	3,684	3,500
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	23.74	23.74	23.74	23.74	23.74	23.74	23.74	23.74	23.74	23.74
Local	166.32	166.07	166.51	165.97	165.97	165.97	166.51	165.31	164.74	162.78
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	1	1
Number of sub stations	1	1	1	1	1	1	1	1	1	1
Sewer and water service:										
Miles of sanitary sewer	191	185	185	185	185	185	182	181	180	176
Miles of watermain	168	167	167	167	166	166	164	163	157	154
Number of fire hydrants	2,145	2,130	2,120	2,115	2,111	2,106	2,081	2,056	1,956	1,890
Recreation and culture:										
Number of trails	11	10	10	7	7	4	4	4	3	3
Number of city parks	12	12	12	12	12	12	12	12	11	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	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	32,392	26,480	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	6,620	6,620	6,620	6,620	6,620	6,620	6,620	6,620	6,620	6,620

Source: City of Franklin records

Finance Committee and Common Council
City of Franklin, Wisconsin
Franklin, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Franklin, Wisconsin (the City) as of and for the year ended December 31, 2014, and have issued our report thereon dated May 5, 2015. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Franklin, Wisconsin are described in Note 1 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during 2014.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements were:

- The City is self-insured for its health and dental claims. Management's determination of estimated claims and judgments are based on historical loss levels for health claims.
- Management records an expense and related liability for the difference between the other postemployment expense and the amount paid on behalf of retirees and employees for health and life insurance benefits. This additional liability, termed net OPEB obligation, is an estimate that is determined through the use of an actuarial study performed by an outside organization.

- Management also records an expense and related liability for the difference between the accrued pension expense and the amount paid on behalf of retirees and employees for pension benefits. This additional liability, termed net pension obligation, is an estimate that is determined through the use of an actuarial study performed by an outside organization.
- Management's estimate of depreciation is based on the estimated useful lives of the buildings and improvements, machinery and equipment, and infrastructure. We evaluated the key factors and assumptions used to develop depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements except for unbilled utility revenues from the last billing date for the year to December 31, 2014 which would result in an increase in assets of \$155,019, an increase in liabilities of \$114,096 and a net effect on the change in net assets of the business-type activities of \$40,923

Corrected misstatements

The following material misstatements detected as a result of audit procedures were corrected by management:

Reclassification to increase cash and decrease taxes receivable by \$3,425,007 for tax collections received prior to year end and posted after year end.

Disagreements with management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the attached management representation letter dated May 5, 2015.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Audits of group financial statements

We noted no matters related to the group audit that we consider to be significant to the responsibilities of those charged with governance of the group.

Other information in documents containing audited financial statements

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

With respect to the combining and individual fund financial statements and schedules listed in the table of contents (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated May 5, 2015.

Other information is being included in documents containing the audited financial statements and the auditors' report thereon. Our responsibility for such other information does not extend beyond the financial information identified in our auditors' report. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in such documents. As required by professional standards, we read the introductory section and the statistical tables listed in the table of contents (the other information) in order to identify material inconsistencies between the audited financial statements and the other information. We did not identify any material inconsistencies between the other information and the audited financial statements.

* * *

This communication is intended solely for the information and use of the Finance Committee and Common Council and management of City of Franklin, Wisconsin and is not intended to be, and should not be, used by anyone other than these specified parties.

Milwaukee, Wisconsin
May 5, 2015

FRANKLIN, WISCONSIN
CITY OF FRANKLIN
APR 10 2015 10:00 AM

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Finance Committee and Common Council
City of Franklin, Wisconsin
Franklin, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Franklin, Wisconsin, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City of Franklin, Wisconsin's basic financial statements, and have issued our report thereon dated May 5, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Franklin, Wisconsin's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Franklin, Wisconsin's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Franklin, Wisconsin's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Franklin, Wisconsin's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Milwaukee Wisconsin
May 5, 2015



Management

City of Franklin, Wisconsin
Franklin, Wisconsin

In planning and performing our audit of the financial statements of City of Franklin, Wisconsin as of and for the year ended December 31, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered the entity's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

However, during our audit we became aware other matters that are opportunities to strengthen your internal control and improve the efficiency of your operations. Our comments and suggestions regarding those matters are summarized below. We previously provided a written communication dated May 5, 2015, on the entity's internal control. This letter does not affect our communication dated May 5, 2015.

Tax collections

Management receives a significant amount of tax payments during the months of December and January, including a significant amount of payments within a few days before year end, as well as a few days after year end. Management posts these payments into the tax collection software and posts batches of these payments into the general ledger. During our testing of these batch deposits, we noted certain batches that were received prior to year end, but were not applied to the general ledger until after year end. This timing difference resulted in the need to propose a reclassification from taxes receivable to cash as of the end of the year. Management has reviewed and accepted the entry. We recommend review of batch deposits to ensure that all amounts received are posted as received in the correct fiscal year.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various entity personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of management, the finance committee and common council, and others within the entity, and is not intended to be, and should not be, used by anyone other than these specified parties.

Milwaukee, Wisconsin
May 5, 2015

May 5, 2015

CliftonLarsonAllen LLP
10700 West Research Drive, Suite 200
Milwaukee, WI 53226

This representation letter is provided in connection with your audit of the financial statements of City of Franklin, Wisconsin, which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of May 5, 2015, the following representations made to you during your audit.

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated November 24, 2015, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP. The financial statements include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- We acknowledge and have fulfilled our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We have identified all accounting estimates that could be material to the financial statements, including the key factors and significant assumptions used in making those estimates, and we believe the estimates (including those measured at fair value) and the significant assumptions used in making those accounting estimates are reasonable.

- Significant estimates have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. Significant estimates are estimates at the financial statement date that could change materially within the next year.
- Related party relationships and transactions, including, but not limited to, revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- No events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements for each opinion unit. You have proposed an uncorrected misstatement related to reporting of unbilled utility revenue and related purchased water cost from the last billing date to the end of the year. The net effect of this proposed adjustment is approximately \$40,923. We are in agreement with this passed adjustment and accept responsibility for it.
- We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP.
- Arrangements with financial institutions involving repurchase, reverse repurchase, or securities lending agreements, compensating balances, or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements, have been properly recorded or disclosed in the financial statements.
- Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the financial statement date and have been reduced to their estimated net realizable value.
- We have no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows, liabilities, deferred inflows or equity.
- Capital assets have been evaluated for impairment as a result of significant and unexpected decline in service utility. Impairment loss and insurance recoveries have been properly recorded.
- We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefits (OPEB) liabilities and costs for financial accounting purposes are appropriate in the circumstances.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters.
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - Complete minutes of the meetings of the governing board and related committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - All communications from regulatory agencies, grantors, lenders, and other funding sources concerning noncompliance with, or deficiencies in, financial reporting practices.
 - All communications from regulatory agencies, grantors, lenders, and other funding sources concerning noncompliance with the provisions of laws, regulations, contracts, and grant agreements.
 - Access to all audit or relevant monitoring reports, if any, received from funding sources.
- All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others when the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, grantors, regulators, or others.
- We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations and provisions of contracts and grant agreements, or abuse whose effects should be considered when preparing financial statements.

- There are no other material liabilities or gain or loss contingencies that are required to be accrued or disclosed in accordance with U.S. GAAP.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral, except as made known to you and disclosed in the financial statements.
- We have a process to track the status of audit findings and recommendations.
- We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to City of Franklin, Wisconsin, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- The entity has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- We have complied with all restrictions on resources and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance.
- We are responsible for determining whether we have received, expended, or otherwise been the beneficiary of any federal awards during the period of this audit. No federal award, received directly from federal agencies or indirectly as a subrecipient, was expended in an amount that cumulatively totals from all sources \$500,000 or more. For this representation, "award" means financial assistance and federal cost-reimbursement contracts that non-federal entities receive directly from federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, user grants, or contracts used to buy goods or services from vendors.
- We have followed all applicable laws and regulations in adopting, approving, and amending budgets.

- The financial statements properly classify all funds and activities.
- All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- Components of net position (net investment in capital assets; restricted; and unrestricted) and fund balance amounts are properly classified and, if applicable, approved.
- Investments are properly valued.
- Provisions for uncollectible receivables have been properly identified and recorded.
- Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- Revenues are appropriately classified in the statement of activities within program revenues and general revenues.
- Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- Deposits and investment securities are properly classified as to risk and are properly disclosed.
- We acknowledge that investments held in the OPEB trust fund only recently came into compliance with the investment policy. We had concluded that the deviation from policy is not material and has not been disclosed in the financial statements.
- Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- We have appropriately disclosed the entity's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position was properly recognized under the policy.
- We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- We acknowledge our responsibility for presenting the description of funds and combining and individual fund financial statements and schedules (the supplementary information) in accordance with U.S. GAAP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary

CliftonLarsonAllen LLP
May 5, 2015
Page 6

information. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditors' report thereon.

Paul Rotzenberg
Finance Director and Treasurer

Mark Luberda
Director of Administration

2015-05-05 10:00 AM
CLARSON LLP
1000 WASHINGTON ST
ANN ARBOR MI 48106-1500
TEL: 734.769.7000
WWW.CLARSONLLP.COM

City of Franklin, WI

2014 Financial Statements

Governmental



General Fund

- **Surplus of \$851,545** — Exhibit F -pg 32- with budget details
 - Compares to an Original Balanced Budget (excluding the \$990,000 Restricted Contingency)
 - This improvement was principally the result of reduced Expenditures

General Fund - Revenues

- Revenues of \$23,676,629 – 0.3% favorable –
Exhibit F pg 32 & Sch 3 Pg 80/81
 - Exceeded budget by \$73,279
 - All other 68.5% favorable - \$231,318 – Investment gains
 - Licenses, Fees & Permits – 6.5% unfav - \$55,998
 - Reduced building permits – no major projects
 - Public Charges for Services – 3.5% unfav - \$48,663 – fewer zoning changes
 - Taxes were 0.1% unfav- \$17,991
 - Intergovernmental were 0.5% unfav - \$13,363
 - Fines – 4.1% unfav - \$22,024

General Fund - Expenditures

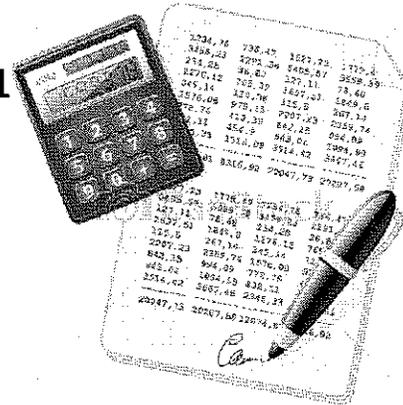
- Expenditures of \$23,084,252 – 7.5% fav - \$1,870,998
 - Sch 4 Pg 82/83
 - General Government – 21.4% fav - \$803,394 – unspent Restricted Contingency of \$662,100 (orig \$990,000)
 - Public Safety – 5.1% fav - \$823,326 – Reduced benefit costs – OPEB cost reduction
 - Public Works – 2.6% fav - \$94,197 – Winter 2013-14 snow removal costs unusually high
 - Conservation & Development – 24.7% fav - \$116,404 – vacant Development Director position

General Fund Balance

• **Total Fund Balance - \$8,633,112 –**

Exhibit C – Pg 28

- Non-Spendable - \$2,277,071
- Assigned for Uncompleted 2014 projects - \$207,270
- **Unassigned - \$6,148,771**
- Which is 24% of 2015 Budget expenditures



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Debt Service Fund

- **Surplus of \$1,068,046 –** Exhibit D Pg 30 & Sch 5 Pg 92
- Surplus used to pay interfund advance
- After Transfers in of \$226,811 – from Dev fund
- Premium on December Sale of Debt - \$66,747
- InterFund Advance remaining at Dec 2014 - \$1,075,000



TIF District Funds

- **\$3,980,515 Deficit** — Exhibit D Pg 30 & Sch 11 Pg 84
 - Repaid \$9,695,000 Note on incentive
 - New Debt sold in December 2014 of \$3,330,000 - TID #3 -(financing 27th Street Project).
 - Interfund Advances to TID's total \$4,588,000 at December 31, 2014

Non-Major Funds

- **\$1,311,904 Surplus** in 2014 — Exh D Pg 30 & Sch 2 Pg 79/80
 - Revenues of \$7,134,224
 - Expenditures - \$6,712,796
 - \$1,990,000 New Debt sold - into Capital Improvement Fund
 - Net Transfers out were \$1,141,918 net - \$873,727 of that to Water Fund

**Enterprise Funds –
Water, Sewer, Self Insurance Funds -Exhibit H – Pg 35**

- Water Fund had **\$365,784 operating surplus** prior to \$1,044,446 Tax Equivalent Payment and \$873,727 transfer in from Development Fund
- Sewer Fund had **\$326,899 operating deficit**, prior to \$150,235 capital Contribution and \$61,196 of other Income
- Self Insurance Fund had **\$333,770 surplus**, 1/3 of which were investment returns.

**Enterprise Funds
Balance Sheet Highlights – Exh G Pg 33 & 34**

- Sewer Fund has \$22.3 million General Obligation Clean Water Fund Loan –
 - MMSD by intergovernmental agreement to pay P&I starting in 2015
 - MMSD will repay City \$2.5 million in Jan 2017 – payments on CWFL thru Dec 2014
- Water Fund sold \$1,290,000 Debt in December to finance the Water Building
- Self Insurance funds hold \$2,338,000 of the Interfund advances
 - Has \$370,000 of Insurance reserves.

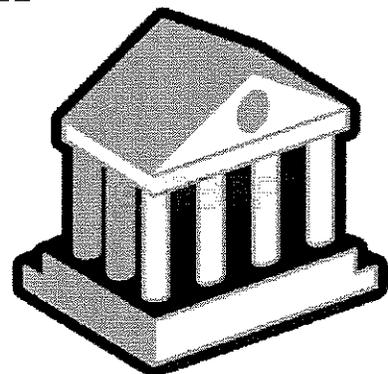
Agency Funds

Exhibit J Pg 38 & Exhibit K Pg 39

- Fund bills/collects the Property Tax roll for all taxing authorities (Milw Cnty, MMSD, MATC, and three School Districts)
- At Year End – held \$53.1 million in cash – to be distributed, and un-collected taxes of \$16.4 million
- OPEB Trust - \$4.4 million in assets –
 - 78% in equities,
 - 22% in Fixed Income
 - OPEB Trust had \$312,888 of investment earnings in 2014

Cash Investments

- Footnote 3 A Pg 55/56 for details on \$82.5 million
 - Tax Agency Fund has \$53.1 million
 - \$16.2 million in fixed income investments –
 - CD's - \$1,470,000
 - US Treasuries/Agencies - \$8,790,3121
 - Corporate Notes - \$5,556,896
 - Other - \$453,493
 - Maturities are listed in the note -



Non-Major Funds

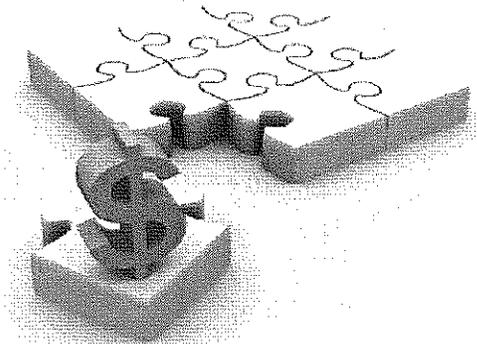
- **Balance Sheets** – Schedule 1 Pg 76 & 77
 - \$7,561,000 of cash/investments on hand
 - \$3,325,000 of Interfund Advances
 - Deficit (\$11,55) in the St Martin's Fair fund
- **Statement of Revenues, Expenditures and Changes in Fund Balance** – Schedule 2 Pg 78/79
 - 7 of the 13 funds have budgetary controls
 - Transfer out of Development Funds to Capital Improvement, Debt Service and Water Funds
 - Capital Improvement Fund balance nearly equal to Debt Proceeds on incomplete projects

General Fund Budgetary Results

- **Revenues by Line item** – Schedule 3 Pg 80/81
 - Many revenue types were unfavorable to 2014 budget levels
 - Investment Earnings & Misc two notable exceptions
- **Expenditures** – Schedule 4 Pg 82/83
 - General Government – Unspent contingencies
 - Public Safety – Employee benefit savings - OPEB costs
 - Public Works - \$153,000 additional appropriations - \$94,197 went un-spent
 - Snow removal costs in Jan/Feb 2014
 - Public Health – Delayed hiring of Sanitarian – end of Q1
 - Conservation – Open Economic Development Director position

Debt Service Fund

- Budget Results – Schedule 5 Pg 84
- Transfers in are less than budget
 - Impact fees on the Police, Fire and Transportation fees have not been sufficient to pay principal & interest on debt



Library Fund

- **\$51,812 surplus** in 2014 – Schedule 6 Pg 85
- Surplus Exceeded the Budget by **\$113,318**
 - Additional revenue from Milw County Federated Library System
 - Expense reductions

Solid Waste Fund

- **\$28,078 Surplus** — Schedule 7Pg 86
- Surplus was \$10,968 unfavorable to Budget
 - Dec 2013 expenses spilled into 2014
 - Fund Balance of \$216,385 – 13.9% of 2105 expenditures



Capital Projects Funds

- Budget comparisons for the four capital funds and the Development Fund — Sch 8 Pg 87-89
 - Capital Outlay fund – Smaller deficit than planned, on reduced expenditures
 - Equipment Replacement fund - bigger surplus than planned – investment earnings
 - Street Improvement Fund – small surplus compared to budgeted deficit – Developer deposit forfeiture that funded project
 - Capital Improvement Fund –
 - Additional Landfill siting revenue
 - Many un-completed projects
 - Development fund –
 - Revenues exceeded budget
 - Transfers out were less than budget – fewer parks projects than planned.

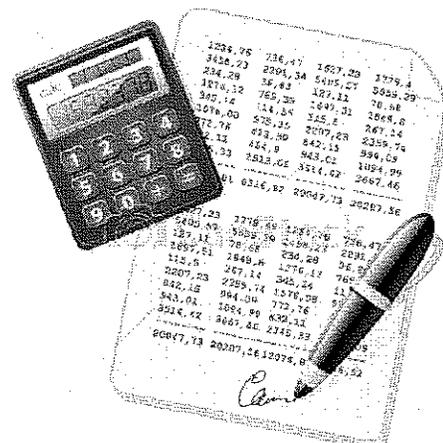
Fiduciary Funds

Schedule 9 Pg 90– Combining Statement

- Property Tax Agency Funds
 - City Bills/Collects Real Estate & Personal Property Tax
- Other Agency funds
 - held escrow funds on TID 2 closure – paid out in 2014.

TID Funds # 3 & 4

- Combining Balance Sheets – Schedule 10 Pg 91
 - Reflects the interfund advances
- Combining Statements of Revenue & Expenditures – Schedule 11 Pg 92
 - TID 3 issued \$3,330,000 of debt in Dec 2014 to finance the S 27th Street project



Capital Assets

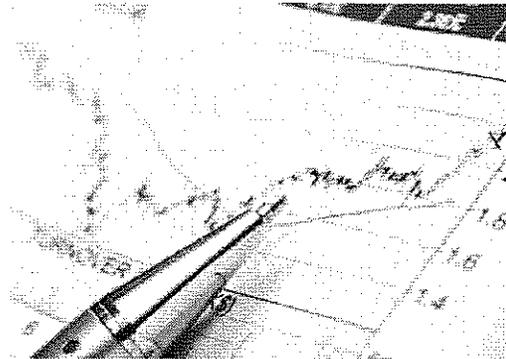
- Assets by type – Schedule 12 Pg 93-95
- Asset balances by Function & Activity – Schedule 12.1
- Changes in Asset Balances by Function & Activity – Schedule 12.2
 - Major expenditures in Infrastructure and Highway

Statistical Section

- Tables 1-4 – 10 yr history of Financial Statements
- Tables 5 & 6 – Assessed Values in City
- Tables 7-10 – Real Estate Tax information
 - Rates
 - Largest Taxpayers
 - City Tax Levies
 - Other Taxing Authority levies
- Tables 11-13 – Debt Information
 - City Debt
 - Overlapping Debt
 - Legal Debt Margin
- Tables 14-18 – General Statistics about City

Government Wide Statements

- Balance Sheet - Exhibit A Pg 26
- Statement of Activity – Exhibit B – Pg 27
- Converts Governmental Statement to basis similar to private-sector statements
 - Capital Assets of the City
 - Long term obligations
 - Debt
 - Employee benefits
- Auditor's Report and Discussion



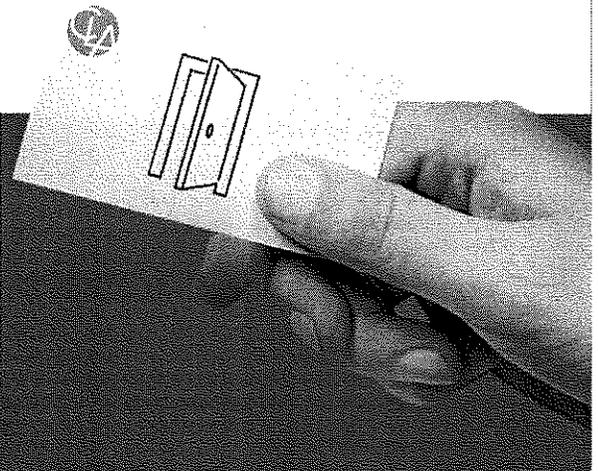
City of Franklin 2014 Audit

Presented to the City Council
May 4, 2015



CliftonLarsonAllen

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

- Transmittal letter
- Auditor's report
 - Unmodified opinion
- Management discussion and analysis
- Financial statements and footnotes
- Supplementary information
- Statistical information

Significant Audit Areas

- Cash and investments
- Receivables and related revenues
- Long-term obligations, including debt and OPEB
- Fund balances and net position
- General Disbursements
- Payroll Disbursements

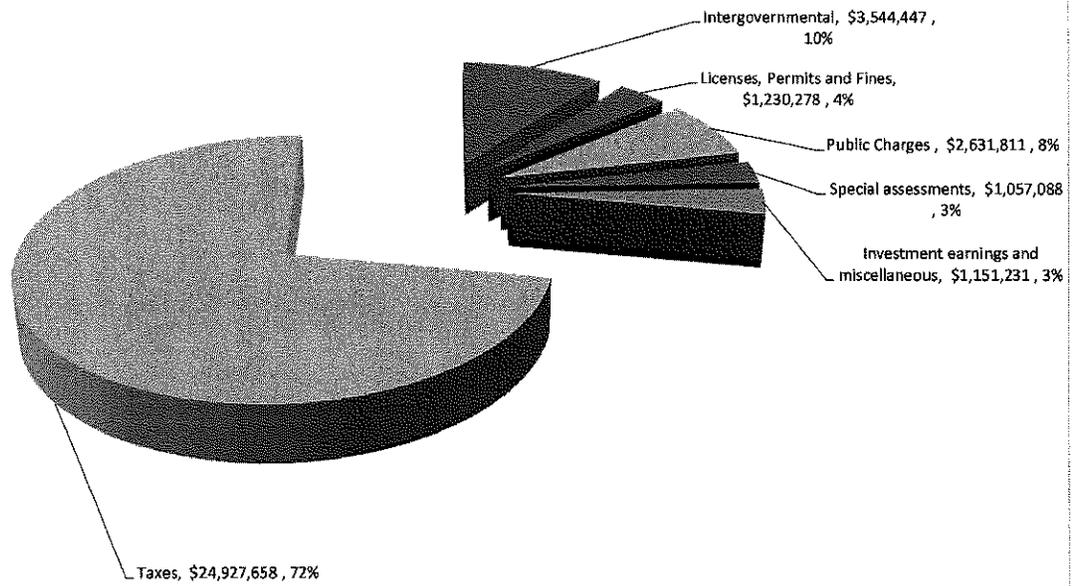
Governmental Funds

	<u>General</u>	<u>Debt Service</u>	<u>TIF Districts</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Revenues	\$22,629,765	\$ 1,690,132	\$ 3,085,892	\$ 7,136,724	\$ 34,542,513
Expenditures	<u>22,866,464</u>	<u>915,644</u>	<u>10,562,487</u>	<u>6,712,796</u>	<u>41,057,391</u>
Revenues over (under) expenditures	(236,699)	774,488	(7,476,595)	423,928	(6,514,878)
Other financing sources (uses)	1,088,244	293,558	3,496,080	887,976	5,765,858
Fund balance					
Beginning of year	<u>7,781,567</u>	<u>(1,492,767)</u>	<u>3,114,621</u>	<u>9,376,256</u>	<u>18,779,677</u>
End of year	<u>\$ 8,633,112</u>	<u>\$ (424,721)</u>	<u>\$ (865,894)</u>	<u>\$ 10,688,160</u>	<u>\$ 18,030,657</u>
Nonspendable	\$ 2,277,071	\$ -	\$ -	\$ 900	\$ 2,277,971
Restricted	-	546,238	347,978	5,999,353	6,893,569
Assigned	207,270	-	-	4,699,459	4,906,729
Unassigned	<u>6,148,771</u>	<u>(970,959)</u>	<u>(1,213,872)</u>	<u>(11,552)</u>	<u>3,952,388</u>
Total	<u>\$ 8,633,112</u>	<u>\$ (424,721)</u>	<u>\$ (865,894)</u>	<u>\$ 10,688,160</u>	<u>\$ 18,030,657</u>

Governmental Revenues

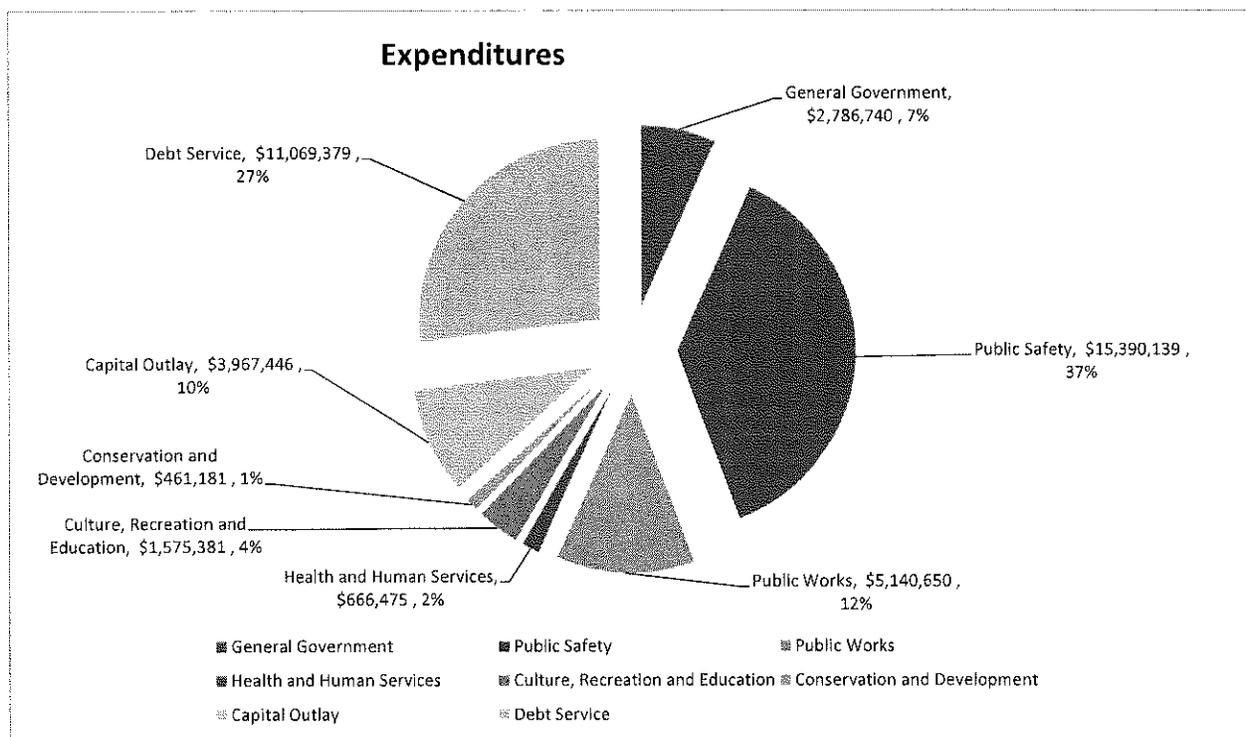
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Revenues



■ Intergovernmental ■ Licenses, Permits and Fines ■ Public Charges ■ Special assessments ■ Investment earnings and miscellaneous ■ Taxes

Governmental Expenditures



GOVERNMENT-WIDE (GASB 34) STATEMENTS

	Balance Sheet Conversion	Income Statement Conversion
Fund balance - governmental funds	\$ 18,030,657	\$ (749,020)
Capital assets	114,884,684	415,176
Receivables and related deferred inflows	1,382,528	(60,516)
Internal service net position	3,440,171	333,770
Long-term obligations	<u>(15,029,051)</u>	<u>4,768,779</u>
Net position - governmental activities	<u>\$ 122,708,989</u>	<u>\$ 4,708,189</u>

PROPRIETARY FUNDS

	Enterprise Funds		Internal Service Funds
	Water	Sewer	
Operating revenue	\$ 5,421,719	\$ 3,266,897	\$ 3,264,801
Operating expenses	<u>5,055,935</u>	<u>3,593,796</u>	<u>3,047,834</u>
Operating income	365,784	(326,899)	216,967
Nonoperating revenue (expenses)	22,950	61,196	116,803
Capital contributions	406,060	150,235	-
Net transfers	<u>(170,719)</u>	<u>(2,418)</u>	<u>-</u>
Change in net position	624,075	(117,886)	333,770
Net position, beginning of year	<u>45,917,531</u>	<u>46,472,725</u>	<u>3,106,401</u>
Net position, end of year	<u>\$46,541,606</u>	<u>\$46,354,839</u>	<u>\$ 3,440,171</u>
Capital assets	\$45,076,883	\$43,490,374	\$ -
Restricted	-	313,558	-
Unrestricted	<u>1,464,723</u>	<u>2,550,907</u>	<u>3,440,171</u>
Net position, end of year	<u>\$46,541,606</u>	<u>\$46,354,839</u>	<u>\$ 3,440,171</u>

FIDUCIARY FUNDS

	<u>OPEB Trust</u>
Contributions and investment earnings	\$ 949,096
Expenses	<u>337,041</u>
Change in net position	612,055
Net position, beginning of year	<u>3,806,184</u>
Net position, end of year	<u>\$ 4,418,239</u>
	 <u>Agency Fund</u>
Assets held on behalf of others	<u>\$69,536,506</u>
Liabilities	<u>\$69,536,506</u>

Disclosures

- Accounting policies
- Cash and investments
- Capital assets
- Long-term obligations
- Net position and fund balances
- OPEB

Governance Communications

- Qualitative aspects of accounting practices
 - Accounting policies
 - Accounting estimates
 - Financial statement disclosures
- Adjustments
- Other matters
 - No difficulties or disagreements
 - No consultation with other accountants
 - Management representations

Other Reports and Letters

- Internal Control and Compliance Letter
 - No material weaknesses, significant deficiencies or other matters reported
 - No findings of noncompliance
- Management Letter
 - Best practice recommendation for advance tax collections

Conclusion

- Records maintained in good order
- Full cooperation from City Staff
- Special thanks to the City during a transitional audit year