

**City of Franklin WI
General Obligation Debt Summary**

Fund	Borrowed	Balance Dec-23	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
City													
New Loans			-	2,000,000	-	4,250,000	-	2,000,000	-	2,000,000	-	2,000,000	-
Principal Payments			1,384,605	1,180,000	1,095,000	1,230,000	895,000	1,140,000	1,420,000	1,100,000	1,365,000	1,665,000	1,545,000
Interest Payments			160,154	185,681	246,369	219,456	642,419	612,856	663,394	620,769	663,844	604,931	625,081
Premium			(92,499)	(30,113)									
Total payments			<u>1,452,260</u>	<u>1,335,568</u>	<u>1,341,369</u>	<u>1,449,456</u>	<u>1,537,419</u>	<u>1,752,856</u>	<u>2,083,394</u>	<u>1,720,769</u>	<u>2,028,844</u>	<u>2,269,931</u>	<u>2,170,081</u>
Loan Balance		9,870,000	<u>8,485,395</u>	<u>9,305,395</u>	<u>8,210,395</u>	<u>11,230,395</u>	<u>10,335,395</u>	<u>11,195,395</u>	<u>9,775,395</u>	<u>10,675,395</u>	<u>9,310,395</u>	<u>9,645,395</u>	<u>8,100,395</u>
TID 5 Ballpark Commons													
New Loans													
Principal Payments			1,550,000	1,550,000	1,750,000	1,960,000	2,085,000	2,210,000	2,305,000	2,380,000	2,580,000	1,550,000	1,645,000
Interest Payments			639,203	598,203	554,693	506,095	452,655	395,583	335,025	272,323	206,265	155,098	120,355
Total			<u>2,189,203</u>	<u>2,148,203</u>	<u>2,304,693</u>	<u>2,466,095</u>	<u>2,537,655</u>	<u>2,605,583</u>	<u>2,640,025</u>	<u>2,652,323</u>	<u>2,786,265</u>	<u>1,705,098</u>	<u>1,765,355</u>
TID5 Loan Balance	\$	25,935,000	<u>24,385,000</u>	<u>22,835,000</u>	<u>21,085,000</u>	<u>19,125,000</u>	<u>17,040,000</u>	<u>14,830,000</u>	<u>12,525,000</u>	<u>10,145,000</u>	<u>7,565,000</u>	<u>6,015,000</u>	<u>4,370,000</u>
TID 6 Bear Development													
New Loans													
Principal Payments			370,000	520,000	665,000	735,000	810,000	875,000	920,000	965,000	1,005,000	1,030,000	1,065,000
Interest Payments			242,553	227,253	206,553	182,053	155,653	130,328	108,153	86,540	63,871	39,734	13,601
Total			<u>612,553</u>	<u>747,253</u>	<u>871,553</u>	<u>917,053</u>	<u>965,653</u>	<u>1,005,328</u>	<u>1,028,153</u>	<u>1,051,540</u>	<u>1,068,871</u>	<u>1,069,734</u>	<u>1,078,601</u>
TID6 Loan Balance	\$	8,960,000	<u>8,590,000</u>	<u>8,070,000</u>	<u>7,405,000</u>	<u>6,670,000</u>	<u>5,860,000</u>	<u>4,985,000</u>	<u>4,065,000</u>	<u>3,100,000</u>	<u>2,095,000</u>	<u>1,065,000</u>	-
TID 7 Velo Village - including Interfund Advance													
New Loans													
Principal Payments			100,000	100,000	195,000	200,000	200,000	2,835,000	100,000	100,000	100,000	175,000	200,000
Interest Payments			125,880	123,880	120,759	116,413	111,863	75,543	40,273	37,723	35,073	31,316	26,110
Total			<u>225,880</u>	<u>223,880</u>	<u>315,759</u>	<u>316,413</u>	<u>311,863</u>	<u>2,910,543</u>	<u>140,273</u>	<u>137,723</u>	<u>135,073</u>	<u>206,316</u>	<u>226,110</u>
TID7 Loan Balance ^{^^}	\$	5,090,000	<u>4,990,000</u>	<u>4,890,000</u>	<u>4,695,000</u>	<u>4,495,000</u>	<u>4,295,000</u>	<u>1,460,000</u>	<u>1,360,000</u>	<u>1,260,000</u>	<u>1,160,000</u>	<u>985,000</u>	<u>785,000</u>
TID 8													
New Loans													
Principal Payments			-	-	85,000	160,000	175,000	180,000	195,000	200,000	205,000	210,000	220,000
Interest Payments			76,100	76,100	74,825	71,150	66,125	60,800	56,150	52,200	48,150	44,000	39,700
Total			<u>76,100</u>	<u>76,100</u>	<u>159,825</u>	<u>231,150</u>	<u>241,125</u>	<u>240,800</u>	<u>251,150</u>	<u>252,200</u>	<u>253,150</u>	<u>254,000</u>	<u>259,700</u>
TID8 Loan Balance	\$	3,505,000	<u>3,505,000</u>	<u>3,505,000</u>	<u>3,420,000</u>	<u>3,260,000</u>	<u>3,085,000</u>	<u>2,905,000</u>	<u>2,710,000</u>	<u>2,510,000</u>			

**City of Franklin WI
General Obligation Debt Summary**

Fund	Borrowed	Balance Dec-23	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Total Government													
	New Loans		-	2,000,000	-	4,250,000	-	2,000,000	-	2,000,000	-	2,000,000	-
	Principal Payments		3,404,605	3,350,000	3,790,000	4,285,000	4,165,000	7,240,000	4,940,000	4,745,000	5,255,000	4,630,000	4,675,000
	Interest Payments		1,243,890	1,211,117	1,203,198	1,095,167	1,428,715	1,275,109	1,202,995	1,069,554	1,017,203	875,079	824,847
	Total	\$ 53,360,000	4,648,495	4,561,117	4,993,198	5,380,167	5,593,715	8,515,109	6,142,995	5,814,554	6,272,203	5,505,079	5,499,847
	Total City Loan Balance	\$ 53,360,000	49,955,395	48,605,395	44,815,395	44,780,395	40,615,395	35,375,395	30,435,395	27,690,395	22,435,395	19,805,395	15,130,395
Water													
	New Loans			18,500,000									
	Principal Payments		208,600	889,100	905,550	930,000	975,000	1,015,000	1,070,000	1,100,000	1,155,000	1,205,000	1,255,000
	Interest Payments		113,728	952,792	914,255	874,596	833,658	791,006	746,393	699,951	651,586	600,926	548,040
	Total		322,328	1,841,892	1,819,805	1,804,596	1,808,658	1,806,006	1,816,393	1,799,951	1,806,586	1,805,926	1,803,040
	Water Loan Balance **	\$ 3,868,250	3,659,650	21,270,550	20,365,000	19,435,000	18,460,000	17,445,000	16,375,000	15,275,000	14,120,000	12,915,000	11,660,000
Sewer													
	New Loans		-										
	Principal Payments		1,505,575	1,545,181	1,590,638	1,631,968	1,679,193	1,717,334	1,761,414	1,806,456	150,000	160,000	165,000
	Interest Payments		346,207	308,100	268,907	228,604	187,171	144,661	101,799	58,514	58,514	58,514	58,514
	Total		1,851,782	1,853,281	1,859,545	1,860,572	1,866,364	1,861,995	1,863,213	1,864,970	208,514	218,514	223,514
	Sewer Loan Balance	\$ 15,067,759	13,562,184	12,017,003	10,426,365	8,794,397	7,115,204	5,397,870	3,636,456	1,830,000	1,680,000	1,520,000	1,355,000
Total City													
	New Loans		-	20,500,000	-	4,250,000	-	2,000,000	-	2,000,000	-	2,000,000	-
	Principal Payments		5,118,780	5,784,281	6,286,188	6,846,968	6,819,193	9,972,334	7,771,414	7,651,456	6,560,000	5,995,000	6,095,000
	Interest Payments		1,703,824	2,472,008	2,386,360	2,198,366	2,449,544	2,210,776	2,051,187	1,828,019	1,727,302	1,534,519	1,431,401
	Total		6,822,604	8,256,289	8,672,548	9,045,334	9,268,737	12,183,110	9,822,601	9,479,475	8,287,302	7,529,519	7,526,401
	Total Loan Balance	\$ 72,296,009	67,515,071	82,230,790	75,944,602	73,347,634	66,528,441	58,556,107	50,784,693	45,133,237	38,573,237	34,578,237	28,483,237
Debt Limit Review													
	Growth		122,581,000	62,516,000	63,142,000	63,773,000	64,411,000	65,055,000	65,705,000	66,363,000	67,026,000	67,696,000	68,373,000
	Equalized Value	\$ 6,129,068,900	6,251,649,900	6,314,165,900	6,377,307,900	6,441,080,900	6,505,491,900	6,570,546,900	6,636,251,900	6,702,614,900	6,769,640,900	6,837,336,900	6,905,709,900
	State Debt Limit		306,453,445	312,582,495	315,708,295	318,865,395	322,054,045	325,274,595	328,527,345	331,812,595	335,130,745	338,482,045	341,866,845
	Internal Debt Limit		122,581,378	125,032,998	126,283,318	127,546,158	128,821,618	130,109,838	131,410,938	132,725,038	134,052,298	135,392,818	136,746,738
^^ Excludes \$1.5 million Advance from Self Insurance Fund													
** Includes \$106,450 Advance from Gen Fund for 2017 Pension Payment													
*** Exceeds City Policy Debt Limit													
F:\41803 VOL1 Finance\Debt Service\2024 GO Debt Summary.xlsx\2023													
	Change Internal Limit to 50% of State Limit		156,291,248	157,854,148	159,432,698	161,027,023	162,637,298	164,263,673	165,906,298	167,565,373	169,241,023	170,933,423	172,642,748

	Growth		2.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	New Project Estimates												

DEBT SERVICE FUND 31

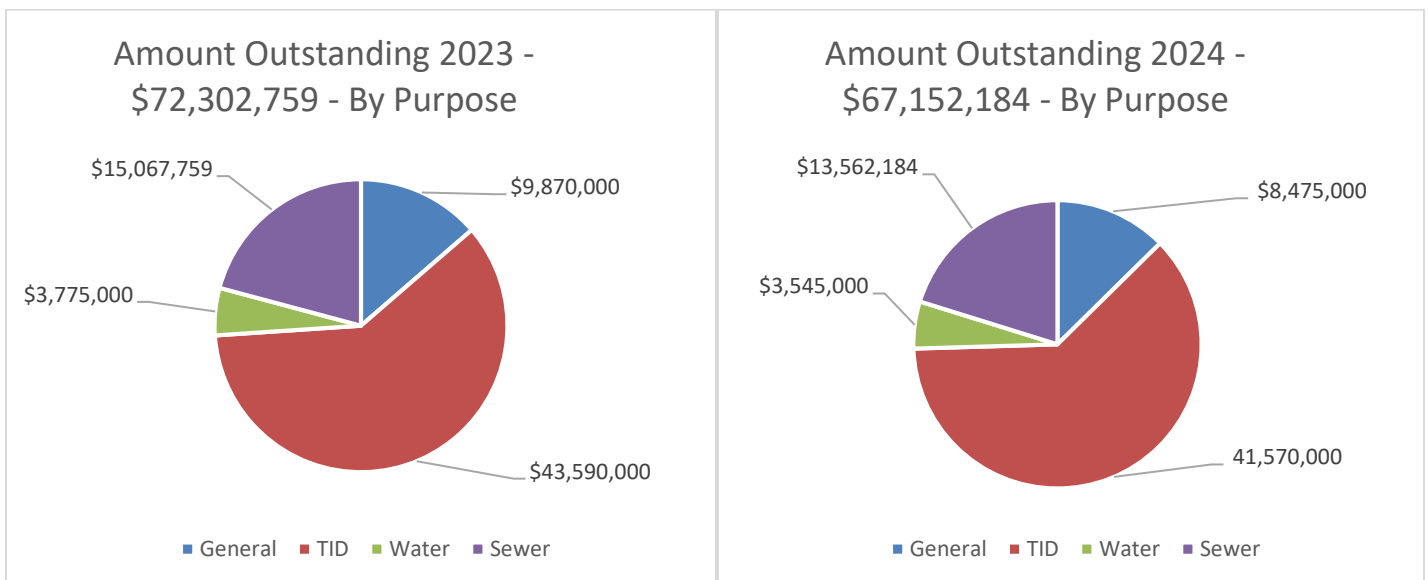
The Debt Service Fund of the City accounts for the payment of debt service on all general obligation debt issued for City purposes. Debt service for Tax Increment Financing Districts (TID) and Utility funds are accounted for separately.

Even though the TID debt is accounted for separately, it is general obligation borrowing, and as such, the ultimate responsibility for debt issued falls on the City if the TID cannot pay for it with TID increment and other related TID revenues. While the TIDs are ongoing, overlapping taxing authorities forgo their proportionate share of taxes to support TID projects. However, if the statutory TID life expires with outstanding debt but insufficient revenues to satisfy the debt, the remaining debt service obligations fall back on the City's debt service tax levy.

The following sources fund payments on general obligation debt issued for general government purposes: (1) Property Tax Levy; (2) Special Assessments, which are collections for public improvement projects other than Water and Sewer, financed with general obligation debt where the property owner was assessed the pro-rata share of the project cost; and (3) Impact Fees.

The net general debt can vary quite substantially. The net general debt supported by the Debt Service Levy, excluding TID and Utility debt issues, will have declined to a low of \$5.6 million on December 31, 2022, from a high of \$12.9 million on December 31, 2011. However, the City has borrowed \$5,330,000 in General Obligation Debt in 2023.

The outstanding general obligation debt as of December 2022 and December 2023 breaks down as follows:

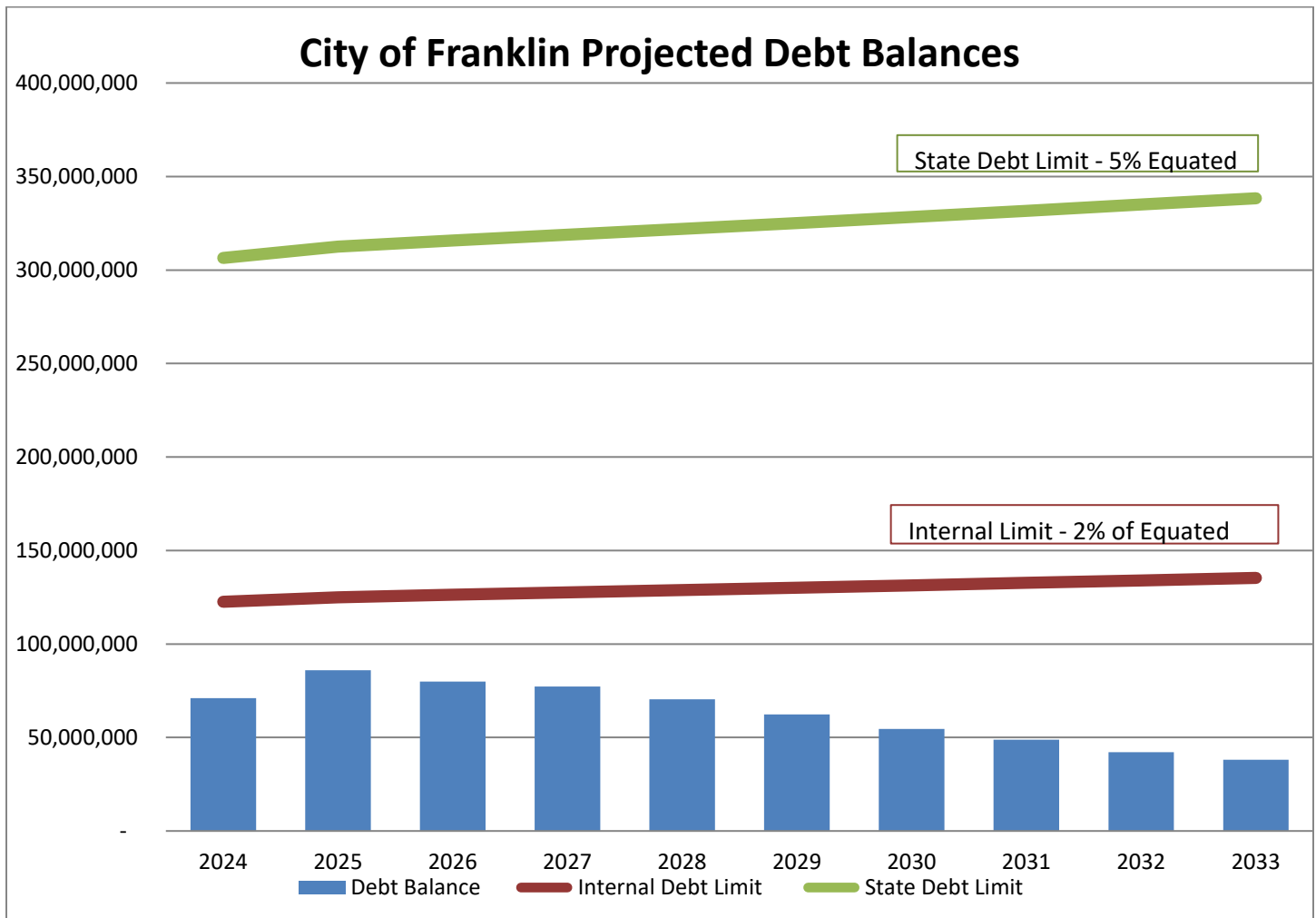


As noted above, TID debt is by far the largest purpose of the City's general obligation debt capacity, having increased substantially in the past five (5) years due to several new TID projects, including Ballpark Commons (TID #5), Velo Village (TID #7), Bear Development (TID #6), and the new Corporate

Park (TID #8). Total TID general obligation debt as of December 31, 2024, is anticipated to be \$41.6 million.

As shown on the accompanying schedule of debt maturities, the general obligation debt for City purposes outstanding as of December 31, 2023, was \$72.3 million, including TID and Utility debt. The \$72.3 million is made up of the following: (1) \$9.870 million of general debt, (2) \$43.6 million of TID debt, (3) \$3.775 million of Water debt, and (4) \$15 million of Sewer debt.

Total debt represents 23.59% of the City's legal debt limit per Wisconsin Statutes, as defined by 5% of equalized property value, as of December 31, 2023. Over the past decade, the ratio of net general debt compared to assessed value has ranged from a high of 1.65% in 2019 to a low of 0.77% in 2017. The total debt ratio to equalized value on December 31, 2023, was 1.18%.

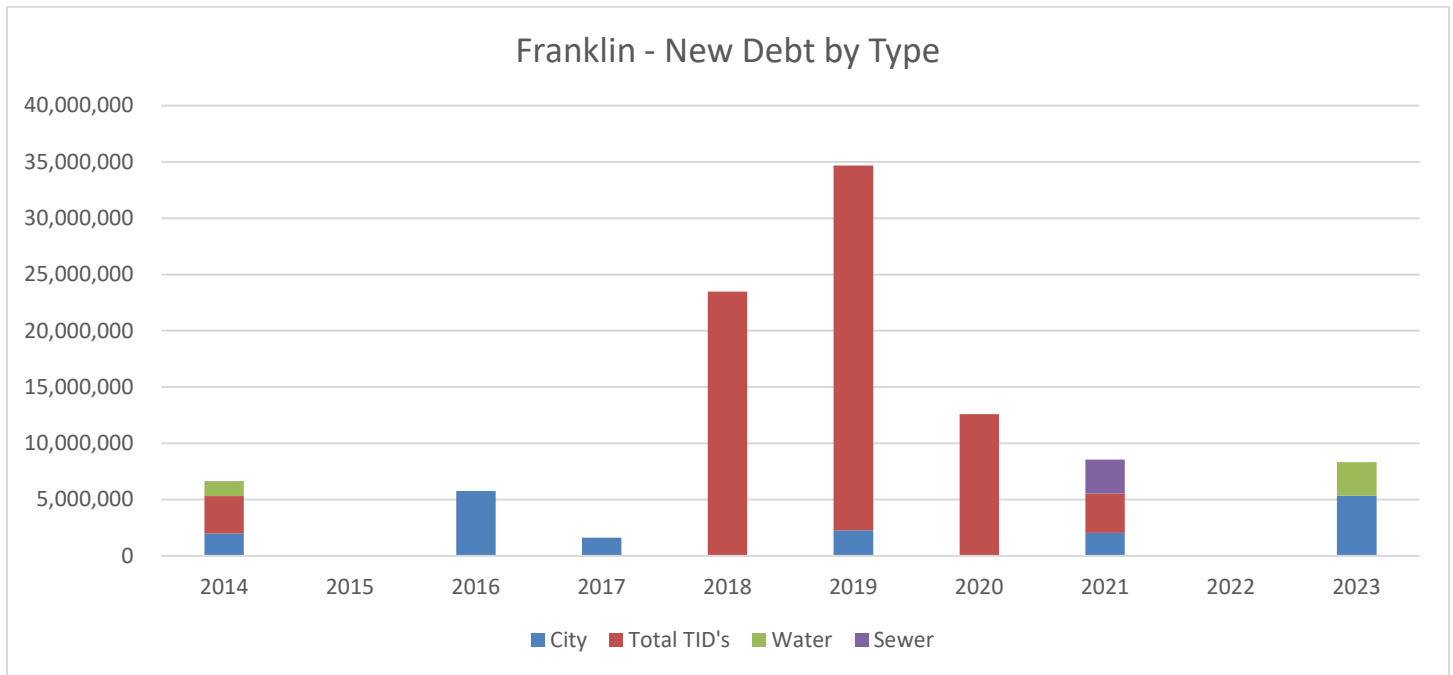


The City amended its debt policy, per Resolution 2019-7532, in August of 2019; this self-imposed policy restricts the amount of outstanding debt the City is allowed to carry, at any one time, to 40% of the legal debt limit. As of December 31, 2023, the self-imposed limit was \$110.6 million; as of December 31, 2024, that self-imposed limit is projected to be \$125.0 million. Thus, an additional \$14.4 million can be borrowed under that restriction. The Debt policy sets various targets for financial ratios related to outstanding debt. The policy goals and performance as of December 31, 2023 are as follows:

City of Franklin, WI
2024 Debt Service

1. At least 70% of outstanding due within 10 years – 74.8% was due within 10 years;
2. Maintain an Aa2 credit rating - Credit rating was Aa2; and
3. No more than 20% of the total tax levy for debt service – 4.67% of the total tax levy was for debt service.

Recent debt issues by year of issuance are illustrated and described below:



In 2014, the City issued \$5.32 million to finance \$3.33 million for the S. 27th Street project in TID #3, now retired) and \$1.99 million to finance Capital Improvement projects.

In 2014, the City issued \$1.29 million of new debt, Issue 2014B, to finance the Bennett Sewer & Water Facility.

In 2016, a 2007 debt issue was refinanced with a \$5.77 million new obligation, Issue 2016A, having a final due date of March 1, 2021. The City realized \$389,894 in future savings on the financing.

In 2017, the City issued \$1.63 million of new debt, Issue 2017B, to fund 2018 Capital Improvement Fund projects.

In May 2018, the City issued \$23.48 million of taxable Anticipation Notes, Issue 2018A, to support TID #5 projects. The entire note is due by March of 2023. \$10 million was refinanced in February 2019, and an additional \$4.0 million was refinanced in March 2020. The final piece of permanent financing for TID #5 was completed in 2020, as noted below.

In February 2019, the City issued \$13.685 million in taxable bonds, Issue 2019A. \$10 million of the 2018 NAN was refunded with a new taxable \$10.68 million 13-year bond for TID #5. \$3.005 million for TID #3 funded a developer’s grant; this portion of the obligation is payable over four years.

In February 2019, the City issued \$6.35 million in tax-exempt 15-year bonds, Issue 2019B, to finance a portion of the infrastructure commitment in TID #6, which was formed in October 2018 for a new industrial park in the Southwest portion of the City. An additional \$3 million commitment was financed by the City, as noted below, for the remaining infrastructure expenditures in TID #6.

In December 2019, the City issued \$12.47 million Taxable General Obligation Bonds, Issue 2019C. These bonds provided \$3.225 million for infrastructure in TID #5, \$4.045 million to refinance a portion of the 2018 NAN, \$2.06 million for infrastructure in TID #7, and \$3 million to provide a ten-year mortgage in TID #7.

In December 2019, the City issued a tax-exempt General Obligation Note, Issue 2019D, for \$2.285 million to finance 2019 Capital Improvement Fund projects.

In December 2020, the City issued a \$9.5 million taxable bond, Issue 2020A, to refinance the balance of the 2018A Issue, Note Anticipation Note.

In December 2020, the City issued \$3.0 million of tax-exempt bonds, Issue 2020B, for the remaining infrastructure commitment in TID #6.

The City issued \$2.045 million in tax-exempt notes in 2021, Issue 2021A, to finance capital projects and a \$6.51 million bond, Issue 2021B, to finance a replacement sewer lift station in the industrial park, in the amount of \$3.005 million, and TID # 8 infrastructure costs of \$3.505 million.

The City issued \$5.330 million in tax-exempt notes in 2023, Issue 2023A & 2023B, to finance capital projects and a \$2.995 million bond, Issue 2023A, to finance a water tower project.

Historically, the City has planned to issue debt every other year; this plan is ongoing. However, beginning in 2025, additional borrowing is being recommended to address the City's capital needs, including existing deficiencies and growth. In addition, the Water Utility may issue substantial debt to finance a connection to a new wholesale water supplier. Any new debt for projects presently contemplated will be partially offset by the repayment of currently outstanding debt scheduled for repayment during the period. The increased level of new development in the City, mostly involving the Water Utility and TIDs, will cause overall debt levels to rise and may call for reconsidering the current internal debt limit level. The City will also consider utilizing revenue rather than general obligation debt to finance substantial Utility improvements.

City of Franklin, WI
Debt Service Fund - Fund 31

GL NUMBER	DESCRIPTION	2024 ORIGINAL BUDGET	2024 DEPT REQ BUDGET	2023 PROJECTED ACTIVITY	2023 AMENDED BUDGET	2022 ACTIVITY
REAL ESTATE TAXES						
31-0000-4011	GENERAL PROPERTY TAX	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
INVESTMENT EARNINGS						
31-0000-4711	INTEREST ON INVESTMENTS	24,400	24,400	30,000	5,000	4,335
FUND TRANSFERS						
31-0000-4839	TSFR FROM IMPACT FEES - FUND 27	234,308				288,578
TOTAL REVENUES		1,358,708	1,124,400	1,130,000	1,105,000	1,392,913
PRINCIPAL						
31-0000-5611.8015	PRINCIPAL - 2017 GO Bond	240,000	240,000	235,000	235,000	225,000
31-0000-5611.8018	PRINCIPAL 2014 GO NOTES 12/2014	325,000	325,000	330,000	330,000	335,000
31-0000-5611.8024	PRINCIPAL 2019D	235,000	235,000	370,000	370,000	360,000
31-0000-5611.8030	PRINCIPAL 2021A NOTES	150,000	150,000	100,000	100,000	50,000
31-0000-5611.8034	PRINCIPAL - 2023A DPW STORAGE	130,000				
31-0000-5611.8035	PRINCIPAL - 2023B CAP PROJECTS	220,000				
	PRINCIPAL	1,300,000	950,000	1,035,000	1,035,000	970,000
INTEREST						
31-0000-5621.8015	INTEREST - 2017 GO Bonds	23,975	23,975	31,100	31,100	38,000
31-0000-5621.8018	INTEREST -2014 GO NOTES 12/2014	4,063	4,063	11,838	11,838	19,319
31-0000-5621.8024	INTEREST 2019D	29,925	29,925	39,000	39,000	49,950
31-0000-5621.8030	INTEREST - 2021A NOTES	36,300	36,300	38,800	38,800	31,687
31-0000-5621.8034	INTEREST - 2023A DPW	89,105				
31-0000-5621.8035	INTEREST - 2023B CAP PROJECTS	62,674				
	INTEREST	246,042	94,263	120,738	120,738	138,956
DEBT SERVICE						
31-0000-5691.8015	BANK FEES - 2017	400	400	400	400	400
31-0000-5691.8018	BANK FEES - 2014 GO NOTES	400	400	400	400	400
31-0000-5691.8024	BANK FEES - 2019D	400	400	400	400	400
31-0000-5691.8030	BANK FEES - 2021A GO NOTES	400	400	400	400	400
31-0000-5691.8034	BANK FEES - 2023A DPW	400				
31-0000-5691.8035	BANK FEES - 2023B CAP PROJECTS	400				
	DEBT SERVICE	2,400	1,600	1,600	1,600	1,600
TOTAL APPROPRIATIONS		1,548,442	1,045,863	1,157,338	1,157,338	1,110,556
ESTIMATED REVENUES - FUND 31		1,358,708	1,124,400	1,130,000	1,105,000	1,392,913
APPROPRIATIONS - FUND 31		1,548,442	1,045,863	1,157,338	1,157,338	1,110,556
NET REVENUES (EXPENDITURES)		(189,734)	78,537	(27,338)	(52,338)	282,357
BEGINNING FUND BALANCE		575,849	575,849	603,187	603,187	320,829
ENDING FUND BALANCE		386,115	654,386	575,849	550,849	603,186

**City of Franklin
General Obligation Debt Maturities**

Borrowing Date	Purpose of borrowing, amount, interest rate	Payment Dates	Balance 12/31/2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
12/18/2014	PRINCIPAL - 2014A	3/1	325,000	325,000	0										
	INTEREST @2.0 - 3.0%	3/1		4,063	0										
		9/1		0											
	Callable March 1, 2021														
12/21/2017	PRINCIPAL - 2017B	3/1	1,005,000	240,000	250,000	255,000	260,000	0							
	INTEREST @2.5 - 3.0%	3/1		13,788	10,188	6,438	3,250	0							
		9/1		10,188	6,438	3,250	0								
	Callable March 1, 2025														
12/04/19	PRINCIPAL - 2019D	3/1	1,320,000	235,000	470,000	295,000	320,000	0							
	INTEREST @2.0-3.0%	3/1		16,725	13,200	6,150	3,200	0							
		9/1		13,200	6,150	3,200	-								
	Callable March 1, 2026														
11/17/21	PRINCIPAL - 2021A	3/1	1,890,000	150,000	150,000	200,000	250,000	300,000	400,000	440,000	0	-			
	INTEREST @2.0%	3/1		18,900	17,400	15,900	13,900	11,400	8,400	4,400	0	-			
		9/1		17,400	15,900	13,900	11,400	8,400	4,400	-					
	CREDITS			(10,395)											
	Callable March 1, 2028														
2023	PRINCIPAL - 2023A	3/1	2,980,000	165,000	95,000	100,000	100,000	105,000	115,000	120,000	125,000	130,000	140,000	145,000	
	INTEREST @4.28	3/1		35,537	64,656	62,281	59,781	57,281	54,656	51,781	48,781	45,656	42,406	38,906	
		9/1		64,656	62,281	59,781	57,281	54,656	51,781	48,781	45,656	42,406	38,906	35,281	
	Premium			(47,876)											
	Callable														
2023	PRINCIPAL - 2023B	3/1	2,350,000	280,000	215,000	195,000	200,000	215,000	225,000	235,000	250,000	260,000	275,000		
	INTEREST @5.0	3/1		30,354	51,750	46,375	41,500	36,500	31,125	25,500	19,625	13,375	6,875		
		9/1		51,750	46,375	41,500	36,500	31,125	25,500	19,625	13,375	6,875			
	Premium			(82,104)	(30,113)										
2025	PRINCIPAL	3/1	2,000,000		0	50,000	100,000	150,000	150,000	200,000	250,000	300,000	400,000	400,000	
	INTEREST @4.5 - 5.0%	3/1, 9/1			0	88,875	86,425	81,650	75,525	68,150	58,125	45,600	29,200	10,000	
2027	PRINCIPAL	3/1	4,250,000				0	125,000	250,000	375,000	375,000	475,000	600,000	600,000	
	INTEREST @4.5 - 5.0%	3/1, 9/1					0	447,188	438,750	424,688	407,813	388,688	364,500	337,500	
2029	PRINCIPAL	3/1	2,000,000						-	50,000	100,000	150,000	150,000	200,000	
	INTEREST @4.5 - 5.0%	3/1, 9/1							-	88,875	86,425	81,650	75,525	68,150	
2031	PRINCIPAL	3/1	2,000,000								-	50,000	100,000	150,000	
	INTEREST @4.5 - 5.0%	3/1, 9/1									-	88,875	86,425	81,650	
2033	PRINCIPAL	3/1	2,000,000										-	50,000	
	INTEREST @4.5 - 5.0%	3/1, 9/1											-	88,875	
Population 36,514	PRINCIPAL TOTAL	Per Capita	\$270	9,870,000	1,384,605	1,180,000	1,095,000	1,230,000	895,000	1,140,000	1,420,000	1,100,000	1,365,000	1,665,000	1,545,000
	INTEREST TOTAL				160,154	185,681	246,369	219,456	642,419	612,856	663,394	620,769	663,844	604,931	625,081
	CAPITALIZED INTEREST				(92,499)	(30,113)									
	Total City Debt Service				1,544,759	1,365,681	1,341,369	1,449,456	1,537,419	1,752,856	2,083,394	1,720,769	2,028,844	2,269,931	2,170,081
	Less:											0			
	Transportation Impact Fees				(65,700)										
	Fire Impact Fees				(43,008)										
	Police Impact Fees				(125,600)										
	Total Impact Fees				(234,308)										
	Add to (Use of) Fund Balance				(210,451)										
					(444,759)										
	NET TAX LEVY IMPACT	Per Capita	\$30		\$1,100,000	\$1,365,681	\$1,341,369	\$1,449,456	\$1,537,419	\$1,752,856	\$2,083,394	\$1,720,769	\$2,028,844	\$2,269,931	\$2,170,081