



Franklin

W I S C O N S I N

City of Franklin 2026 Mayor's Recommended Budget Presentation

GROUNDING IN SERVICE • FOCUSED ON COMMUNITY

PUBLIC & COUNCIL BRIEFING

SEPTEMBER 16, 2025

Budget Built on Clear Principles

These five principles have shaped every decision in this plan.

- ▶ Maintain all essential City services
- ▶ Value employees — 78% of the General Fund supports personnel
- ▶ Match ongoing costs to ongoing revenues
- ▶ Use debt cautiously; maintain strong reserves
- ▶ Minimize tax impact where possible

Key Budget Pressures in 2026

- ▶ State levy limits and flat shared revenues
- ▶ **Inflation:** wages, materials, utilities
- ▶ Aging infrastructure and equipment
- ▶ Staffing needs in Fire, DPW, and Planning

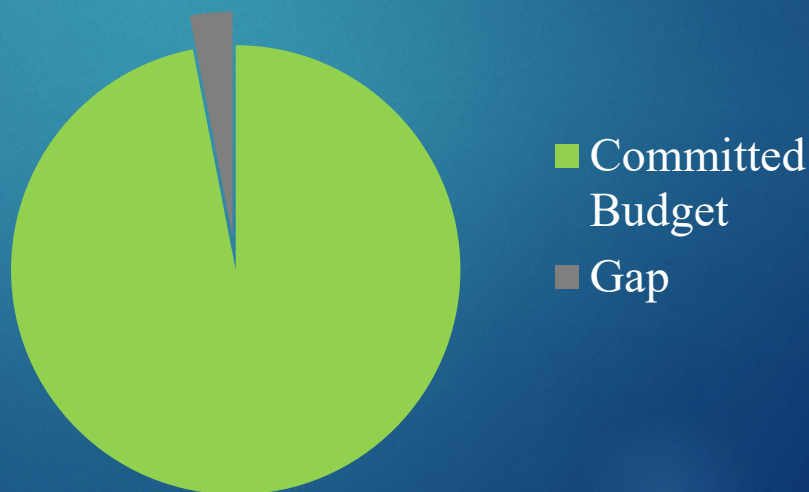
These challenges are not unique to Franklin — but our response is.

The \$1M Challenge in Perspective

Roughly 3% of our General Fund – with no easy or obvious solution

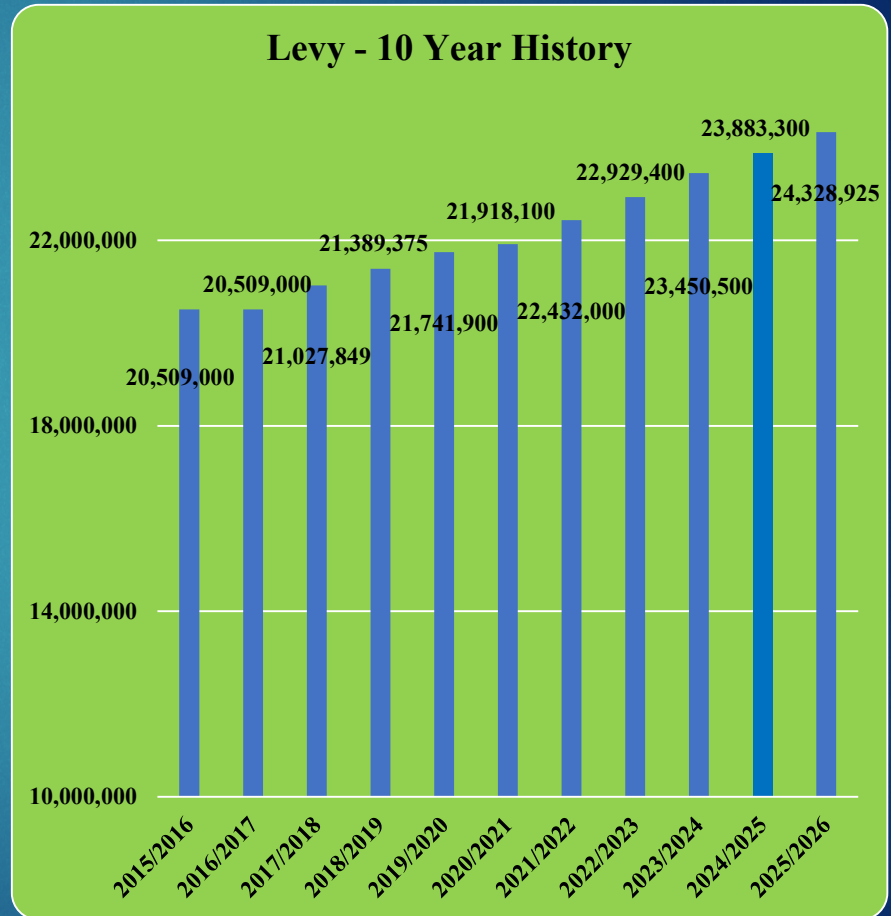
- ▶ Gap = \$1M (~3.06% of General Fund)
- ▶ Most of the budget is service-essential

2026 General Fund



General Fund – What Revenues to Expect

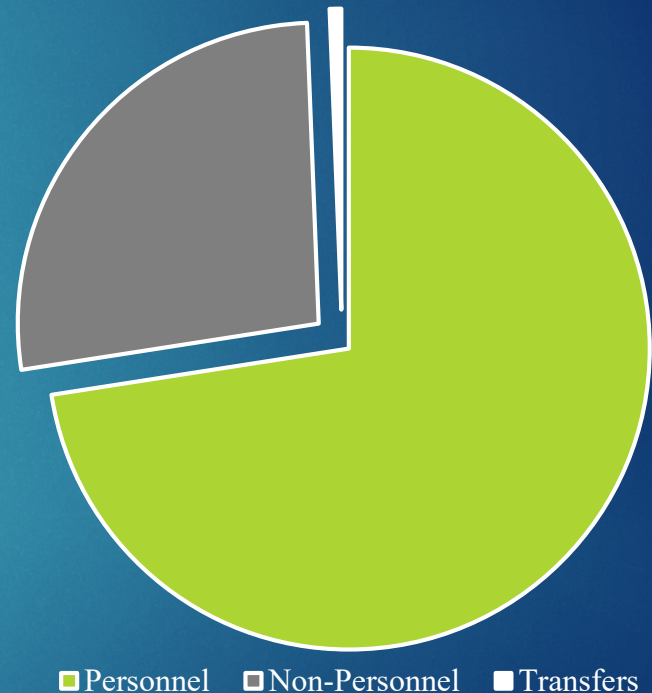
- ▶ Net New Construction in 2025 is \$146,921,600 or 2.265%, accounting for ~\$529,000 in levy funds available (split between multiple funds)
- ▶ Shared Revenue Increase – 3.3% increase (\$44,000)
- ▶ Decrease in License/Permit revenue (based on historical data and 2025 projections)
- ▶ Fines/Forefeitures – significant increase over 2025
- ▶ Interest Income – 41% decrease over 2025



General Fund – Where the Money Goes

- ▶ \$33.2M proposed expenditures for 2026
- ▶ **78% supports personnel**
 - ▶ **~\$1.1M proposed increase in personnel costs over 2025**
- ▶ Remainder covers operations, services, equipment
- ▶ No major staffing increases, but maintains service

2026 Budget – General Fund Expenditures



Keeping the Levy in Check

The following chart shows our tax rate per \$1,000 since 2023:

Year	Tax Rate
2023	\$4.38
2024	\$4.05
2025	\$3.90
2026	~\$3.90

Strategic Capital Investments

- ▶ DPW Expansion — improves fleet storage, workflow
- ▶ Library HVAC and energy upgrades
- ▶ Street Resurfacing Plan — 30-year cycle goal
- ▶ Equipment replacement funded without spikes
- ▶ \$37 million in Department Capital Requests
 - ▶ Only \$6.0 referenced in the Mayor's Recommended Budget

Prudent Debt Management

- ▶ Maintains Aa2 bond rating
- ▶ Crucial general obligation borrowing in 2026 is needed
- ▶ Debt will remain under legal and self-imposed caps
- ▶ Reserves preserved for emergencies

We don't borrow just because we can. We borrow when we must.

What We're Already Doing to Close the Gap

☑ *Opportunities already in progress*

- ▶ Evaluating shared positions and staffing models
- ▶ Reviewing contracted services for efficiency
- ▶ Delaying certain capital purchases to preserve fund balance
- ▶ Monitoring revenues monthly for overperformance
- ▶ Pursuing grant opportunities and state funding

⚠ *Not final decisions — under review*

- ▶ Reducing training and travel budgets
- ▶ Freezing non-essential hiring
- ▶ Scaling back facility maintenance (short-term)
- ▶ Minor service level adjustments where feasible
- ▶ Leveraging reserves if necessary
- ▶ Raise taxes to provide a balanced budget with maintained services
- ▶ Increase City fees and pass through costs

These items represent both steps already taken and ideas under review — not finalized cuts.

What We've Accomplished

- Advancing water and sewer utility planning for future development
- Completing ARPA-funded projects before the 2026 deadlines
- Replaced outdated equipment across departments
- Completed resurfacing of roadways
- Near completion of Phase 1 of the Johnson Controls Project
- Secured local, state and federal grants to offset local tax burdens.

Investing in the People Who Serve

- ▶ 78% of General Fund supports employees
- ▶ Competitive wages and benefits
- ▶ Lean staffing levels — no growth, no cuts
- ▶ Retention is key to long-term service quality

City Services = City Staff

- ▶ Staffing adjustments (pauses, reassignments)
- ▶ O&M reductions (travel, training, contracts)
- ▶ Revenue re-evaluations (fees, fines)
- ▶ Cost-shifting to grants or utilities (where eligible)

Public Service • Not Personal Gain

- ▶ Most staff serve for impact, not praise
- ▶ Budget reflects service — not politics
- ▶ Resident experience matters
- ▶ Focus is on trust, not headlines

This is not a budget built on politics — it's built on public need.

Operating Budget – Other Funds

- Civic Celebrations
- St. Martin's Fair
- Donations
- Grants
 - Fire/Police/Other
 - Health
- Sanitary Sewer Fund
- Solid Waste Fund



Looking Ahead with Transparency and Purpose

- ▶ Build out a long-range financial strategy to align services with sustainable revenue
- ▶ Continue reviewing all positions, contracts, and programs through a service-value lens
- ▶ Strategically plan for future infrastructure and equipment needs
- ▶ Maintain transparency, regular updates, and Council collaboration
- ▶ Keep residents informed and involved in the process

This plan doesn't just fund a city — it reflects its people.

In Partnership, In Service

The 2026 Mayor's Recommended Budget balances responsibility with forward-looking investment — ensuring Franklin remains a safe, stable, and well-run city.

Finance Committee Budget Review Dates

Tuesday, September 23rd - 5 PM

Introduction of the 2026 Budget by the Mayor

Review of Capital & Operating Budgets –

Planning

Health

Public Safety

Animal Control

Building Inspections

Recreation

Thursday, September 25th - 5 PM

Review of Capital & Operating Budgets –

Economic Development

General Government

Public Works

Monday, September 29th- 5 PM

Review of remaining funds –

Library

Internal Service Fund

Capital Funds

TIDs

Debt Service

Wednesday, October 1st - 5 PM

Final Review:

Tax Levy

Tax Rates

Recommendations to the Council

Timeline through Council Consideration on November 11th

Wednesday, October 15: Preparation and Submission of Budget Public Hearing Notice to the City's official newspaper.

Wednesday, October 22: Publication of Preliminary Budget and Public Hearing Notice in the City's official newspaper.

Monday, October 27: *Special—The Committee of the Whole Meeting will discuss any needed budget topics.

Tuesday, Nov. 4: Regular Common Council Meeting, discussion of the 2026 Budget.

Tuesday, Nov. 11: **Special Common Council Meeting:** Public Hearing on the Annual Budget and Adoption of 2026 Annual Budget.

Note: This date does not provide an opportunity for adoption delay without a special meeting soon after that. Subsequent actions that may affect the Common Council's regular meeting schedule may impact this calendar.