DEBT SERVICE
Fund 31

PROGRAM DESCRIPTION:
The Debt Service Fund accounts for principal, interest, and related payments on general obligation debt issued for general City purposes. Debt associated with Tax Incremental Districts and the Water and Sewer Utilities is accounted for separately, although general obligation debt issued for those purposes remains an obligation of the City.

The City uses long-term debt to finance major capital assets and infrastructure when the nature and useful life of an investment make borrowing appropriate. The City coordinates debt planning with the City's Capital Improvement Plan, Tax Incremental District project plans, utility capital needs, projected tax levy requirements, and long-range financial planning.

DEBT FUNDING:
General governmental debt service is supported primarily by the property tax levy. Other resources may include special assessment collections, impact fee revenues, transfers, and other legally available resources associated with the projects financed.

The City seeks to match the financing period of long-lived capital improvements with the period over which those assets provide public benefit while balancing current capital needs with future repayment obligations.

TAX INCREMENTAL DISTRICT DEBT:
Debt issued to finance eligible Tax Increment District projects is generally repaid from available TID revenues, including tax increment and other project-related resources. TID debt may be accounted for separately from general governmental debt service; however, general obligation debt issued for TID purposes remains an obligation of the City.

Accordingly, TID borrowing is considered as part of the City's overall debt capacity and long-range financial planning. The City monitors TID performance, projected revenues, outstanding obligations, and anticipated repayment schedules when evaluating existing and future debt commitments.

DEBT CAPACITY AND POLICY:
Wisconsin law establishes a statutory limitation on municipal general obligation indebtedness based upon the City's equalized value. In addition to this statutory limitation, the City maintains an internal debt policy intended to preserve financial flexibility and provide a more conservative framework for evaluating borrowing decisions.

The City's debt policy establishes an internal limitation on outstanding debt and includes additional debt-management objectives addressing repayment schedules, credit quality, and the portion of the property tax levy committed to debt service. These measures are intended to ensure that current borrowing decisions do not unduly restrict the City's ability to address future capital and infrastructure needs.

DEBT MANAGEMENT:
The City evaluates proposed borrowing in the context of existing debt obligations, scheduled principal retirement, anticipated capital requirements, TID and utility needs, available cash and restricted resources, tax levy impacts, and overall borrowing capacity.

Long-range debt planning is intended to:
- Maintain compliance with statutory and City-established debt limitations;
- Preserve sufficient borrowing capacity for future infrastructure and capital needs;
- Maintain a prudent debt repayment structure;
- Protect the City's credit quality;
- Manage the effect of debt service on the property tax levy and utility resources; and
- Coordinate borrowing with the useful life and public benefit of the assets being financed.

The applicable debt schedules and financial statements present detailed outstanding debt balances, annual principal and interest requirements, debt capacity, proposed borrowing, and other current financial measures.

BUDGET REPORT FOR CITY OF FRANKLIN
Fund: 31 DEBT SERVICE FUND

GL NUMBER	DESCRIPTION	2027 MAYOR RECOMMEND BUDGET	2027 DEPT REQUEST BUDGET	2026 PROJECTED ACTIVITY	2026 ORIGINAL BUDGET	2025 ACTIVITY	2024 ACTIVITY
ESTIMATED REVENUES							
Dept 0000 - GENERAL							
REAL ESTATE TAXES							
31-0000-4011	GENERAL PROPERTY TAX	1,415,000	1,415,000	1,140,000	1,140,000	1,140,000	1,100,000
	FOOTNOTE AMOUNTS:	1,615,000	1,615,000	1,140,000			
	Net DS activity						
	FOOTNOTE AMOUNTS:	(200,000)	(200,000)				
	use openning bs fund balance						
	GL # FOOTNOTE TOTAL:	1,415,000	1,415,000	1,140,000			
	REAL ESTATE TAXES	1,415,000	1,415,000	1,140,000	1,140,000	1,140,000	1,100,000
INTEREST & INV INCOME							
31-0000-4711	INTEREST ON INVESTMENTS	10,000	10,000	17,000	29,000	27,614	27,928
31-0000-4717.8024	BOND PROCEEDS INTEREST INCOME					950	2,249
	INTEREST & INV INCOME	10,000	10,000	17,000	29,000	28,564	30,177
TRANSFERS - IN							
31-0000-4835	TRSFER FROM SPEC ASSMTS FD51						
31-0000-4839	TSFR FR DEVELPMT-IMPACT FD27	172,063	172,063	162,420	162,420	307,918	234,308
	FOOTNOTE AMOUNTS:	40,850	40,850				
	Police DS						
	FOOTNOTE AMOUNTS:	32,706	32,706				
	Library DS						
	FOOTNOTE AMOUNTS:	55,499	55,499				
	Transpo DS						
	FOOTNOTE AMOUNTS:	43,008	43,008				
	Fire DS						
	FOOTNOTE AMOUNTS:			162,420			
	2026 DS						
	GL # FOOTNOTE TOTAL:	172,063	172,063	162,420			
	TRANSFERS - IN	172,063	172,063	162,420	162,420	307,918	234,308
OTHER							
31-0000-4913	BOND & NOTE PREMIUM						
31-0000-4914	Refunding Bond Proceeds						
	OTHER						
Totals for dept 0000 - GENERAL		1,597,063	1,597,063	1,319,420	1,331,420	1,476,482	1,364,485
TOTAL ESTIMATED REVENUES		1,597,063	1,597,063	1,319,420	1,331,420	1,476,482	1,364,485

APPROPRIATIONS
Dept 0000 - GENERAL
TRANSFERS - OUT

BUDGET REPORT FOR CITY OF FRANKLIN
Fund: 31 DEBT SERVICE FUND

GL NUMBER	DESCRIPTION	2027 MAYOR RECOMMEND BUDGET	2027 DEPT REQUEST BUDGET	2026 PROJECTED ACTIVITY	2026 ORIGINAL BUDGET	2025 ACTIVITY	2024 ACTIVITY
APPROPRIATIONS							
Dept 0000 - GENERAL							
TRANSFERS - OUT							
31-0000-5598	TSFR TO CAPITAL IMPROVEMENT FUND 4						
TRANSFERS - OUT							
PRINCIPAL							
31-0000-5611.8015	PRINCIPAL - 2017 GO Bond	260,000	260,000	255,000	255,000	250,000	240,000
31-0000-5611.8018	PRINCIPAL 2014 GO NOTES 12/2014						325,000
31-0000-5611.8024	PRINCIPAL 2019D	320,000	320,000	295,000	295,000	470,000	235,000
31-0000-5611.8030	PRINCIPAL 2021A NOTES	250,000	250,000	200,000	200,000	150,000	150,000
31-0000-5611.8034	PRINCIPAL - 2023A DPW STORAGE	100,000	100,000	100,000	100,000	95,000	165,000
31-0000-5611.8035	PRINCIPAL - 2023B CAP PROJECTS	200,000	200,000	195,000	195,000	215,000	280,000
31-0000-5611.8037	PRINCIPAL - 2026A GO NOTES						
PRINCIPAL		1,130,000	1,130,000	1,045,000	1,045,000	1,180,000	1,395,000
INTEREST EXP							
31-0000-5621.8015	INTEREST - 2017 GO Bonds	3,250	3,250	9,688	9,688	16,625	23,975
31-0000-5621.8018	INTEREST -2014 GO NOTES 12/2014						4,063
31-0000-5621.8024	INTEREST 2019D	3,200	3,200	9,350	9,350	19,350	29,925
31-0000-5621.8030	INTEREST - 2021A NOTES	25,300	25,300	29,800	29,800	33,300	36,300
31-0000-5621.8034	INTEREST - 2023A DPW	117,063	117,063	122,065	122,065	126,938	100,193
31-0000-5621.8035	INTEREST - 2023B CAP PROJECTS	78,000	78,000	87,875	87,875	98,125	82,104
31-0000-5621.8037	INTEREST - 2026A GO NOTES	438,050	438,050				
31-0000-5691.8015	BANK FEES - 2017	400	400	400	400	400	400
31-0000-5691.8018	BANK FEES - 2014 GO NOTES						
31-0000-5691.8024	BANK FEES - 2019D	400	400	400	400	400	400
31-0000-5691.8030	BANK FEES - 2021A GO NOTES	400	400	400	400	400	400
31-0000-5691.8034	BANK FEES - 2023A DPW	200	200	200	200	200	200
31-0000-5691.8035	BANK FEES - 2023B CAP PROJECTS	400	400	400	400	400	400
31-0000-5691.8037	BANK FEES - 2026A GO NOTES	400	400				
INTEREST EXP		667,063	667,063	260,578	260,578	296,138	278,360
Totals for dept 0000 - GENERAL		1,797,063	1,797,063	1,305,578	1,305,578	1,476,138	1,673,360
TOTAL APPROPRIATIONS		1,797,063	1,797,063	1,305,578	1,305,578	1,476,138	1,673,360
NET OF REVENUES/APPROPRIATIONS - FUND 31		(200,000)	(200,000)	13,842	25,842	344	(308,875)
BEGINNING FUND BALANCE		497,240	497,240	483,398	483,398	483,054	791,929
ENDING FUND BALANCE		297,240	297,240	497,240	509,240	483,398	483,054

SPECIAL ASSESSMENT
Fund 51

PROGRAM DESCRIPTION:

The Special Assessment Fund accounts for revenues, collections, and related activity associated with special assessments levied against properties that directly benefit from eligible public improvements. Special assessments allow an appropriate share of improvement costs to be recovered from benefiting properties in accordance with Wisconsin law, City ordinances, and the terms established for each improvement project.

Special assessments may be associated with improvements such as streets, sidewalks, curbs and gutters, and other eligible public infrastructure. Assessment activity associated with water, sanitary sewer, or development-related improvements may be accounted for in other applicable funds depending upon the nature and financing of the project.

FUND ACTIVITIES:

The fund provides for the accounting and collection of outstanding special assessment principal and related interest, maintenance of assessment balances and collection records, coordination with applicable project financing or debt obligations, and financial reporting of outstanding receivables and available resources.

The level of activity varies depending upon previously authorized assessments, collection schedules, and new public improvement projects approved by the Common Council. The applicable budget schedules present detailed revenues, expenditures, assessment collections, and fund balances.

BUDGET REPORT FOR CITY OF FRANKLIN
Fund: 51 SPECIAL ASSESSMENT FUND

GL NUMBER	DESCRIPTION	2027 MAYOR RECOMMEND BUDGET	2027 DEPT REQUEST BUDGET	2026 PROJECTED ACTIVITY	2026 ORIGINAL BUDGET	2025 ACTIVITY	2024 ACTIVITY
ESTIMATED REVENUES							
Dept 0000 - GENERAL							
REVENUE - TAXES							
51-0000-4091	SPECIAL ASSESSMENT-PRINCIPAL	1,500	1,500	2,000	2,000	1,298	4,943
REVENUE - TAXES		1,500	1,500	2,000	2,000	1,298	4,943
INTEREST & INV INCOME							
51-0000-4711	INTEREST ON INVESTMENTS	5,000	5,000	8,000	7,500	8,693	9,701
51-0000-4712	SPECIAL ASSESSMENTS-INTEREST	250	250	250	50	296	426
51-0000-4713	INVESTMENT GAINS/LOSSES						
51-0000-4716	INTERFUND INTEREST						
INTEREST & INV INCOME		5,250	5,250	8,250	7,550	8,989	10,127
Totals for dept 0000 - GENERAL		6,750	6,750	10,250	9,550	10,287	15,070
TOTAL ESTIMATED REVENUES		6,750	6,750	10,250	9,550	10,287	15,070
APPROPRIATIONS							
Dept 0000 - GENERAL							
TRANSFERS - OUT							
51-0000-5589	TRANSFER TO OTHER FUNDS						
51-0000-5593	TRSFER TO DEBT SERVICE FUND 31						
TRANSFERS - OUT							
INTEREST EXP							
51-0000-5691.8010	BANK FEES						
51-0000-5691.8015	BANK FEES						
INTEREST EXP							
Totals for dept 0000 - GENERAL							
TOTAL APPROPRIATIONS							
NET OF REVENUES/APPROPRIATIONS - FUND 51		6,750	6,750	10,250	9,550	10,287	15,070
BEGINNING FUND BALANCE		238,511	238,511	228,261	228,261	217,974	202,904
ENDING FUND BALANCE		245,261	245,261	238,511	237,811	228,261	217,974