

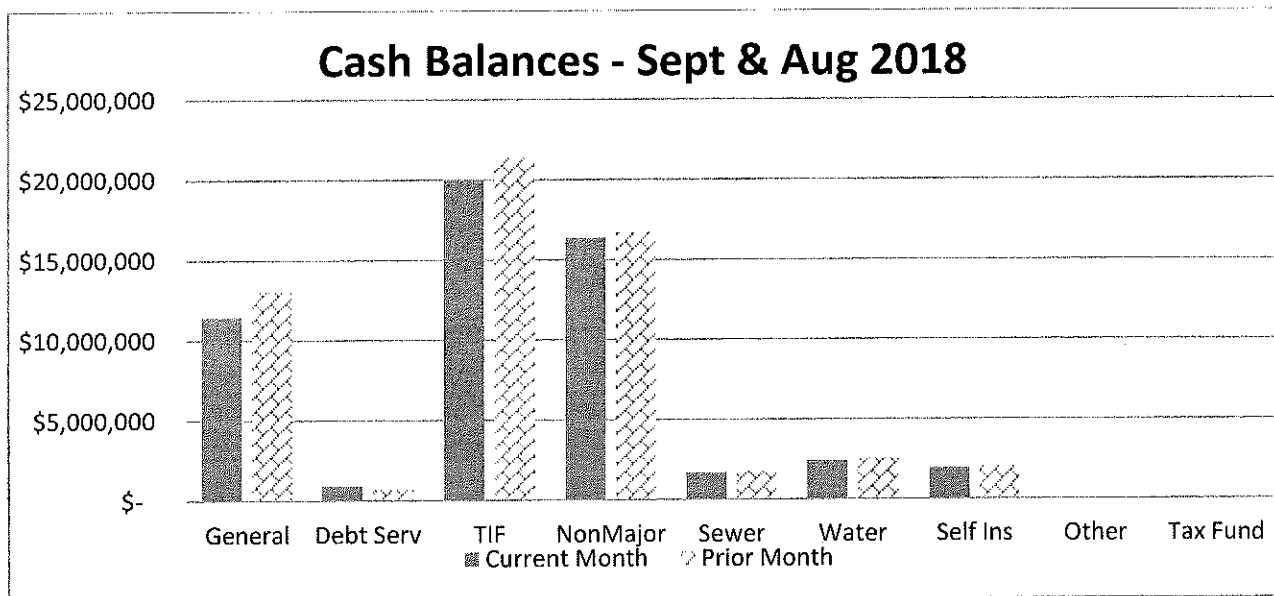
Date: October 16, 2018  
 To: Mayor Olson, Common Council and Finance Committee Members  
 From: Paul Rotzenberg, Director of Finance & Treasurer  
 Subject: September 2018 Financial Report

The Sept., 2018 financial reports for the General Fund, Debt Service Fund, TID Summary and TID Funds, Library, Solid Waste Fund, Capital Outlay Fund, Equipment Replacement Fund, Street Improvement Fund, Capital Improvement Fund, Development Fund, Utility Development, Sanitary Sewer Fund, Water Utility Fund, Self Insurance Fund, Post Employment Retirement Insurance Funds and Other Non-Major Governmental Funds are attached.

The budget allocation is completed using an average of the last five years actual spending against the Amended Budget. Budget Amendments approved thru the September 18, 2018 Common Council meeting have been included. Caution is advised in that spending patterns may have changed. Comments on specific and trending results are provided below to aid the reader in understanding or explaining current year financial results.

**Cash & Investments Summary** – is provided to aid in understanding the resources available to meet current activities. Cash & investments are positions with safety and liquidity as primary objectives as stated in the City’s Investment policy. Investment returns are secondary in the investment decisions, while return potential is not ignored. Recently increases in short term interest rates have aided short term investment returns, while generating losses on the multi-year fixed income securities the City holds. Those are un-realized losses. So long as the City holds to maturity, those losses will not be realized. Cash & Investments in the General Governmental Funds decreased \$3,038,100 to \$48,763,002 since last month.

A visual presentation of cash balances follows.



The City continues to maintain sufficient liquidity to maintain current operations.

**GENERAL FUND** revenues of \$22,766,304 are \$223,646 more than budget. Hotel taxes are arriving earlier than prior years and will only match budget by year's end as State Statutes cap Hotel taxes in the General Fund. Intergovernmental Revenues are behind budget as a COPS Grant that was budgeted was not received.

Public Charges for Services are greater than budget as Engineering fees on new subdivisions generated \$54,900 in un-budgeted revenues. Landfill Siting revenues are arriving slower than budgeted.

While development activity has increased in 2018, the associated Building Permit revenues were anticipated.

Other revenues include Insurance dividends and rental income for cell towers. These revenues have exceeded budget levels.

September's expenditures of \$18,367,049 are \$3,123 less than budget. Expenditure items of note are:

- Public Safety costs of \$12,899,203 are \$381,972 (3.0%) greater than budget. Three payrolls in August helped drive personnel costs over budget, which will smooth out some as the balance of the year moves along. Additional Public Safety Personnel appropriations will be needed by year's end.
  - Total Police personnel costs are \$153,819 over budget. Police Overtime is a major cause. 3-4 officers were on field training early in the year and overtime was needed to fill the vacant patrol positions. Also note that the requested Police overtime budget was \$230,000, while the adopted budget was only \$190,000. Overtime thru Sept totals \$219,358. Police overtime exceeded the annual budget in August. A budgeted grant funding a Police position will remain vacant as the grant did not get awarded.
  - Total Fire personnel costs are \$314,137 (7.5%) over budget. Fire overtime costs (now \$293,987) reached the annual budget by the end of June.
- Public Works expenditures of \$2,116,062 are \$218,995 (9.4%) underspent.
- Culture and Recreation is \$42,730 (33%) overspent related to efforts in the parks.

A \$4,399,255 surplus is \$220,523 greater than budget. Most of the surplus has resulted from added revenues. The lion's share of revenues have already been realized and a quarter of the annual expenditures are yet to be expended. Given the above trends, a deficit for 2018 is now expected.

**DEBT SERVICE** – Debt payments were made timely as required.

**TIF Districts** – see the summary schedule of all TID activity.

TID 3 – the remaining debt balance was retired March 1. The Dept of Transportation has not yet billed the S 27<sup>th</sup> Street project which was completed in 2016, approximating \$1.3 million. The Developer incentives are awaiting completion of the new apartment units.

TID4 – In June the Council authorized a \$1.2 million engineering contract for infrastructure in a proposed business park. Engineering and planning work is proceeding on that project.

TID5 – The Developer's Agreement was signed in late February 2018. The TID sold a \$23.4 million debt issue on May 1. The Developer has been making monthly draw requests as construction progresses. The rainy late summer and early fall have hampered construction progress. Just over \$8.6 million has been expended to date.

**LIBRARY FUND** - Activity is progressing as expected.

**SOLID WASTE FUND** – Activity is occurring as budgeted. Waste Management raised the placement fee for materials placed in the landfill. Since the City does not pay a fee for materials from the City, the revenues coming back to this fund are exceeding budget. The 2017 CPI index was larger than expected which raised the contracted hauler's fees more than expected. It is possible that a budget amendment may be needed by years end.

**CAPITAL OUTLAY FUND** – revenues are in line with budget. The Police have ordered three Ford Explorers, one Taurus, one F-150 and a Chevy Tahoe and nine squad tablets. The City Hall phone system replacement (\$55,000) was placed in service in July.

**EQUIPMENT REPLACEMENT FUND** – Revenues are in line with budget.

Both of the Highway replacement vehicles (Tandem axle dump truck and flat-bed truck) have been ordered. Delivery is in progress.

**STREET IMPROVEMENT FUND** – Revenues are in line with budget. The Grant was applied for in September. The 2018 program is complete at this time.

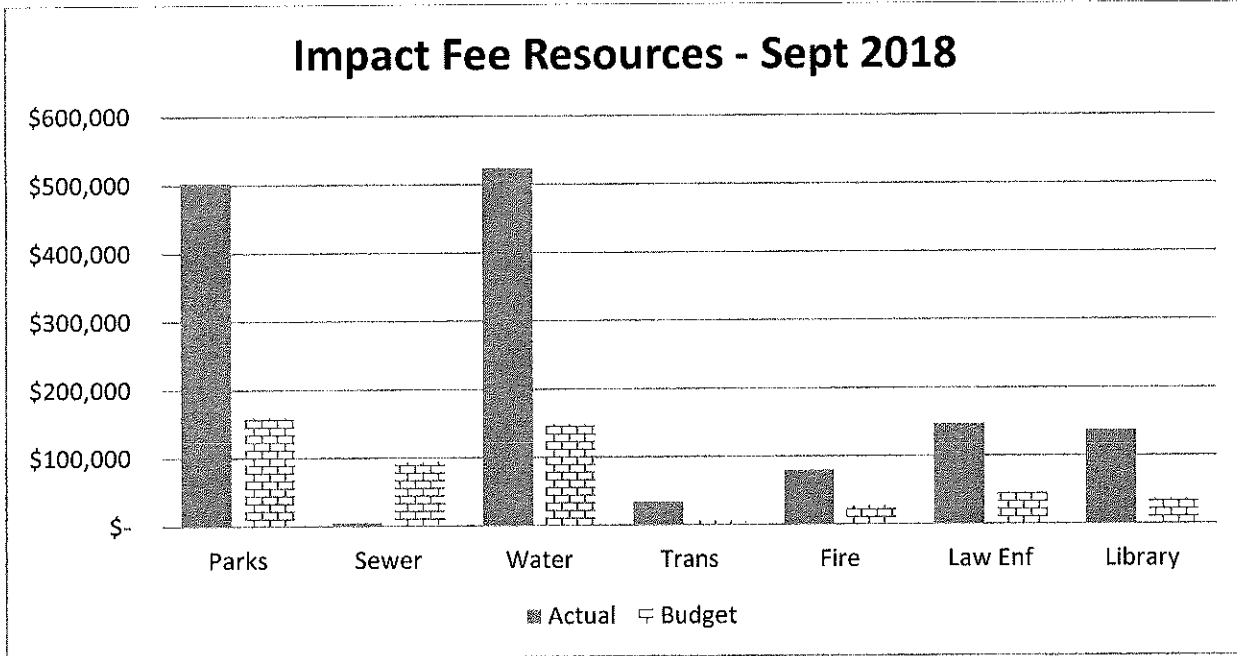
**CAPITAL IMPROVEMENT FUND** – Debt resources to fund the 2018 programs were received in December 2017. Debt sale proceeds are in the opening fund balance. A 2016 \$1.2 million transfer from the General Fund, also in the opening fund balance, provided most of the resources for a City Hall roof and Heating, Ventilating and Air Conditioning project.

Three Public Safety projects are in process, the Squad Car, radio system dispatch console and Drug Vault ventilation system.

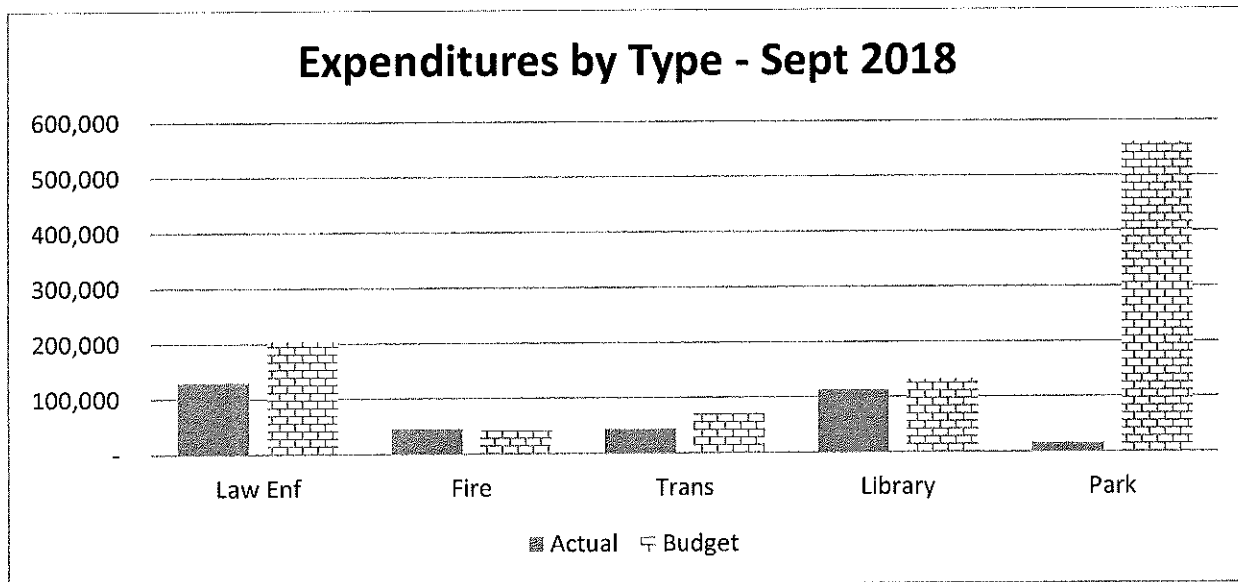
The Highway Salt storage barn is complete, and several other projects are in various states of progress.

Within Culture, the River Park trail/bridge is complete, the contractor has yet to invoice the City.

**DEVELOPMENT FUND** – \$1.4 million of Impact fee collections are stronger than budget (\$524,297). A S 27<sup>th</sup> Street apartment complex project is currently driving the strong impact fee collections.



Transfers from the Development Fund to the Debt Service Fund have been reduced as receipts are not sufficient to pay the 2018 debt service for these programs. Collections in 2018 have improved, but are still insufficient to meet scheduled 2018 Debt payments for Law Enforcement, Transportation and Library. Park expenditures in 2018 have generated little by way of qualifying Park Impact fees.



**UTILITY DEVELOPMENT FUND** – The S 27<sup>th</sup> St apartment project is driving the activity in this fund. No projects have been approved for 2018.

**SANITARY SEWER FUND** – Revenues for the first three quarters have matched budget. Expenditures have substantially matched budget except for improvements. Only \$74,070 has been expended on improvements compared to \$171,227 budgeted.

Sanitary Sewer Operating income of \$171,412 exceeds the \$77,605 deficit expected to this point in the year.

**WATER UTILITY FUND** – The wet summary period reduced water usage and thus water revenues which represent 95.1% of budget (\$215,000 less than budget).

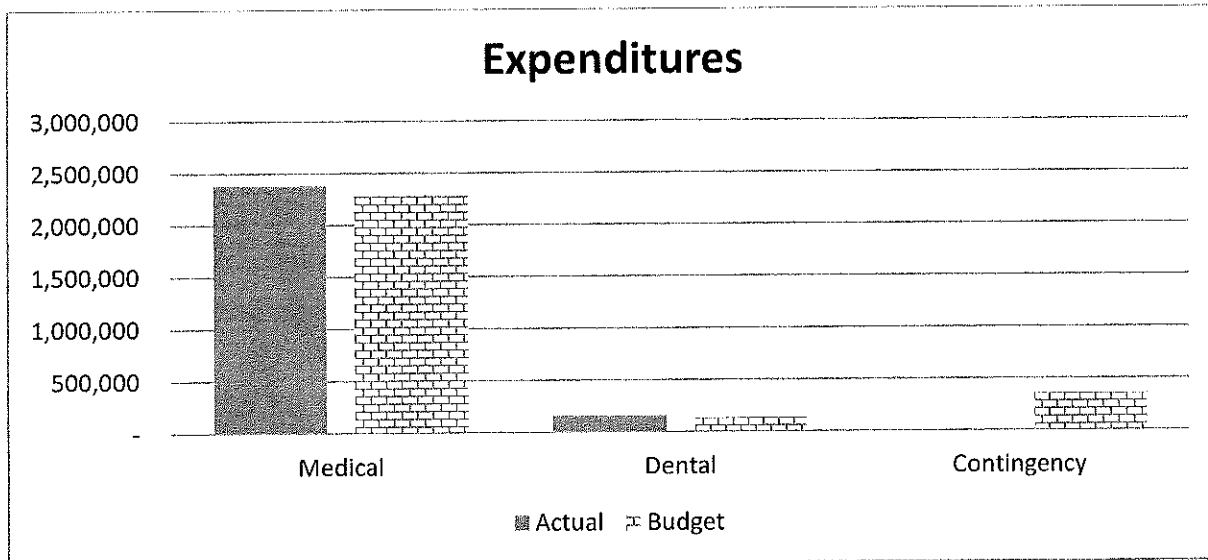
Operating expenditures of \$4.28 mil are \$145,000 less than budget. Transmission & Distribution costs are \$123,909 (31.1%) less than budget. Costs to clean the Drexel Tower were much lower than expected resulting in much of these savings.

Still operating income of \$279,797 is \$69,975 less than budget. The lowered water usage has depressed revenues causing this performance.

**SELF INSURANCE FUND** – Revenues are very close to budget.

Medical expenditures have slowed in recent months. Medical claims are 4.1% over budget year to day, which is much better than earlier in the year.

The fund has generated a \$171,016 deficit year to date, which is much better than the \$513,785 deficit in 2017 at the end of Sept. Adjusting for contingency, the fund was expected to have a very small surplus.



**RETIREE HEALTH FUND** – Insurance results are much worse than 2017, with claim costs 167% of the prior year. The fund has a \$79,518 insurance loss even considering the Implicit Rate Subsidy of \$97,896 (an implicit rate subsidy represents the higher cost per older participant than the Active group). With the small group size (25 participants), claims can be rather unpredictable.

Investment results reflect a \$253,265 gain, approximately an 6% annualized return. Much of that gain was eliminated in the early October 2018 market sell off. The fund is invested in passive index investments and is mirroring a blended equity/fixed income market. The rather short duration position of the fixed income portfolio mitigates much of the rising interest rate impact. Still the portfolio is 66% invested in equities, arguably an overweight position.

Caution is advised, as equity market returns can be volatile, as experienced in the early October 2018 sell off.

**Other Non-Major Funds** – a report of the other funds thru Sept 2018 is included.

- St Martin's Fair fund continues to generate deficits (\$19,901 in 2018).
- Health Grants – some grant revenues are yet to be recorded which will eliminate the deficit.

**City of Franklin**  
**Cash & Investments Summary**  
**September 30, 2018**

|  | <b>Cash</b>      | <b>American<br/>Deposit<br/>Management</b> | <b>Institutional<br/>Capital<br/>Management</b> | <b>Local<br/>Government<br/>Invest Pool</b> | <b>Fidelity<br/>Investments</b> | <b>Total</b>      | <b>Prior<br/>Month<br/>Total</b> |
|--|------------------|--|---|---|---------------------------------|-------------------|----------------------------------|
| General Fund                                   | \$ (37,829)      | \$ 5,828,875                               | \$ 3,995,907                                    | \$ 1,699,628                                | \$ -                            | \$ 11,486,581     | \$ 13,046,344                    |
| Debt Service Funds                             | 32,563           | 397,158                                    | 514,908   | -   | -                               | 944,629           | 698,621                          |
| TIF Districts                                  | 82,465           | 18,219,030                                 | 1,679,032                                       | -   | -                               | 19,980,527        | 21,365,102                       |
| Nonmajor<br>Governmental Funds                 | 670,783          | 7,096,117                                  | 8,584,364                                       | -   | -                               | 16,351,264        | 16,691,035                       |
| <b>Total Governmental<br/>Funds</b>            | <b>747,982</b>   | <b>31,541,180</b>                          | <b>14,774,211</b>                               | <b>1,699,628</b>                            | <b>-</b>                        | <b>48,763,002</b> | <b>51,801,101</b>                |
| Sewer Fund                                     | 190,453          | 768,931                                    | 730,760   | -   | -                               | 1,690,144         | 1,731,795                        |
| Water Utility                                  | 17,952           | 2,001,737                                  | 400,950   | -   | -                               | 2,420,639         | 2,540,036                        |
| Self Insurance Fund                            | 20,137           | 78,163                                     | 1,849,500                                       | -   | -                               | 1,947,800         | 2,009,399                        |
| Other Designated Funds                         | 10,247           | -  | -   | -   | -                               | 10,247            | 12,472                           |
| <b>Total Other Funds</b>                       | <b>238,790</b>   | <b>2,848,831</b>                           | <b>2,981,210</b>                                | <b>-</b>                                    | <b>-</b>                        | <b>6,068,830</b>  | <b>6,293,702</b>                 |
| <b>Total Pooled<br/>Cash &amp; Investments</b> | <b>986,772</b>   | <b>34,390,011</b>                          | <b>17,755,421</b>                               | <b>1,699,628</b>                            | <b>-</b>                        | <b>54,831,832</b> | <b>58,094,803</b>                |
| Retiree Health Fund                            | (28,391)         | -  | -   | -   | 5,889,441                       | 5,861,050         | 5,874,751                        |
| Property Tax Fund                              | 63,054           | 46,451                                     | -   | -   | -                               | 109,505           | 97,805                           |
| <b>Total Trust Funds</b>                       | <b>34,662</b>    | <b>46,451</b>                              | <b>-</b>  | <b>-</b>                                    | <b>5,889,441</b>                | <b>5,970,554</b>  | <b>5,972,556</b>                 |
| <b>Grand Total<br/>Cash &amp; Investments</b>  | <b>1,021,434</b> | <b>34,436,462</b>                          | <b>17,755,421</b>                               | <b>1,699,628</b>                            | <b>5,889,441</b>                | <b>60,802,386</b> | <b>64,067,359</b>                |
| <b>Average Rate of Return</b>                  |                  | 1.93%                                      | 1.49%   | 2.05%                                       |                                 |                   |                                  |
| <b>Maturities:</b>                             |                  |  |   |   |                                 |                   |                                  |
| Demand   | 1,021,434        | 31,434,969                                 | 39,029  | 1,699,628                                   | 85,481                          | 34,280,541        | 31,696,624                       |
| Fixed Income & Equities                        | -                | -  | -   | -   | 4,385,418                       | 4,385,418         | 4,415,145                        |
| 2018 - Q4                                      | -                | 3,001,493                                  | 2,012,662                                       | -   | -                               | 5,014,155         | -                                |
| 2019 - Q1                                      | -                | -  | 996,685   | -   | 150,165                         | 1,146,850         | 5,772,112                        |
| 2019 - Q3                                      | -                | -  | 986,167   | -   | -                               | 986,167           | 1,147,105                        |
| 2019 - Q4                                      | -                | -  | 1,965,128                                       | -   | -                               | 1,965,128         | -                                |
| 2020   | -                | -  | 5,402,396                                       | -   | 172,961                         | 5,575,358         | 2,952,296                        |
| 2021   | -                | -  | 3,886,268                                       | -   | 173,805                         | 4,060,073         | 5,589,375                        |
| 2022   | -                | -  | 2,467,086                                       | -   | 167,994                         | 2,635,080         | 4,077,390                        |
| 2023   | -                | -  | -   | -   | 170,311                         | 170,311           | 2,649,744                        |
| 2024   | -                | -  | -   | -   | 195,615                         | 195,615           | 171,150                          |
| 2025   | -                | -  | -   | -   | 195,933                         | 195,933           | 196,299                          |
| 2026   | -                | -  | -   | -   | 191,758                         | 191,758           | 197,233                          |
|  |                  |  |   |   |                                 |                   | 193,415                          |
|  | <b>1,021,434</b> | <b>34,436,462</b>                          | <b>17,755,421</b>                               | <b>1,699,628</b>                            | <b>5,889,441</b>                | <b>60,802,386</b> | <b>64,067,359</b>                |

**City of Franklin**  
**General Fund**  
**Comparative Statement of Revenue, Expenses and Fund Balance**  
**For the 9 months ended September 30, 2018**

| <b>Revenue</b>                                 | <b>2018<br/>Original<br/>Budget</b> | <b>2018<br/>Amended<br/>Budget</b> | <b>2018<br/>Year-to-Date<br/>Budget</b> | <b>2018<br/>Year-to-Date<br/>Actual</b> | <b>Var to Budget<br/>Surplus<br/>(Deficiency)</b> |
|--|-------------------------------------|------------------------------------|---|---|---|
| Property Taxes                                 | \$ 16,918,049                       | \$ 16,918,049                      | \$ 16,864,052                           | \$ 16,899,503                           | \$ 35,451   |
| Other Taxes                                    | 725,100                             | 725,100                            | 382,092                                 | 437,501                                 | 55,409  |
| Intergovernmental Revenue                      | 2,432,926                           | 2,432,926                          | 1,630,350                               | 1,565,660                               | (64,690)  |
| Licenses & Permits                             | 1,043,490                           | 1,043,490                          | 836,421                                 | 870,703                                 | 34,282  |
| Law and Ordinance Violations                   | 500,000                             | 500,000                            | 392,879                                 | 373,948                                 | (18,931)  |
| Public Charges for Services                    | 1,805,350                           | 1,805,350                          | 1,279,860                               | 1,347,989                               | 68,129  |
| Intergovernmental Charges                      | 196,500                             | 196,500                            | 94,793                                  | 127,921                                 | 33,128  |
| Investment Income                              | 205,000                             | 205,000                            | 153,750                                 | 145,726                                 | (8,024)   |
| Miscellaneous Revenue                          | 117,850                             | 117,850                            | 107,281                                 | 209,853                                 | 102,572   |
| Transfers from Other Funds                     | 1,050,000                           | 1,050,000                          | 801,180                                 | 787,500                                 | (13,680)  |
| <b>Total Revenue</b>                           | <b>\$ 24,994,265</b>                | <b>\$ 24,994,265</b>               | <b>\$ 22,542,658</b>                    | <b>\$ 22,766,304</b><br>100.99%         | <b>\$ 223,646</b>                                 |
| <b>Expenditures</b>                            | <b>2018<br/>Original<br/>Budget</b> | <b>2018<br/>Amended<br/>Budget</b> | <b>2018<br/>Year-to-Date<br/>Budget</b> | <b>2018<br/>Year-to-Date<br/>Actual</b> | <b>Var to Budget<br/>Surplus<br/>(Deficiency)</b> |
| General Government                             | \$ 3,107,447                        | \$ 3,177,162                       | A \$ 2,435,605                          | \$ 2,317,507                            | E \$ 118,098                                      |
| Public Safety                                  | 17,296,241                          | 17,348,342                         | A 12,517,231                            | 12,899,203                              | E (381,972)                                       |
| Public Works                                   | 3,437,593                           | 3,456,493                          | A 2,335,057                             | 2,116,062                               | 218,995   |
| Health & Human Services                        | 710,345                             | 710,345                            | 515,678                                 | 521,148                                 | (5,470)   |
| Culture & Recreation                           | 173,914                             | 177,874                            | A 129,541                               | 172,271                                 | E (42,730)  |
| Conservation and Development                   | 595,345                             | 630,045                            | A 438,667                               | 392,588                                 | E 46,079  |
| Contingency & Unclassified                     | 1,487,500                           | 1,425,500                          | 46,204                                  | 2,327                                   | E 43,877  |
| Anticipated Underexpenditures                  | (413,320)                           | (413,320)                          | -                                       | -                                       | -   |
| Transfers to Other Funds                       | 24,000                              | 24,000                             | 24,000                                  | 24,000                                  | -   |
| Encumbrances                                   | -                                   | -                                  | -                                       | (78,057)                                | -   |
| <b>Total Expenditures</b>                      | <b>\$ 26,419,065</b>                | <b>\$ 26,536,441</b>               | <b>\$ 18,441,983</b>                    | <b>\$ 18,367,049</b><br>99.59%          | <b>\$ (3,123)</b>                                 |
| Excess of revenue over<br>(under) expenditures | (1,424,800)                         | (1,542,176)                        | 4,100,675                               | 4,399,255                               | \$ 220,523  |
| Fund Balance, beginning of year                | 6,587,511                           | 6,587,511                          |   | 6,587,511                               |   |
| Fund Balance, end of period                    | <u>\$ 5,162,711</u>                 | <u>\$ 5,045,335</u>                |   | <u>\$ 10,986,766</u>                    |   |

A Represents an amendment to Adopted Budget  
E Represents an encumbrance for current year from prior year



**City of Franklin**  
**General Fund**  
**Comparative Statement of Revenue**  
**For the 9 months ended September 30, 2018**

| Revenue                                  | 2018<br>Original<br>Budget | 2018<br>Amended<br>Budget | 2018<br>Year-to-Date<br>Budget | 2018<br>Year-to-Date<br>Actual | Var to Budget<br>Surplus<br>(Deficiency) |
|--|----------------------------|---------------------------|--------------------------------|--------------------------------|--|
| <b>Property Taxes</b>                    | \$ 16,918,049              | \$ 16,918,049             | \$ 16,864,052                  | \$ 16,899,503                  | \$ 35,451                                |
| <b>Other Taxes:</b>                      |                            |                           |                                |                                |  |
| Cable television franchise fees          | 510,000                    | 510,000                   | 256,116                        | 250,348                        | (5,768)                                  |
| Mobile Home                              | 23,500                     | 23,500                    | 17,625                         | 14,070                         | (3,555)                                  |
| Room tax                                 | 191,600                    | 191,600                   | 108,351                        | 173,083                        | 64,732                                   |
| <b>Total Other taxes</b>                 | <u>725,100</u>             | <u>725,100</u>            | <u>382,092</u>                 | <u>437,501</u>                 | <u>55,409</u>                            |
| <b>Intergovernmental Revenue:</b>        |                            |                           |                                |                                |  |
| State shared revenue                     | 418,934                    | 418,934                   | 73,612                         | 65,007                         | (8,605)                                  |
| Expenditure restraint revenue            | 162,254                    | 162,254                   | 161,970                        | 162,254                        | 284                                      |
| State computer aid                       | 220,000                    | 220,000                   | 220,000                        | 222,663                        | 2,663                                    |
| State transportation aids                | 1,219,638                  | 1,219,638                 | 914,729                        | 915,802                        | 1,073                                    |
| Fire insurance dues                      | 137,500                    | 137,500                   | 137,500                        | 151,565                        | 14,065                                   |
| Other grants                             | 274,600                    | 274,600                   | 122,539                        | 48,369                         | (74,170)                                 |
| <b>Total Intergovernmental Revenue</b>   | <u>2,432,926</u>           | <u>2,432,926</u>          | <u>1,630,350</u>               | <u>1,565,660</u>               | <u>(64,690)</u>                          |
| <b>Licenses &amp; Permits:</b>           |                            |                           |                                |                                |  |
| Licenses                                 | 164,190                    | 164,190                   | 156,223                        | 165,777                        | 9,554                                    |
| Permits                                  | 879,300                    | 879,300                   | 680,198                        | 704,926                        | 24,728                                   |
|  | <u>1,043,490</u>           | <u>1,043,490</u>          | <u>836,421</u>                 | <u>870,703</u>                 | <u>34,282</u>                            |
| <b>Law &amp; Ordinance Violations:</b>   |                            |                           |                                |                                |  |
| Fines, Forfeitures & Penalties           | 500,000                    | 500,000                   | 392,879                        | 373,948                        | (18,931)                                 |
| <b>Public Charges for Services:</b>      |                            |                           |                                |                                |  |
| Planning Related Fees                    | 53,500                     | 53,500                    | 39,144                         | 80,764                         | 41,620                                   |
| General Government                       | 9,200                      | 9,200                     | 7,270                          | 6,828                          | (442)                                    |
| Architectural Board Review               | 5,200                      | 5,200                     | 4,063                          | 5,090                          | 1,027                                    |
| Police & Related                         | 8,600                      | 8,600                     | 5,021                          | 4,398                          | (623)                                    |
| Ambulance Services - ALS                 | 775,000                    | 775,000                   | 582,247                        | 691,583                        | 109,336                                  |
| Ambulance Services - BLS                 | 400,000                    | 400,000                   | 300,312                        | 226,294                        | (74,018)                                 |
| Fire Safety Training                     | 1,000                      | 1,000                     | 629                            | 3,755                          | 3,126                                    |
| Fire Sprinkler Plan Review               | 65,000                     | 65,000                    | 48,401                         | 34,980                         | (13,421)                                 |
| Fire Inspections                         | 23,000                     | 23,000                    | 16,910                         | 14,790                         | (2,120)                                  |
| Quarry Reimbursement                     | 44,600                     | 44,600                    | 27,307                         | 17,400                         | (9,907)                                  |
| Weed Cutting                             | 9,000                      | 9,000                     | 4,845                          | 3,375                          | (1,470)                                  |
| Engineering Fees                         | 14,000                     | 14,000                    | 11,174                         | 99,004                         | 87,830                                   |
| Public Works Fees                        | 15,000                     | 15,000                    | 6,961                          | 36,282                         | 29,321                                   |
| Weights & Measures                       | 7,600                      | 7,600                     | 834                            | 8,576                          | 7,742                                    |
| Landfill Operations - Siting             | 189,000                    | 189,000                   | 141,750                        | 61,986                         | (79,764)                                 |
| Landfill Operations - Emerald Park       | 67,500                     | 67,500                    | 42,545                         | 42,941                         | 396                                      |
| Health Department                        | 118,150                    | 118,150                   | 40,447                         | 9,943                          | (30,504)                                 |
| <b>Total Public Charges for Services</b> | <u>\$ 1,805,350</u>        | <u>\$ 1,805,350</u>       | <u>\$ 1,279,860</u>            | <u>\$ 1,347,989</u>            | <u>\$ 68,129</u>                         |

A Represents an amendment to Adopted Budget  
E Represents an encumbrance for current year from prior year

**City of Franklin  
General Fund  
Comparative Statement of Revenue  
For the 9 months ended September 30, 2018**

| <b>Revenue</b>                     | <b>2018<br/>Original<br/>Budget</b> | <b>2018<br/>Amended<br/>Budget</b> | <b>2018<br/>Year-to-Date<br/>Budget</b> | <b>2018<br/>Year-to-Date<br/>Actual</b> | <b>Var to Budget<br/>Surplus<br/>(Deficiency)</b> |
|------------------------------------|-------------------------------------|------------------------------------|---|---|---|
| <b>Intergovernmental Charges:</b>  |                                     |                                    |   |   |   |
| Milwaukee County - Paramedics      | \$ 118,000                          | \$ 118,000                         | \$ 61,492                               | \$ 80,988                               | \$ 19,496   |
| School Liaison Officer             | 78,500                              | 78,500                             | 33,301                                  | 46,933                                  | 13,632  |
| Total Intergovernmental Charges    | <u>196,500</u>                      | <u>196,500</u>                     | <u>94,793</u>                           | <u>127,921</u>                          | <u>33,128</u>                                     |
| <b>Investment Income:</b>          |                                     |                                    |   |   |   |
| Interest on Investments            | 120,000                             | 120,000                            | 90,000                                  | 131,451                                 | 41,451  |
| Market Value Change on Investments | -                                   | -                                  | -                                       | (49,230)                                | (49,230)  |
| Interest - Tax Roll                | 85,000                              | 85,000                             | 63,750                                  | 59,134                                  | (4,616)   |
| Other Interest                     | -                                   | -                                  | -                                       | 4,371                                   | 4,371   |
| Total Investment Income            | <u>205,000</u>                      | <u>205,000</u>                     | <u>153,750</u>                          | <u>145,726</u>                          | <u>(8,024)</u>                                    |
| <b>Sale of Capital Assets</b>      |                                     |                                    |   |   |   |
|                                    | -                                   | -                                  | -                                       | -                                       | -   |
| <b>Miscellaneous Revenue:</b>      |                                     |                                    |   |   |   |
| Rental of Property                 | 50,000                              | 50,000                             | 48,756                                  | 84,040                                  | 35,284  |
| Refunds/Reimbursements             | 15,000                              | 15,000                             | 7,681                                   | 28,734                                  | 21,053  |
| Insurance Dividend                 | 40,000                              | 40,000                             | 40,000                                  | 88,144                                  | 48,144  |
| Other Revenue                      | 12,850                              | 12,850                             | 10,844                                  | 8,935                                   | (1,909)   |
| Total Miscellaneous Revenue        | <u>117,850</u>                      | <u>117,850</u>                     | <u>107,281</u>                          | <u>209,853</u>                          | <u>102,572</u>                                    |
| <b>Transfer from Other Funds:</b>  |                                     |                                    |   |   |   |
| Capital Outlay Fund                | -                                   | -                                  | -                                       | -                                       | -   |
| Water Utility-Tax Equivalent       | 1,050,000                           | 1,050,000                          | 801,180                                 | 787,500                                 | (13,680)  |
| Total Transfers from Other Funds   | <u>1,050,000</u>                    | <u>1,050,000</u>                   | <u>801,180</u>                          | <u>787,500</u>                          | <u>(13,680)</u>                                   |
| Total Revenue                      | <u>\$ 24,994,265</u>                | <u>\$ 24,994,265</u>               | <u>\$ 22,542,658</u>                    | <u>\$ 22,766,304</u>                    | <u>\$ 223,646</u>                                 |
|                                    |                                     |                                    |   | 100.99%                                 |   |

A Represents an amendment to Adopted Budget

E Represents an encumbrance for current year from prior year

**City of Franklin**  
**General Fund**  
**Comparative Statement of Expenditures**  
**For the 9 months ended September 30, 2018**

| Expenditures                         | 2018<br>Original<br>Budget | 2018<br>Amended<br>Budget | 2018<br>Year-to-Date<br>Budget | 2018<br>Year-to-Date<br>Actual | Var to Budget<br>Surplus<br>(Deficiency) |
|--------------------------------------|----------------------------|---------------------------|--------------------------------|--------------------------------|--|
| <b>General Government:</b>           |                            |                           |                                |                                |  |
| Mayor & Aldermen - Labor             | \$ 65,891                  | \$ 65,891                 | \$ 50,685                      | \$ 49,419                      | \$ 1,266                                 |
| Mayor & Aldermen - Non-Personnel     | 31,241                     | 31,241                    | 26,728                         | 23,248                         | 3,480                                    |
| Municipal Court - Labor              | 193,929                    | 193,929                   | 149,176                        | 138,041                        | 11,135                                   |
| Municipal Court - Non-Personnel      | 56,900                     | 56,900                    | 45,236                         | 34,339                         | 10,897                                   |
| City Clerk Labor                     | 320,183                    | 320,183                   | 246,452                        | 229,766                        | 16,686                                   |
| City Clerk - Non-Personnel           | 27,200                     | 27,200                    | 20,505                         | 19,998                         | 507                                      |
| Elections - Labor                    | 58,480                     | 58,480                    | 43,553                         | 33,390                         | 10,163                                   |
| Elections - Non-Personnel            | 10,700                     | 10,700                    | 8,915                          | 6,999                          | 1,916                                    |
| Information Services - Labor         | 122,397                    | 122,397                   | 88,527                         | 94,655                         | (6,128)                                  |
| Information Services - Non-Personnel | 361,489                    | 388,439 A                 | 301,625                        | 262,615 E                      | 39,010                                   |
| Administration - Labor               | 297,298                    | 297,298                   | 213,449                        | 227,414                        | (13,965)                                 |
| Administration - Non-Personnel       | 137,415                    | 179,415 A                 | 126,569                        | 134,947                        | (8,378)                                  |
| Finance - Labor                      | 432,136                    | 432,136                   | 309,414                        | 327,507                        | (18,093)                                 |
| Finance - Non-Personnel              | 102,285                    | 102,285                   | 69,114                         | 62,626                         | 6,488                                    |
| Independent Audit                    | 30,000                     | 30,000                    | 29,171                         | 24,255                         | 4,916                                    |
| Assessor - Non-Personnel             | 226,150                    | 226,150                   | 169,630                        | 135,250                        | 34,380                                   |
| Legal Services                       | 342,450                    | 342,450                   | 252,491                        | 228,283                        | 24,208                                   |
| Municipal Buildings - Labor          | 90,543                     | 90,543                    | 59,794                         | 72,847                         | (13,053)                                 |
| Municipal Buildings - Non-Personnel  | 119,015                    | 119,780 A                 | 81,283                         | 75,772 E                       | 5,511                                    |
| Property/liability insurance         | 81,745                     | 81,745                    | 143,288                        | 136,136                        | 7,152                                    |
| <b>Total General Government</b>      | <b>3,107,447</b>           | <b>3,177,162</b>          | <b>2,435,605</b>               | <b>2,317,507</b>               | <b>118,098</b>                           |
| <b>Public Safety:</b>                |                            |                           |                                |                                |  |
| Police Department - Labor            | 8,729,467                  | 8,729,467                 | 6,281,644                      | 6,435,463                      | (153,819)                                |
| Police Department - Non-Personnel    | 1,145,420                  | 1,197,497 A               | 859,242                        | 782,424 E                      | 76,818                                   |
| Fire Department - Labor              | 5,808,682                  | 5,808,682                 | 4,197,533                      | 4,511,670                      | (314,137)                                |
| Fire Department - Non-Personnel      | 461,560                    | 461,560                   | 339,002                        | 329,485                        | 9,517                                    |
| Public Fire Protection               | 283,300                    | 283,300                   | 213,895                        | 209,837                        | 4,058                                    |
| Building Inspection - Labor          | 830,662                    | 830,662                   | 598,266                        | 610,042                        | (11,776)                                 |
| Building Inspection - Non-Personnel  | 29,550                     | 29,574 A                  | 20,049                         | 12,682 E                       | 7,367                                    |
| Weights and Measures                 | 7,600                      | 7,600                     | 7,600                          | 7,600                          | -  |
| <b>Total Public Safety</b>           | <b>17,296,241</b>          | <b>17,348,342</b>         | <b>12,517,231</b>              | <b>12,899,203</b>              | <b>(381,972)</b>                         |
| <b>Public Works:</b>                 |                            |                           |                                |                                |  |
| Engineering - Labor                  | 533,967                    | 533,967                   | 393,456                        | 367,066                        | 26,390                                   |
| Engineering - Non-Personnel          | 28,700                     | 28,700                    | 19,596                         | 12,640                         | 6,956                                    |
| Highway - Labor                      | 1,732,456                  | 1,732,456                 | 1,247,541                      | 1,211,631                      | 35,910                                   |
| Highway - Non-Personnel              | 788,620                    | 807,520 A                 | 443,877                        | 354,869                        | 89,008                                   |
| Street Lighting                      | 344,800                    | 344,800                   | 223,919                        | 166,976                        | 56,943                                   |
| Weed Control                         | 9,050                      | 9,050                     | 6,668                          | 2,880                          | 3,788                                    |
| <b>Total Public Works</b>            | <b>\$ 3,437,593</b>        | <b>\$ 3,456,493</b>       | <b>\$ 2,335,057</b>            | <b>\$ 2,116,062</b>            | <b>\$ 218,995</b>                        |

A Represents an amendment to Adopted Budget  
E Represents an encumbrance for current year from prior year

**City of Franklin**  
**General Fund**  
**Comparative Statement of Revenue, Expenses and Fund Balance**  
**For the 9 months ended September 30, 2018**

| <b>Expenditures</b>                         | <b>2018<br/>Original<br/>Budget</b> | <b>2018<br/>Amended<br/>Budget</b> | <b>2018<br/>Year-to-Date<br/>Budget</b> | <b>2018<br/>Year-to-Date<br/>Actual</b> | <b>Var to Budget<br/>Surplus<br/>(Deficiency)</b> |
|---|-------------------------------------|------------------------------------|---|---|---|
| <b>Health &amp; Human Services:</b>         |                                     |                                    |   |   |   |
| Public Health - Labor                       | \$ 596,495                          | \$ 596,495                         | \$ 429,173                              | \$ 440,657                              | \$ (11,484)                                       |
| Public Health - Non-Personnel               | 73,250                              | 73,250                             | 52,305                                  | 59,798                                  | (7,493)   |
| Animal Control                              | 40,600                              | 40,600 A                           | 34,200                                  | 20,693                                  | 13,507  |
| <b>Total Health &amp; Human Services</b>    | <b>710,345</b>                      | <b>710,345</b>                     | <b>515,678</b>                          | <b>521,148</b>                          | <b>(5,470)</b>                                    |
| <b>Culture &amp; Recreation:</b>            |                                     |                                    |   |   |   |
| Senior Travel & Activities                  | 22,000                              | 22,000                             | 17,650                                  | 10,503                                  | 7,147   |
| Parks - Labor                               | 108,989                             | 108,989                            | 81,900                                  | 130,412                                 | (48,512)  |
| Parks - Non-Personnel                       | 42,925                              | 46,885 A                           | 29,991                                  | 31,356                                  | (1,365)   |
| <b>Total Culture &amp; Recreation</b>       | <b>173,914</b>                      | <b>177,874</b>                     | <b>129,541</b>                          | <b>172,271</b>                          | <b>(42,730)</b>                                   |
| <b>Conservation &amp; Development:</b>      |                                     |                                    |   |   |   |
| Planning - Labor                            | 345,230                             | 345,230                            | 248,583                                 | 258,589                                 | (10,006)  |
| Planning - Non-Personnel                    | 60,550                              | 80,550 A                           | 55,006                                  | 31,144                                  | 23,862  |
| Economic Dev - Labor                        | 105,365                             | 105,365                            | 75,206                                  | 64,754 E                                | 10,452  |
| Economic Dev - Non-Personnel                | 84,200                              | 98,900 A                           | 59,872                                  | 38,101 E                                | 21,771  |
| <b>Total Conservation &amp; Development</b> | <b>595,345</b>                      | <b>630,045</b>                     | <b>438,667</b>                          | <b>392,588</b>                          | <b>46,079</b>                                     |
| <b>Contingency &amp; Unclassified:</b>      |                                     |                                    |   |   |   |
| Restricted - other                          | 1,280,000                           | 1,280,000                          | -                                       | -                                       | -   |
| Unrestricted                                | 125,000                             | 63,000 A                           | 25,467                                  | 1,200                                   | 24,267  |
| Unclassified                                | 82,500                              | 82,500                             | 20,737                                  | 1,127                                   | 19,610  |
| <b>Total Contingency &amp; Unclassified</b> | <b>1,487,500</b>                    | <b>1,425,500</b>                   | <b>46,204</b>                           | <b>2,327</b>                            | <b>43,877</b>                                     |
| <b>Anticipated Underexpenditures</b>        | <b>(413,320)</b>                    | <b>(413,320)</b>                   | <b>-</b>                                | <b>-</b>                                | <b>-</b>  |
| <b>Transfers to Other Funds:</b>            |                                     |                                    |   |   |   |
| Capital Improvement Fund                    | -                                   | -                                  | -                                       | -                                       | -   |
| Other Funds                                 | 24,000                              | 24,000                             | 24,000                                  | 24,000                                  | -   |
| <b>Total Transfers to Other Funds</b>       | <b>24,000</b>                       | <b>24,000</b>                      | <b>24,000</b>                           | <b>24,000</b>                           | <b>-</b>  |
| <b>Total Expenditures</b>                   | <b>\$ 26,419,065</b>                | <b>\$ 26,536,441</b>               | <b>\$ 18,441,983</b>                    | <b>\$ 18,445,106</b>                    | <b>\$ (3,123)</b>                                 |
| <b>Less Encumbrances</b>                    |                                     |                                    |   | <b>(78,057)</b>                         |   |
| <b>Net Expenditures</b>                     |                                     |                                    |   | <b>\$ 18,367,049</b>                    |   |
| % of YTD Budget                             |                                     |                                    |   | 99.59%                                  |   |

A Represents an amendment to Adopted Budget

E Represents an encumbrance for current year from prior year

**City of Franklin  
General Fund  
Balance Sheet**

| <b>ASSETS</b>  | <b>9/30/2018</b>     |
|--|----------------------|
| Cash & Investments                                       | \$ 11,477,952        |
| Accounts & Taxes Receivable                              | 537,308              |
| Due from/Advances to Other Funds                         | 300,381              |
| Due from Other Governments                               | 47,147               |
| Prepaid Expenditures & Inventories                       | 11,998               |
| <b>Total Assets</b>                                      | <u>\$ 12,374,786</u> |
| <br>   |                      |
| <b>LIABILITIES</b>                                       |                      |
| Accounts Payable   | \$ 466,238           |
| Accrued Liabilities                                      | 701,550              |
| Due to Other Funds & Governments                         | 111,268              |
| Special Deposits   | 60,102               |
| Unearned Revenue   | 48,862               |
| <b>Total Liabilities</b>                                 | <u>1,388,020</u>     |
| <br>   |                      |
| <b>FUND BALANCES</b>                                     |                      |
| Nonspendable - Inventories, Prepaids, Advances, Assigned | 312,379              |
| Unassigned   | <u>10,674,387</u>    |
| Total Fund Balances                                      | 10,986,766           |
| <b>Total Liabilities &amp; Fund Balances</b>             | <u>\$ 12,374,786</u> |

**City of Franklin  
Debt Service Funds  
Balance Sheet  
September 30, 2018 and 2017**

|                                     | 2018              | 2018              | 2018                | 2017              | 2017           | 2017              |
|-------------------------------------|-------------------|-------------------|---------------------|-------------------|----------------|-------------------|
|                                     | Special           | Debt              |                     | Special           | Debt           |                   |
| <u>Assets</u>                       | <u>Assessment</u> | <u>Service</u>    | <u>Total</u>        | <u>Assessment</u> | <u>Service</u> | <u>Total</u>      |
| Cash and investments                | \$ 677,545        | \$ 267,085        | \$ 944,630          | \$ 637,758        | \$ -           | \$ 637,758        |
| Special assessment receivable       | 83,018            | -                 | 83,018              | 130,308           | -              | 130,308           |
| Total Assets                        | <u>\$ 760,563</u> | <u>\$ 267,085</u> | <u>\$ 1,027,648</u> | <u>\$ 768,066</u> | <u>\$ -</u>    | <u>\$ 768,066</u> |
| <br>                                |                   |                   |                     |                   |                |                   |
| <u>Liabilities and Fund Balance</u> |                   |                   |                     |                   |                |                   |
| Unearned & unavailable revenue      | \$ 83,018         | \$ -              | \$ 83,018           | \$ 130,308        | \$ -           | \$ 130,308        |
| Unassigned fund balance             | 677,545           | 267,085           | 944,630             | 637,758           | -              | 637,758           |
| Total Liabilities and Fund Balance  | <u>\$ 760,563</u> | <u>\$ 267,085</u> | <u>\$ 1,027,648</u> | <u>\$ 768,066</u> | <u>\$ -</u>    | <u>\$ 768,066</u> |

**Statement of Revenue, Expenses and Fund Balance  
For the Nine months ended September 30, 2018 and 2017**

|                                 | 2018              | 2018              | 2018              | 2018              | 2017              | 2017             | 2017              |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|-------------------|
|                                 | Special           | Debt              | Year-to-Date      | Amended           | Special           | Debt             | Year-to-Date      |
| <u>Revenue</u>                  | <u>Assessment</u> | <u>Service</u>    | <u>Actual</u>     | <u>Budget</u>     | <u>Assessment</u> | <u>Service</u>   | <u>Actual</u>     |
| Property Taxes                  | \$ -              | \$ 1,300,000      | \$ 1,300,000      | \$ 1,300,000      | \$ -              | \$ 1,300,000     | \$ 1,300,000      |
| Special Assessments             | 51,449            | -                 | 51,449            | -                 | 65,933            | -                | 65,933            |
| Investment Income               | 2,145             | 2,658             | 4,803             |                   | 5,408             | 735              | 6,143             |
| Total Revenue                   | <u>53,594</u>     | <u>1,302,658</u>  | <u>1,356,252</u>  | <u>1,300,000</u>  | <u>71,341</u>     | <u>1,300,735</u> | <u>1,372,076</u>  |
| <br>                            |                   |                   |                   |                   |                   |                  |                   |
| <u>Expenditures:</u>            |                   |                   |                   |                   |                   |                  |                   |
| Debt Service:                   |                   |                   |                   |                   |                   |                  |                   |
| Principal                       | -                 | 1,330,000         | 1,330,000         | 1,330,000         | -                 | 1,355,000        | 1,355,000         |
| Interest                        | -                 | 148,898           | 148,898           | 481,613           | -                 | 144,613          | 144,613           |
| Total expenditures              | <u>-</u>          | <u>1,478,898</u>  | <u>1,478,898</u>  | <u>1,811,613</u>  | <u>-</u>          | <u>1,499,613</u> | <u>1,499,613</u>  |
| <br>                            |                   |                   |                   |                   |                   |                  |                   |
| Transfers in                    | -                 | 392,254           | 392,254           | 328,644           | -                 | 114,370          | 114,370           |
| Transfers out                   | (60,000)          | -                 | (60,000)          | -                 | (373)             | -                | (373)             |
| Net change in fund balances     | <u>(6,406)</u>    | <u>216,014</u>    | <u>209,608</u>    | <u>(182,969)</u>  | <u>70,968</u>     | <u>(84,508)</u>  | <u>(13,540)</u>   |
| <br>                            |                   |                   |                   |                   |                   |                  |                   |
| Fund balance, beginning of year | 683,951           | 51,071            | 735,022           | 735,022           | 566,790           | 84,508           | 651,298           |
| Fund balance, end of period     | <u>\$ 677,545</u> | <u>\$ 267,085</u> | <u>\$ 944,630</u> | <u>\$ 552,053</u> | <u>\$ 637,758</u> | <u>\$ -</u>      | <u>\$ 637,758</u> |

**City of Franklin  
Consolidating TID Funds  
Balance Sheet  
September 30, 2018**

|  | <u>TID 3</u>        | <u>TID 4</u>        | <u>TID 5</u>         | <u>Total</u>         |
|--|---------------------|---------------------|----------------------|----------------------|
| <b><u>Assets</u></b>                       |                     |                     |                      |                      |
| Cash & investments                         | \$ 1,965,672        | \$ 3,556,431        | \$ 14,458,973        | \$ 19,981,076        |
| Total Assets                               | <u>\$ 1,965,672</u> | <u>\$ 3,556,431</u> | <u>\$ 14,458,973</u> | <u>\$ 19,981,076</u> |
| <b><u>Liabilities and Fund Balance</u></b> |                     |                     |                      |                      |
| Accounts payable                           | \$ -                | \$ 75,496           | \$ -                 | \$ 75,496            |
| Accrued liabilities                        | 1,323,600           | -                   | -                    | 1,323,600            |
| Due to Other Funds                         | -                   | -                   | 29,695               | 29,695               |
| Interfund advance from Development Fund    | -                   | -                   | 75,000               | 75,000               |
| Total Liabilities                          | <u>1,323,600</u>    | <u>75,496</u>       | <u>104,695</u>       | <u>1,503,791</u>     |
| Assigned fund balance                      | <u>642,072</u>      | <u>3,480,935</u>    | <u>14,354,278</u>    | <u>18,477,285</u>    |
| Total Liabilities and Fund Balance         | <u>\$ 1,965,672</u> | <u>\$ 3,556,431</u> | <u>\$ 14,458,973</u> | <u>\$ 19,981,076</u> |

**Statement of Revenue, Expenses and Fund Balance  
For the Nine months ended September 30, 2018**

|  | <u>TID 3</u>      | <u>TID 4</u>        | <u>TID 5</u>         | <u>Total</u>         |
|--|-------------------|---------------------|----------------------|----------------------|
| <b>Revenue</b>                           |                   |                     |                      |                      |
| General property tax levy                | \$ 1,381,191      | \$ 1,059,413        | \$ 30,500            | \$ 2,471,104         |
| Payment in Lieu of Taxes                 | -                 | 132,871             | -                    | 132,871              |
| State exempt computer aid                | 464,931           | 16,195              | -                    | 481,126              |
| Investment income                        | 22,162            | 29,268              | 121,006              | 172,436              |
| Bond proceeds                            | -                 | -                   | 23,386,959           | 23,386,959           |
| Total revenue                            | <u>1,868,284</u>  | <u>1,237,747</u>    | <u>23,538,465</u>    | <u>26,644,496</u>    |
| <b>Expenditures</b>                      |                   |                     |                      |                      |
| Transfer to other funds                  | -                 | -                   | -                    | -                    |
| Debt service principal                   | 985,000           | -                   | -                    | 985,000              |
| Debt service interest & fees             | 15,010            | -                   | 337,663              | 352,673              |
| Administrative expenses                  | 30,933            | 5,984               | 36,345               | 73,262               |
| Professional Services                    | -                 | 212,894             | 63,223               | 276,117              |
| Interfund interest                       | 148               | -                   | -                    | 148                  |
| Capital outlays                          | 30,711            | 1,201,850           | 8,625,675            | 9,858,236            |
| Development incentive & obligation payer | 109,000           | -                   | 49,685               | 158,685              |
| Encumbrances                             | <u>(29,713)</u>   | <u>(1,257,917)</u>  | <u>(27,279)</u>      | <u>(1,314,909)</u>   |
| Total expenditures                       | <u>1,141,089</u>  | <u>162,811</u>      | <u>9,085,312</u>     | <u>10,389,212</u>    |
| Revenue over (under) expenditures        | 727,195           | 1,074,936           | 14,453,153           | 16,255,284           |
| Fund balance, beginning of year          | <u>(85,123)</u>   | <u>2,405,999</u>    | <u>(98,875)</u>      | <u>2,222,001</u>     |
| Fund balance, end of period              | <u>\$ 642,072</u> | <u>\$ 3,480,935</u> | <u>\$ 14,354,278</u> | <u>\$ 18,477,285</u> |

**City of Franklin**  
**Tax Increment Financing District #3**  
**Balance Sheet**  
**September 30, 2018 and 2017**

| <u>Assets</u>                           | <u>2018</u>         | <u>2017</u>         |
|---|---------------------|---------------------|
| Cash & investments                      | \$ 1,965,672        | \$ 1,839,758        |
| Total Assets                            | <u>\$ 1,965,672</u> | <u>\$ 1,839,758</u> |
| <br>                                    |                     |                     |
| <u>Liabilities and Fund Balance</u>     |                     |                     |
| Accounts payable                        | \$ -                | \$ 498              |
| Accrued liabilities                     | 1,323,600           | -                   |
| Interfund advance from Development Fund | -                   | 550,000             |
| Total Liabilities                       | <u>1,323,600</u>    | <u>550,498</u>      |
| Assigned fund balance                   | 642,072             | 1,289,260           |
| Total Liabilities and Fund Balance      | <u>\$ 1,965,672</u> | <u>\$ 1,839,758</u> |

**Statement of Revenue, Expenses and Fund Balance**  
**For the Nine months ended September 30, 2018 and 2017**

|   | <u>2018</u><br><u>Annual</u><br><u>Budget</u> | <u>2018</u><br><u>Amended</u><br><u>Budget</u> | <u>2018</u><br><u>Year-to-Date</u><br><u>Budget</u> | <u>2018</u><br><u>Year-to-Date</u><br><u>Actual</u> | <u>2017</u><br><u>Year-to-Date</u><br><u>Actual</u> |
|---|---|--|---|---|---|
| <b>Revenue</b>                              |   |  |   |   |   |
| General property tax levy                   | \$ 1,384,100                                  | \$ 1,384,100                                   | \$ 1,384,100  | \$ 1,381,191  | \$ 1,253,575  |
| State exempt computer aid                   | 584,400                                       | 584,400  | 584,400   | 464,931   | 458,196   |
| Investment income                           | 5,000   | 5,000  | 4,098   | 22,162  | 17,408  |
| Bond proceeds                               | 5,100,000                                     | 5,100,000                                      | 3,825,000   | -   | -   |
| Transfer from other funds                   | -   | -  | -   | -   | -   |
| Total revenue                               | <u>7,073,500</u>                              | <u>7,073,500</u>                               | <u>5,797,598</u>                                    | <u>1,868,284</u>                                    | <u>1,729,179</u>                                    |
| <br>  |   |  |   |   |   |
| <b>Expenditures</b>                         |   |  |   |   |   |
| Transfer to other funds                     | -   | -  | -   | -   | -   |
| Debt service principal                      | 985,000                                       | 985,000  | 985,000   | 985,000   | 1,675,000   |
| Debt service interest & fees                | 182,575                                       | 182,575  | 160,742   | 15,010  | 54,902  |
| Administrative expenses                     | 12,870  | 38,370   | 28,533  | 30,933  | 10,064  |
| Interfund interest                          | 1,634   | 1,634  | 1,269   | 148   | 14,398  |
| Capital outlays                             | -   | 1,353,313                                      | 907,385   | 1,354,311   | 1,383,323   |
| Development incentive & obligation payments | 5,000,000                                     | 5,000,000                                      | 3,750,000   | 109,000   | -   |
| Encumbrances                                | -   | -  | -   | (1,353,313)   | (1,356,363)   |
| Total expenditures                          | <u>6,182,079</u>                              | <u>7,560,892</u>                               | <u>5,832,929</u>                                    | <u>1,141,089</u>                                    | <u>1,781,324</u>                                    |
| Revenue over (under) expenditures           | 891,421                                       | (487,392)                                      | <u>\$ (35,331)</u>                                  | 727,195   | (52,145)  |
| Fund balance, beginning of year             | <u>(85,123)</u>                               | <u>(85,123)</u>                                |   | <u>(85,123)</u>                                     | <u>1,341,405</u>                                    |
| Fund balance, end of period                 | <u>\$ 806,298</u>                             | <u>\$ (572,515)</u>                            |   | <u>\$ 642,072</u>                                   | <u>\$ 1,289,260</u>                                 |



**City of Franklin  
Tax Increment Financing District #4  
Balance Sheet  
September 30, 2018 and 2017**

| <b><u>Assets</u></b>                       | <b>2018</b>         | <b>2017</b>         |
|--|---------------------|---------------------|
| Cash & investments                         | \$ 3,556,431        | \$ 2,418,104        |
| Taxes receivable                           | -                   | -                   |
| Total Assets                               | <u>\$ 3,556,431</u> | <u>\$ 2,418,104</u> |
| <br>                                       |                     |                     |
| <b><u>Liabilities and Fund Balance</u></b> |                     |                     |
| Accounts payable                           | \$ 75,496           | \$ 9,524            |
| Unearned revenue                           | -                   | -                   |
| Total Liabilities                          | <u>75,496</u>       | <u>9,524</u>        |
| Assigned fund balance                      | <u>3,480,935</u>    | <u>2,408,580</u>    |
| Total Liabilities and Fund Balance         | <u>\$ 3,556,431</u> | <u>\$ 2,418,104</u> |

**Statement of Revenue, Expenses and Fund Balance  
For the Nine months ended September 30, 2018 and 2017**

|                                   | <b>2018<br/>Annual<br/>Budget</b> | <b>2018<br/>Amended<br/>Budget</b> | <b>2018<br/>Year-to-Date<br/>Budget</b> | <b>2018<br/>Year-to-Date<br/>Actual</b> | <b>2017<br/>Year-to-Date<br/>Actual</b> |
|-----------------------------------|-----------------------------------|------------------------------------|---|---|---|
| <b>Revenue</b>                    |                                   |                                    |   |   |   |
| General property tax levy         | \$ 1,061,600                      | \$ 1,061,600                       | \$ 1,061,600                            | \$ 1,059,413                            | \$ 1,013,892                            |
| Payment in Lieu of Taxes          | 90,000                            | 90,000                             | 90,000                                  | 132,871                                 | 148,173                                 |
| State exempt computer aid         | 14,700                            | 14,700                             | 14,700                                  | 16,195                                  | 15,960                                  |
| Investment income                 | 15,000                            | 15,000                             | 11,250                                  | 29,268                                  | 17,854                                  |
| Bond proceeds                     | 10,000,000                        | 10,000,000                         | 7,500,000                               | -                                       | -                                       |
| Total revenue                     | <u>11,181,300</u>                 | <u>11,181,300</u>                  | <u>8,677,550</u>                        | <u>1,237,747</u>                        | <u>1,195,879</u>                        |
| <br>                              |                                   |                                    |   |   |   |
| <b>Expenditures</b>               |                                   |                                    |   |   |   |
| Debt service interest & fees      | 125,350                           | 125,350                            | 94,012                                  | -                                       | -                                       |
| Administrative expenses           | 10,650                            | 10,650                             | 7,988                                   | 5,984                                   | 7,929                                   |
| Professional services             | 104,500                           | 155,693                            | 78,375                                  | 212,894                                 | 74,500                                  |
| Capital outlay                    | 12,000,000                        | 12,000,000                         | 9,000,000                               | 1,201,850                               | -                                       |
| Development incentive/grant       | 980,000                           | 980,000                            | 735,000                                 | -                                       | -                                       |
| Encumbrances                      | -                                 | -                                  | -                                       | (1,257,917)                             | (52,848)                                |
| Total expenditures                | <u>13,220,500</u>                 | <u>13,271,693</u>                  | <u>9,915,375</u>                        | <u>162,811</u>                          | <u>29,581</u>                           |
| Revenue over (under) expenditures | <u>(2,039,200)</u>                | <u>(2,090,393)</u>                 | <u>\$ (1,237,825)</u>                   | <u>1,074,936</u>                        | <u>1,166,298</u>                        |
| Fund balance, beginning of year   | <u>2,405,999</u>                  | <u>2,405,999</u>                   |   | <u>2,405,999</u>                        | <u>1,242,282</u>                        |
| Fund balance, end of period       | <u>\$ 366,799</u>                 | <u>\$ 315,606</u>                  |   | <u>\$ 3,480,935</u>                     | <u>\$ 2,408,580</u>                     |

**City of Franklin**  
**Tax Increment Financing District #5**  
**Balance Sheet**  
**September 30, 2018 and 2017**

| <u>Assets</u>                       | 2018                 | 2017            |
|-------------------------------------|----------------------|-----------------|
| Cash & investments                  | \$ 14,458,973        | \$ 7,199        |
| Taxes receivable                    | -                    | -               |
| Total Assets                        | <u>\$ 14,458,973</u> | <u>\$ 7,199</u> |
| <br>                                |                      |                 |
| <u>Liabilities and Fund Balance</u> |                      |                 |
| Accounts payable                    | \$ -                 | \$ -            |
| Due to other funds                  | 29,695               | 74,695          |
| Advances from other funds           | 75,000               | -               |
| Unearned revenue                    | -                    | -               |
| Total Liabilities                   | <u>104,695</u>       | <u>74,695</u>   |
| Fund balance                        | 14,354,278           | (67,496)        |
| Total Liabilities and Fund Balance  | <u>\$ 14,458,973</u> | <u>\$ 7,199</u> |

**Statement of Revenue, Expenses and Fund Balance**  
**For the Nine months ended September 30, 2018 and 2017**

|                                   | 2018<br>Annual<br>Budget | 2018<br>Amended<br>Budget | 2018<br>Year-to-Date<br>Budget | 2018<br>Year-to-Date<br>Actual | 2017<br>Year-to-Date<br>Actual |
|-----------------------------------|--------------------------|---------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>Revenue</b>                    |                          |                           |                                |                                |                                |
| General property tax levy         | \$ 30,100                | \$ 30,100                 | \$ 22,575                      | \$ 30,500                      | \$ -                           |
| State exempt computer aid         | 300                      | 300                       | 225                            | -                              | -                              |
| Investment income                 | -                        | -                         | -                              | 121,006                        | -                              |
| Bond proceeds                     | 18,600,000               | 18,600,000                | 13,950,000                     | 23,386,959                     | -                              |
| Transfer from other funds         | -                        | -                         | -                              | -                              | -                              |
| Total revenue                     | <u>18,630,400</u>        | <u>18,630,400</u>         | <u>13,972,800</u>              | <u>23,538,465</u>              | <u>-</u>                       |
| <br>                              |                          |                           |                                |                                |                                |
| <b>Expenditures</b>               |                          |                           |                                |                                |                                |
| Debt service interest & fees      | 534,163                  | 534,163                   | 209,512                        | 337,663                        | -                              |
| Administrative expenses           | 22,050                   | 22,050                    | 16,538                         | 36,345                         | 15,650                         |
| Professional services             | 50,000                   | 78,741                    | 59,056                         | 63,223                         | 27,148                         |
| Capital outlay                    | 9,342,875                | 9,342,875                 | 7,007,156                      | 8,625,675                      | -                              |
| Land improvements                 | 3,010,000                | 3,010,000                 | 2,257,500                      | -                              | -                              |
| Development incentive/grant       | -                        | -                         | -                              | 49,685                         | -                              |
| Contingency                       | 5,160,507                | 5,160,507                 | 3,870,380                      | -                              | -                              |
| Encumbrances                      | -                        | -                         | -                              | (27,279)                       | (27,148)                       |
| Total expenditures                | <u>18,119,595</u>        | <u>18,148,336</u>         | <u>13,420,142</u>              | <u>9,085,312</u>               | <u>15,650</u>                  |
| Revenue over (under) expenditures | 510,805                  | 482,064                   | <u>\$ 552,658</u>              | 14,453,153                     | (15,650)                       |
| Fund balance, beginning of year   | <u>(98,875)</u>          | <u>(98,875)</u>           |                                | <u>(98,875)</u>                | <u>(51,846)</u>                |
| Fund balance, end of period       | <u>\$ 411,930</u>        | <u>\$ 383,189</u>         |                                | <u>\$ 14,354,278</u>           | <u>\$ (67,496)</u>             |

**City of Franklin  
Library Fund  
Balance Sheet  
September 30, 2018 and 2017**

| <b>Assets</b>                             | <b>Operating</b>  |                   | <b>Restricted</b> |                   |
|---|-------------------|-------------------|-------------------|-------------------|
|   | <b>2018</b>       | <b>2017</b>       | <b>2018</b>       | <b>2017</b>       |
| Cash and investments                      | \$ 781,197        | \$ 703,368        | \$ 159,520        | \$ 139,585        |
| Accrued receivables                       | 68,068            | -                 | -                 | -                 |
| Prepaid expenses                          | -                 | -                 | -                 | 650               |
| <b>Total Assets</b>                       | <b>\$ 849,265</b> | <b>\$ 703,368</b> | <b>\$ 159,520</b> | <b>\$ 140,235</b> |
| <b>Liabilities and Fund Balance</b>       |                   |                   |                   |                   |
| Accounts payable                          | \$ 13,716         | \$ 22,553         | \$ 1,970          | \$ 1,291          |
| Accrued salaries & wages                  | 22,352            | 23,020            | -                 | -                 |
| Nonspendable fund balance                 | -                 | -                 | -                 | 650               |
| Assigned fund balance                     | 813,197           | 657,795           | 157,550           | 138,294           |
| <b>Total Liabilities and Fund Balance</b> | <b>\$ 849,265</b> | <b>\$ 703,368</b> | <b>\$ 159,520</b> | <b>\$ 140,235</b> |

**Statement of Revenue, Expenses and Fund Balance - Operating Fund  
For the Nine months ended September 30, 2018 and 2017**

|                                   | <b>2018<br/>Annual<br/>Budget</b> | <b>2018<br/>Amended<br/>Budget</b> | <b>2018<br/>Year-to-Date<br/>Budget</b> | <b>2018<br/>Year-to-Date<br/>Actual</b> | <b>2017<br/>Year-to-Date<br/>Actual</b> |
|-----------------------------------|-----------------------------------|------------------------------------|---|---|---|
| <b>Revenue</b>                    |                                   |                                    |   |   |   |
| Property taxes                    | \$ 1,303,200                      | \$ 1,303,200                       | \$ 1,303,200                            | \$ 1,303,200                            | \$ 1,296,600                            |
| Reciprocal borrowing (restricted) | 75,000                            | 75,000                             | 24,774                                  | 68,526                                  | -                                       |
| Investment income                 | 8,500                             | 8,500                              | 6,375                                   | 10,642                                  | 6,975                                   |
| Transfers in                      | -                                 | -                                  | -                                       | -                                       | -                                       |
| <b>Total Revenue</b>              | <b>1,386,700</b>                  | <b>1,386,700</b>                   | <b>1,334,349</b>                        | <b>1,382,368</b>                        | <b>1,303,575</b>                        |
| <b>Expenditures:</b>              |                                   |                                    |   |   |   |
| Salaries and benefits             | 933,295                           | 933,295                            | 672,051                                 | 681,361                                 | 671,877                                 |
| Contractual services              | 15,500                            | 15,500                             | 14,076                                  | 11,371                                  | 12,283                                  |
| Supplies                          | 27,775                            | 27,775                             | 19,500                                  | 23,902                                  | 25,151                                  |
| Services and charges              | 65,260                            | 65,260                             | 52,852                                  | 59,017                                  | 51,881                                  |
| Contingency                       | -                                 | 10,000                             | 7,500                                   | 2,000                                   | -                                       |
| Facility charges                  | 252,088                           | 263,088                            | 190,997                                 | 167,525                                 | 174,988                                 |
| Capital outlay                    | 92,782                            | 96,782                             | 71,249                                  | 74,295                                  | 80,971                                  |
| Capital outlay (restricted)       | -                                 | -                                  | -                                       | -                                       | -                                       |
| <b>Total Library Costs</b>        | <b>1,386,700</b>                  | <b>1,411,700</b>                   | <b>1,028,225</b>                        | <b>1,019,471</b>                        | <b>1,017,151</b>                        |
| <b>Total expenditures</b>         | <b>1,386,700</b>                  | <b>1,411,700</b>                   | <b>1,028,225</b>                        | <b>1,019,471</b>                        | <b>1,017,151</b>                        |
| Revenue over (under) expenditures | -                                 | (25,000)                           | <u>306,124</u>                          | 362,897                                 | 286,424                                 |
| Fund balance, beginning of year   | 450,300                           | 450,300                            |   | 450,300                                 | 371,371                                 |
| Fund balance, end of period       | <u>\$ 450,300</u>                 | <u>\$ 425,300</u>                  |   | <u>\$ 813,197</u>                       | <u>\$ 657,795</u>                       |

**City of Franklin  
Solid Waste Collection Fund  
Balance Sheet  
September 30, 2018 and 2017**

| <u>Assets</u>                       | <u>2018</u>       | <u>2017</u>       |
|-------------------------------------|-------------------|-------------------|
| Cash and investments                | \$ 910,762        | \$ 862,323        |
| Accrued Receivables                 | 44                | 233               |
| Total Assets                        | <u>\$ 910,806</u> | <u>\$ 862,556</u> |
| <br>                                |                   |                   |
| <u>Liabilities and Fund Balance</u> |                   |                   |
| Accounts payable                    | \$ 125            | \$ 129,668        |
| Accrued salaries & wages            | 430               | -                 |
| Restricted fund balance             | 910,251           | 732,888           |
| Total Liabilities and Fund Balance  | <u>\$ 910,806</u> | <u>\$ 862,556</u> |

**Statement of Revenue, Expenses and Fund Balance  
For the Nine months ended September 30, 2018 and 2017**

| <u>Revenue</u>                    | <u>2018<br/>Adopted<br/>Budget</u> | <u>2018<br/>YTD<br/>Budget</u> | <u>2018<br/>Year-to-Date<br/>Actual</u> | <u>2017<br/>Year-to-Date<br/>Actual</u> |
|-----------------------------------|------------------------------------|--------------------------------|---|---|
| Grants                            | \$ 68,800                          | 68,800                         | \$ 68,984                               | \$ 68,838                               |
| User Fees                         | 1,211,000                          | 1,210,339                      | 1,211,405                               | 1,210,068                               |
| Landfill Operations-tippage       | 350,000                            | 238,015                        | 239,135                                 | 232,127                                 |
| Investment Income                 | 7,500                              | 6,312                          | 10,902                                  | 7,745                                   |
| Sale of Recyclables               | -                                  | -                              | 1,044                                   | 28                                      |
| Total Revenue                     | <u>1,637,300</u>                   | <u>1,523,466</u>               | <u>1,531,470</u>                        | <u>1,518,806</u>                        |
| <br>                              |                                    |                                |   |   |
| <b>Expenditures:</b>              |                                    |                                |   |   |
| Personal Services                 | 14,783                             | 10,743                         | 11,097                                  | 11,582                                  |
| Refuse Collection                 | 679,500                            | 507,186                        | 462,151                                 | 506,278                                 |
| Recycling Collection              | 362,800                            | 270,882                        | 256,692                                 | 276,860                                 |
| Leaf & Brush Pickups              | 60,000                             | 45,000                         | 20,000                                  | 18,086                                  |
| Tippage Fees                      | 455,300                            | 341,475                        | 263,671                                 | 302,081                                 |
| Miscellaneous                     | 3,500                              | 2,625                          | 1,285                                   | 1,914                                   |
| Printing                          | 1,800                              | 1,350                          | -                                       | -                                       |
| Total expenditures                | <u>1,577,683</u>                   | <u>1,179,261</u>               | <u>1,014,896</u>                        | <u>1,116,801</u>                        |
| Revenue over (under) expenditures | 59,617                             | <u>344,205</u>                 | 516,574                                 | 402,005                                 |
| Fund balance, beginning of year   | <u>393,677</u>                     |                                | <u>393,677</u>                          | <u>330,883</u>                          |
| Fund balance, end of period       | <u>\$ 453,294</u>                  |                                | <u>\$ 910,251</u>                       | <u>\$ 732,888</u>                       |

**City of Franklin  
Capital Outlay Fund  
Balance Sheet  
September 30, 2018 and 2017**

| <b><u>Assets</u></b>                       | <b><u>2018</u></b> | <b><u>2017</u></b> |
|--|--------------------|--------------------|
| Cash and investments                       | \$ 529,363         | \$ 419,470         |
| Total Assets                               | <b>\$ 529,363</b>  | <b>\$ 419,470</b>  |
| <b><u>Liabilities and Fund Balance</u></b> |                    |                    |
| Accounts payable                           | \$ 10,007          | \$ 79,527          |
| Encumbrance                                | 99,905             | 78,100             |
| Assigned fund balance                      | 419,452            | 261,843            |
| Total Liabilities and Fund Balance         | <b>\$ 529,364</b>  | <b>\$ 419,470</b>  |

**Statement of Revenue, Expenses and Fund Balance  
For the Nine months ended September 30, 2018 and 2017**

|  | <b>2018<br/>Original<br/>Budget</b> | <b>2018<br/>Amended<br/>Budget</b> | <b>2018<br/>Year-to-Date<br/>Budget</b> | <b>2018<br/>Year-to-Date<br/>Actual *</b> | <b>2017<br/>Year-to-Date<br/>Actual</b> |
|--|-------------------------------------|------------------------------------|---|---|---|
| <b>Revenue</b>                                 |                                     |                                    |   |   |   |
| Property Taxes                                 | \$ 450,500                          | \$ 450,500                         | \$ 450,500                              | \$ 450,500                                | \$ 444,300                              |
| Grants   | -                                   | -                                  | -                                       | 2,021                                     | 5,050                                   |
| Landfill Siting                                | 147,000                             | 147,000                            | 137,380                                 | 135,200                                   | 106,300                                 |
| Investment Income                              | 6,000                               | 6,000                              | 4,500                                   | 4,959                                     | 4,413                                   |
| Miscellaneous Revenue                          | 39,000                              | 39,000                             | 20,700                                  | 22,070                                    | 53,390                                  |
| Transfers from Other Funds                     | -                                   | 134,138                            | 100,604                                 | 101,000                                   | -                                       |
| Total Revenue                                  | <b>642,500</b>                      | <b>776,638</b>                     | <b>713,684</b>                          | <b>715,750</b>                            | <b>613,453</b>                          |
| <b>Expenditures:</b>                           |                                     |                                    |   |   |   |
| General Government                             | 132,762                             | 241,247                            | 161,694                                 | 97,420                                    | 119,259                                 |
| Public Safety                                  | 431,508                             | 582,841                            | 487,910                                 | 477,318                                   | 497,381                                 |
| Public Works                                   | 55,062                              | 81,752                             | 60,609                                  | 53,666                                    | 31,871                                  |
| Health and Human Services                      | 6,582                               | 6,582                              | 4,936                                   | 3,563                                     | -                                       |
| Culture and Recreation                         | 4,000                               | 13,250                             | 8,371                                   | 9,828                                     | 13,453                                  |
| Conservation and Development                   | 1,682                               | 1,682                              | 1,261                                   | 1,018                                     | 1,618                                   |
| Contingency                                    | 50,000                              | 27,750                             | 20,813                                  | 6,525                                     | -                                       |
| Transfers to Other Funds                       | -                                   | -                                  | -                                       | -   | 26,950                                  |
| Total expenditures                             | <b>681,596</b>                      | <b>955,104</b>                     | <b>745,594</b>                          | <b>649,338</b>                            | <b>690,532</b>                          |
| Revenue over (under) expenditures <sup>1</sup> | (39,096)                            | (178,466)                          | <b>(31,910)</b>                         | 66,412                                    | (77,079)                                |
| Fund balance, beginning of year                | <b>353,040</b>                      | <b>353,040</b>                     |   | <b>353,040</b>                            | <b>338,922</b>                          |
| Fund balance, end of period                    | <b>\$ 313,944</b>                   | <b>\$ 174,574</b>                  |   | <b>\$ 419,452</b>                         | <b>\$ 261,843</b>                       |

\* Amount shown is actual expenditures plus encumbrance

**City of Franklin  
Equipment Replacement Fund  
Balance Sheet  
September 30, 2018 and 2017**

| <u>Assets</u>                             | <u>2018</u>                | <u>2017</u>                |
|---|----------------------------|----------------------------|
| Cash and investments                      | \$ 2,784,253               | \$ 2,350,928               |
| <b>Total Assets</b>                       | <b><u>\$ 2,784,253</u></b> | <b><u>\$ 2,350,928</u></b> |
| <br>                                      |                            |                            |
| <u>Liabilities and Fund Balance</u>       |                            |                            |
| Accounts payable                          | \$ 10,689                  | \$ -                       |
| Encumbrance                               | 236,256                    | 88,644                     |
| Assigned fund balance                     | 2,537,308                  | 2,262,284                  |
| <b>Total Liabilities and Fund Balance</b> | <b><u>\$ 2,784,253</u></b> | <b><u>\$ 2,350,928</u></b> |

**Comparative Statement of Revenue, Expenses and Fund Balance  
For the Nine months ended September 30, 2018 and 2017**

|                                   | <u>2018<br/>Original<br/>Budget</u> | <u>2018<br/>Amended<br/>Budget</u> | <u>2018<br/>Year-to-Date<br/>Budget</u> | <u>2018<br/>Year-to-Date<br/>Actual *</u> | <u>2017<br/>Year-to-Date<br/>Actual</u> |
|-----------------------------------|-------------------------------------|------------------------------------|---|---|---|
| <b>Revenue:</b>                   |                                     |                                    |   |   |   |
| Property Taxes                    | \$ 350,000                          | \$ 350,000                         | \$350,000                               | \$ 350,000                                | \$ 348,300                              |
| Landfill                          | 200,000                             | 200,000                            | 186,401                                 | 184,000                                   | 144,800                                 |
| Investment Income                 | 29,000                              | 29,000                             | 21,750                                  | 6,848                                     | 24,899                                  |
| Property Sales                    | 7,500                               | 7,500                              | 5,579                                   | 19,231                                    | 28,201                                  |
| Total revenue                     | <u>586,500</u>                      | <u>586,500</u>                     | <u>563,730</u>                          | <u>560,079</u>                            | <u>546,200</u>                          |
| <b>Expenditures:</b>              |                                     |                                    |   |   |   |
| Public Safety                     | 44,754                              | 88,754                             | 63,565                                  | 84,162                                    | 237,358                                 |
| Public Works                      | 251,000                             | 251,000                            | 188,101                                 | 250,424                                   | 417,561                                 |
| Total expenditures                | <u>295,754</u>                      | <u>339,754</u>                     | <u>251,666</u>                          | <u>334,586</u>                            | <u>654,919</u>                          |
| Revenue over (under) expenditures | 290,746                             | 246,746                            | <u>312,064</u>                          | 225,493                                   | (108,719)                               |
| Fund balance, beginning of year   | <u>2,311,815</u>                    | <u>2,311,815</u>                   |   | <u>2,311,815</u>                          | <u>2,371,003</u>                        |
| Fund balance, end of period       | <u>\$ 2,602,561</u>                 | <u>\$ 2,558,561</u>                |   | <u>\$ 2,537,308</u>                       | <u>\$ 2,262,284</u>                     |

\* Amount shown is actual expenditures plus emcumbrance

**City of Franklin  
Street Improvement Fund  
Balance Sheet  
September 30, 2018 and 2017**

| <u>Assets</u>                       | <b>2018</b>       | <b>2017</b>         |
|-------------------------------------|-------------------|---------------------|
| Cash and investments                | \$ 297,924        | \$ 1,049,189        |
| Total Assets                        | <u>\$ 297,924</u> | <u>\$ 1,049,189</u> |
| <br>                                |                   |                     |
| <u>Liabilities and Fund Balance</u> |                   |                     |
| Accounts payable                    | \$ 2,917          | \$ 723,187          |
| Encumbrances                        | 75,151            | -                   |
| Assigned fund balance               | 219,856           | 326,002             |
| Total Liabilities and Fund Balance  | <u>\$ 297,924</u> | <u>\$ 1,049,189</u> |

**Statement of Revenue, Expenses and Fund Balance  
For the Nine months ended September 30, 2018 and 2017**

|  | <b>2018<br/>Original<br/>Budget</b> | <b>2018<br/>Year-to-Date<br/>Totals</b> | <b>2017<br/>Year-to-Date<br/>Totals</b> |
|--|-------------------------------------|---|---|
| <b>Revenue:</b>                              |                                     |   |   |
| Property Taxes                               | \$ 714,700                          | \$ 714,700                              | \$ 704,900                              |
| Landfill Siting                              | 133,000                             | 113,800                                 | 96,400                                  |
| Investment Income                            | 2,500                               | 8,134                                   | 5,875                                   |
| Local Road Improvement Aids                  | 75,000                              | -                                       | -                                       |
| Refunds and Reimbursements                   | -                                   | -                                       | -                                       |
| Total revenue                                | <u>925,200</u>                      | <u>836,634</u>                          | <u>807,175</u>                          |
| <br>   |                                     |   |   |
| <b>Expenditures:</b>                         |                                     |   |   |
| Street Reconstruction Program - Current Year | 920,000                             | 903,044                                 | 738,501                                 |
| Revenue over (under) expenditures            | 5,200                               | (66,410)                                | 68,674                                  |
| Fund balance, beginning of year              | <u>286,266</u>                      | <u>286,266</u>                          | <u>257,328</u>                          |
| Fund balance, end of period                  | <u>\$ 291,466</u>                   | <u>\$ 219,856</u>                       | <u>\$ 326,002</u>                       |

**City of Franklin  
Capital Improvement Fund  
Balance Sheet  
September 30, 2018 and 2017**

| <u>Assets</u>                       | <u>2018</u>         | <u>2017</u>         |
|-------------------------------------|---------------------|---------------------|
| Cash and investments                | \$ 3,417,687        | \$ 2,737,975        |
| Accrued receivables                 | 847                 | 847                 |
| Total Assets                        | <u>\$ 3,418,534</u> | <u>\$ 2,738,822</u> |
| <br>                                |                     |                     |
| <u>Liabilities and Fund Balance</u> |                     |                     |
| Accounts payable                    | \$ 7,833            | \$ 335,162          |
| Escrow Balances Due                 | 78,915              | 90,000              |
| Fund Balance - Encumbrance          | 549,850             | 845,789             |
| Assigned fund balance               | 2,781,936           | 1,467,871           |
| Total Liabilities and Fund Balance  | <u>\$ 3,418,534</u> | <u>\$ 2,738,822</u> |

**Statement of Revenue, Expenses and Fund Balance  
For the Nine months ended September 30, 2018 and 2017**

|                                   | <u>2018<br/>Original<br/>Budget</u> | <u>2018<br/>Amended<br/>Budget</u> | <u>2018<br/>Year-to-Date<br/>Totals</u> | <u>2017<br/>Year-to-Date<br/>Totals</u> |
|-----------------------------------|-------------------------------------|------------------------------------|---|---|
| <b>Revenue:</b>                   |                                     |                                    |   |   |
| Block Grants                      | \$ -                                | \$ -                               | \$ -                                    | \$ -                                    |
| Other Grants                      | -                                   | 638,000                            | -                                       | -                                       |
| Landfill Siting                   | 276,000                             | 276,000                            | 93,394                                  | 144,319                                 |
| Transfers from Other Funds        | 15,529,251                          | 15,529,251                         | -                                       | -                                       |
| Transfers from Impact Fees        | 1,552,928                           | 1,552,928                          | 16,015                                  | -                                       |
| Transfers from Connection Fees    | 1,000,000                           | 1,000,000                          | -                                       | -                                       |
| Bond Proceeds                     | 5,600,000                           | 5,600,000                          | -                                       | -                                       |
| Donations                         | 150,000                             | 150,000                            | 11,085                                  | -                                       |
| Refunds & Reimbursements          | -                                   | -                                  | -                                       | 97,480                                  |
| Investment Income                 | 5,000                               | 5,000                              | 21,805                                  | 27,025                                  |
| Total revenue                     | <u>24,113,179</u>                   | <u>24,751,179</u>                  | <u>142,299</u>                          | <u>268,824</u>                          |
| <br>                              |                                     |                                    |   |   |
| <b>Expenditures:</b>              |                                     |                                    |   |   |
| General Government                | 1,925,000                           | 1,925,000                          | 12,339                                  | 39,123                                  |
| Public Safety                     | 291,250                             | 429,946                            | 112,069                                 | 274,867                                 |
| Public Works                      | 14,928,746                          | 16,117,070                         | 581,763                                 | 1,145,800                               |
| Culture and Recreation            | 1,443,445                           | 1,443,445                          | 345,601                                 | 55,351                                  |
| Sewer & Water                     | 4,869,500                           | 4,869,500                          | -                                       | -                                       |
| Contingency                       | 2,296,376                           | 2,279,076                          | 3,084                                   | 3,084                                   |
| Bond/Note Issuance Cost           | 98,000                              | 98,000                             | -                                       | -                                       |
| Transfers to Other Funds          | -                                   | 101,000                            | 101,000                                 | -                                       |
| Total expenditures                | <u>25,852,317</u>                   | <u>27,263,037</u>                  | <u>1,155,856</u>                        | <u>1,518,225</u>                        |
| Revenue over (under) expenditures | <u>(1,739,138)</u>                  | <u>(2,511,858)</u>                 | <u>(1,013,557)</u>                      | <u>(1,249,401)</u>                      |
| Fund balance, beginning of year   | <u>3,795,493</u>                    | <u>3,795,493</u>                   | <u>3,795,493</u>                        | <u>2,717,272</u>                        |
| Fund balance, end of period       | <u>\$ 2,056,355</u>                 | <u>\$ 1,283,635</u>                | <u>\$ 2,781,936</u>                     | <u>\$ 1,467,871</u>                     |



**City of Franklin  
Development Fund  
Balance Sheet  
September 30, 2018 and 2017**

| <u>Assets</u>                             | <u>2018</u>         | <u>2017</u>         |
|---|---------------------|---------------------|
| Cash and investments                      | \$ 5,340,936        | \$ 3,946,445        |
| Due From TID 3                            | -                   | 275,000             |
| <b>Total Assets</b>                       | <b>\$ 5,340,936</b> | <b>\$ 4,221,445</b> |
| <br><u>Liabilities and Fund Balance</u>   |                     |                     |
| Accounts payable                          | \$ -                | \$ -                |
| Payable to Developers- Oversizing         | 59,799              | 79,732              |
| Non-Spendable Fund Balance - Advances     | -                   | 275,000             |
| Encumbrance                               | 3,321               | 3,321               |
| Assigned fund balance                     | 5,277,816           | 3,863,392           |
| <b>Total Fund Balance</b>                 | <b>5,277,816</b>    | <b>4,138,392</b>    |
| <b>Total Liabilities and Fund Balance</b> | <b>\$ 5,340,936</b> | <b>\$ 4,221,445</b> |

**Comparative Statement of Revenue, Expenses and Fund Balance  
For the Nine months ended September 30, 2018 and 2017**

|   | <u>2018<br/>Original<br/>Budget</u> | <u>2018<br/>Year-to-Date<br/>Budget</u> | <u>2018<br/>Year-to-Date<br/>Actual</u> | <u>2017<br/>Year-to-Date<br/>Actual</u> |
|---|-------------------------------------|---|---|---|
| <b>Revenue:</b>                           |                                     |   |   |   |
| Impact Fee: Parks                         | \$ 192,000                          | \$ 160,364                              | \$ 503,205                              | \$ 57,078                               |
| Southwest Sewer Service Area              | 122,440                             | 95,231                                  | 4,689                                   | -                                       |
| Administration                            | 4,125                               | 3,529                                   | 12,045                                  | 2,530                                   |
| Water                                     | 185,000                             | 148,586                                 | 524,049                                 | 108,853                                 |
| Transportation                            | 8,400                               | 6,915                                   | 34,731                                  | 18,954                                  |
| Fire Protection                           | 32,250                              | 26,739                                  | 80,264                                  | 16,614                                  |
| Law Enforcement                           | 55,930                              | 46,323                                  | 147,141                                 | 30,497                                  |
| Library                                   | 43,950                              | 36,610                                  | 138,655                                 | 16,614                                  |
| <b>Total Impact Fees</b>                  | <b>644,095</b>                      | <b>524,297</b>                          | <b>1,444,779</b>                        | <b>251,140</b>                          |
| Investment Income                         | 43,750                              | 32,813                                  | 18,054                                  | 38,474                                  |
| Interfund Interest Income                 | 817                                 | 613                                     | 74                                      | 7,199                                   |
| <b>Total revenue</b>                      | <b>688,662</b>                      | <b>557,723</b>                          | <b>1,462,907</b>                        | <b>296,813</b>                          |
| <b>Expenditures:</b>                      |                                     |   |   |   |
| Other Professional Services               | 10,000                              | 13,321                                  | 3,321                                   | 3,321                                   |
| Transfer to Debt Service:                 |                                     |   |   |   |
| Law Enforcement                           | 205,000                             | 205,000                                 | 130,220                                 | 34,654                                  |
| Fire                                      | 43,100                              | 43,100                                  | 45,226                                  | 43,006                                  |
| Transportation                            | 73,250                              | 73,250                                  | 43,541                                  | 11,024                                  |
| Library                                   | 133,100                             | 133,100                                 | 113,267                                 | 25,313                                  |
| <b>Total Transfers to Debt Service</b>    | <b>454,450</b>                      | <b>454,450</b>                          | <b>332,254</b>                          | <b>113,997</b>                          |
| Transfer to Capital Improvement Fund:     |                                     |   |   |   |
| Park                                      | 1,572,350                           | 560,807                                 | 16,015                                  | -                                       |
| <b>Total Transfers to Capital Improve</b> | <b>1,572,350</b>                    | <b>560,807</b>                          | <b>16,015</b>                           | <b>-</b>                                |
| Sewer Fees                                | 500,000                             | -                                       | -                                       | -                                       |
| Water Fees                                | 500,000                             | -                                       | -                                       | 99,665                                  |
| <b>Total expenditures</b>                 | <b>3,036,800</b>                    | <b>1,028,578</b>                        | <b>351,590</b>                          | <b>216,983</b>                          |
| Revenue over (under) expenditures         | (2,348,138)                         | (470,855)                               | 1,111,317                               | 79,830                                  |
| Fund balance, beginning of year           | 4,166,499                           |   | 4,166,499                               | 4,058,562                               |
| Fund balance, end of period               | <b>\$ 1,818,361</b>                 |   | <b>\$ 5,277,816</b>                     | <b>\$ 4,138,392</b>                     |

**City of Franklin**  
**Development Fund Financial Report**  
**For the nine months ended September 30, 2018**

Effective with all permits applied for after May 31, 2002, in accordance with our Impact Fee Ordinance 2002-1712 new impact fees were adopted. The fees are automatically increased 5% in January of each year. The components of the fees for 2018 are as follows.

|  | Single<br>Family | Two<br>Family | Multi<br>Family<br>per Unit |
|--|------------------|---------------|-----------------------------|
| Park and Playground Facilities                               | \$ 3,423.00      | \$ 6,846.00   | \$ 2,361.00                 |
| Fire Protection Facilities                                   | 475.00           | 950.00        | 329.00                      |
| Law Enforcement Facilities                                   | 882.00           | 1,764.00      | 603.00                      |
| Water system <sup>1</sup> per every 169 gallons of daily use | 2,395.00         | 4,790.00      | 2,395.00 <sup>1</sup>       |
| Transportation Facilities                                    | 92.00            | 184.00        | 65.00                       |
| Administrative Fee   | 55.00            | 110.00        | 55.00                       |
| Library Facilities   | 969.00           | 1,938.00      | 647.00                      |
| Sanitary Sewer - Ryan Creek                                  | 2,928.00         | 5,856.00      | see note <sup>2</sup>       |
|  | \$ 11,219.00     | \$ 22,438.00  | \$ 6,455.00                 |

In addition to the above, there is an established commercial impact fee of \$.523 psf, an industrial impact fee of \$.136 psf and an institutional impact fee of \$.738 psf. There is also a charge on each commercial, industrial or institutional building for water of \$2,069 per REC (residential equivalency) and an administrative fee of \$55 for the first 10,000 sq. ft. plus \$55 for each additional 10,000 sq. ft.

The funds generated are available for capital projects or related debt service of those municipal activities. Interest revenue is credited to each account balance.

<sup>2</sup>

On May 21, 2013, the Common Council adopted Ordinance 2013-2105 to provide for the extension of and cost recovery of public sanitary sewer within the southwest sanitary sewer service area served by the Ryan Creek Interceptor public sanitary sewer. The fee for a single family dwelling with a 0.75" meter is \$2,928.00. For a multi family dwelling the fee is \$2,928.00 for the first unit and \$1,464.00 for each additional unit.

City of Franklin

Development Fund

Summary of Impact Fee Activity

For the nine months ended September 30, 2018

| Cash Acct                       | 4292                | 4293             | 4294             | 4295                | 4296             | 4297               | 4299               | 27,1100.1111     |                        |
|---------------------------------|---------------------|------------------|------------------|---------------------|------------------|--------------------|--------------------|------------------|------------------------|
| Revenue Acct                    |                     |                  |                  |                     |                  |                    |                    | -27,2000.2117    |                        |
| Expenditure Acct                |                     |                  |                  |                     |                  |                    |                    |                  |                        |
|                                 | Parks<br>Recreation | SW Sewer         | Admin<br>Fee     | Water               | Transportation   | Fire<br>Protection | Law<br>Enforcement | Library          | Net<br>Cash<br>Balance |
| <b>Beginning Bal, 01/01/18</b>  | 3,383,608.07        | 34,142.03        | 70,277.92        | 647,927.30          | 11,418.13        | 2,219.39           | 8,140.51           | 8,766.02         | 4,166,499.37           |
| <b>1st Quarter</b>              |                     |                  |                  |                     |                  |                    |                    |                  |                        |
| Impact Fees                     | 30,303.00           | 0.00             | 495.00           | 29,481.00           | 820.00           | 4,229.00           | 7,854.00           | 8,629.00         | 81,811.00              |
| Expenditures                    |                     |                  |                  |                     |                  |                    |                    |                  | 0.00                   |
| subtotal                        | 3,413,911.07        | 34,142.03        | 70,772.92        | 677,408.30          | 12,238.13        | 6,448.39           | 15,994.51          | 17,395.02        | 4,248,310.37           |
| Transfers                       |                     |                  |                  |                     |                  |                    |                    |                  | 0.00                   |
| Investment Income               | (6,321.07)          | (63.50)          | (131.16)         | (1,232.44)          | (22.00)          | (8.06)             | (22.44)            | (24.33)          | (7,825.00)             |
| <b>Ending balance 3/31/2018</b> | <b>3,407,590.00</b> | <b>34,078.53</b> | <b>70,641.76</b> | <b>676,175.86</b>   | <b>12,216.13</b> | <b>6,440.33</b>    | <b>15,972.07</b>   | <b>17,370.69</b> | <b>4,240,485.37</b>    |
| <b>2nd Quarter</b>              |                     |                  |                  |                     |                  |                    |                    |                  |                        |
| Impact Fees                     | 169,044.00          | 0.00             | 4,290.00         | 183,218.00          | 10,976.10        | 26,667.82          | 48,867.12          | 46,572.00        | 489,635.04             |
| Expenditures                    |                     |                  |                  |                     |                  |                    |                    |                  | 0.00                   |
| subtotal                        | 3,576,634.00        | 34,078.53        | 74,931.76        | 859,393.86          | 23,192.23        | 33,108.15          | 64,839.19          | 63,942.69        | 4,730,120.41           |
| Transfers                       |                     |                  |                  |                     |                  |                    |                    |                  | (51,999.22)            |
| Investment Income               | 7,436.63            | 70.86            | 155.80           | 1,786.88            | 48.22            | 68.84              | 134.82             | 132.95           | 9,835.00               |
| <b>Ending balance 6/30/2018</b> | <b>3,584,070.63</b> | <b>34,149.39</b> | <b>75,087.56</b> | <b>861,180.74</b>   | <b>11,024.32</b> | <b>26,736.66</b>   | <b>49,001.94</b>   | <b>46,704.95</b> | <b>4,687,956.19</b>    |
| <b>3rd Quarter</b>              |                     |                  |                  |                     |                  |                    |                    |                  |                        |
| Impact Fees                     | 303,858.00          | 4,689.00         | 7,260.00         | 311,350.00          | 22,935.00        | 49,367.00          | 90,420.00          | 83,454.00        | 873,333.00             |
| Expenditures                    | 0.00                | 0.00             | 0.00             | 0.00                | 0.00             | 0.00               | 0.00               | 0.00             | 0.00                   |
| subtotal                        | 3,887,928.63        | 38,838.39        | 82,347.56        | 1,172,530.74        | 33,959.32        | 76,103.66          | 139,421.94         | 130,158.95       | 5,561,289.19           |
| Transfers                       | (16,015.22)         |                  |                  |                     | (31,324.62)      | (38,785.63)        | (114,248.10)       | (95,896.26)      | (296,269.83)           |
| Investment Income               | 11,268.18           | 112.56           | 238.67           | 3,398.29            | 98.42            | 220.57             | 404.08             | 377.23           | 16,118.00              |
| <b>Ending balance 9/30/2018</b> | <b>3,883,181.59</b> | <b>38,950.95</b> | <b>82,586.23</b> | <b>1,175,929.03</b> | <b>2,733.12</b>  | <b>37,538.60</b>   | <b>25,577.92</b>   | <b>34,639.92</b> | <b>5,281,137.36</b>    |
| Number of Months                | 252.44              | 26.61            | 169.99           | 59.94               | 0.64             | 9.36               | 3.47               | 8.02             |                        |
| 2018 Impact Fees                | 503,205.00          | 4,689.00         | 12,045.00        | 524,049.00          | 34,731.10        | 80,263.82          | 147,141.12         | 138,655.00       | 1,444,779.04           |
| 2017 Impact Fees                | 66,591.00           | 0.00             | 2,695.00         | 122,539.00          | 19,218.00        | 17,970.00          | 33,017.00          | 19,383.00        | 281,413.00             |
| 2016 Impact Fees                | 203,963.00          | 0.00             | 4,950.00         | 206,237.00          | 8,570.00         | 30,198.00          | 56,096.00          | 57,725.00        | 567,729.00             |
| 2015 Impact Fees                | 137,670.00          | 2,928.00         | 3,630.00         | 133,362.00          | 20,533.00        | 27,116.00          | 50,222.00          | 38,526.00        | 413,977.00             |
| 2014 Impact Fees                | 184,592.00          | 17,568.00        | 5,830.00         | 235,415.00          | 51,436.00        | 48,134.00          | 88,431.00          | 51,821.00        | 683,227.00             |
| 2013 Impact Fees                | 317,206.00          | 11,712.00        | 6,160.00         | 427,429.00          | 31,829.00        | 45,110.00          | 82,280.00          | 66,179.00        | 987,905.00             |

\* Funded by an Administrative Fee not an impact fee

<sup>1</sup> Debt service payments

<sup>2</sup> Oversizing payments made

|                                    |                   |                   |                     |                     |
|------------------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Scheduled</b>                   | 73,636.62         | 42,974.50         | 205,021.90          | 134,103.83          |
| <b>Unpaid Balance @ 12/31/2017</b> | <b>840,799.74</b> | <b>304,500.00</b> | <b>1,821,400.00</b> | <b>1,039,029.73</b> |

59,799.00 Oversizing payments due in future periods

**City of Franklin  
Utility Development Fund  
Balance Sheet  
September 30, 2018 and 2017**

| <u>Assets</u>                              | <u>2018</u>         | <u>2017</u>         |
|--|---------------------|---------------------|
| Cash and investments - Water               | \$ 640,576          | \$ 541,192          |
| Cash and investments - Sewer               | 899,933             | 714,145             |
| Special Assessment - Water Current         | 140,867             | 212,416             |
| Special Assessment - Water Deferred        | 314,587             | 332,962             |
| Special Assessment - Sewer Current         | 241,026             | 297,705             |
| Special Assessment - Sewer Deferred        | 70,898              | 76,728              |
| Reserve for Uncollectible                  | (16,776)            | (40,982)            |
| <b>Total Assets</b>                        | <u>\$ 2,291,111</u> | <u>\$ 2,134,166</u> |
| <br>                                       |                     |                     |
| <b><u>Liabilities and Fund Balance</u></b> |                     |                     |
| Accounts payable                           | \$ -                | \$ -                |
| Unearned Revenue                           | 750,602             | 878,829             |
| <b>Total Fund Balance</b>                  | 1,540,509           | 1,255,337           |
| <b>Total Liabilities and Fund Balance</b>  | <u>\$ 2,291,111</u> | <u>\$ 2,134,166</u> |

**Comparative Statement of Revenue, Expenses and Fund Balance  
For the Nine months ended September 30, 2018 and 2017**

|  | <u>2018<br/>Original<br/>Budget</u> | <u>2018<br/>Year-to-Date<br/>Budget</u> | <u>2018<br/>Year-to-Date<br/>Actual</u> | <u>2017<br/>Year-to-Date<br/>Actual</u> |
|--|-------------------------------------|---|---|---|
| <b>Revenue:</b>                                      |                                     |   |   |   |
| Special Assessments                                  |                                     |   |   |   |
| Water  | \$ 81,600                           | \$ 20,534                               | \$ 23,695                               | \$ 468                                  |
| Sewer  | 82,000                              | 20,828                                  | 5,830                                   | -                                       |
| Connection Fees                                      |                                     |   |   |   |
| Water  | -                                   | -                                       | -                                       | 2,281                                   |
| Sewer  | 18,000                              | 15,270                                  | 79,500                                  | 17,280                                  |
| <b>Total Assessments &amp;<br/>  Connection Fees</b> | <u>181,600</u>                      | <u>56,632</u>                           | <u>109,025</u>                          | <u>20,029</u>                           |
| Special Assessment Interest                          | 34,000                              | 729                                     | 213                                     | 17                                      |
| Investment Income                                    | -                                   | -                                       | 17,893                                  | 11,101                                  |
| <b>Total revenue</b>                                 | <u>215,600</u>                      | <u>57,361</u>                           | <u>127,131</u>                          | <u>31,147</u>                           |
| <br>   |                                     |   |   |   |
| Transfer to Capital Improvement Fund:                |                                     |   |   |   |
| Water  | 500,000                             | -                                       | -                                       | -                                       |
| Sewer  | 500,000                             | -                                       | -                                       | -                                       |
| <b>Total Transfers to Capital Improven</b>           | <u>1,000,000</u>                    | <u>-</u>                                | <u>-</u>                                | <u>-</u>                                |
| <br>Revenue over (under) expenditures                | <br>(784,400)                       | <br>57,361                              | <br>127,131                             | <br>31,147                              |
| <br>Fund balance, beginning of year                  |                                     |   | <u>1,413,378</u>                        | <u>1,224,190</u>                        |
| <br>Fund balance, end of period                      |                                     |   | <u>\$ 1,540,509</u>                     | <u>\$ 1,255,337</u>                     |

**City of Franklin**  
**Sanitary Sewer Fund**  
**Statement of Revenue, Expenditures,**  
**and Changes in Net Assets**  
**For the Nine months ended September 30, 2018 and 2017**

|   | 2018<br>Amended<br>Budget | 2018<br>Year-to-Date<br>Budget | Current<br>Year-to-Date<br>Totals | Prior<br>Year-to-Date<br>Totals |
|---|---------------------------|--------------------------------|-----------------------------------|---------------------------------|
| <b>Operating Revenue</b>                          |                           |                                |                                   |                                 |
| Residential                                       | \$ 2,003,100              | \$ 1,501,062                   | \$ 1,512,629                      | \$ 1,350,862                    |
| Commercial  | 546,120                   | 415,092                        | 453,433                           | 375,062                         |
| Industrial  | 451,770                   | 342,752                        | 315,630                           | 304,654                         |
| Public Authority                                  | 168,720                   | 126,191                        | 112,701                           | 105,060                         |
| Penalties/Other                                   | 37,000                    | 18,668                         | 17,312                            | 16,224                          |
| Multi Family                                      | 494,280                   | 370,710                        | 373,963                           | 336,629                         |
| <b>Total Operating Revenue</b>                    | <u>3,700,990</u>          | <u>2,774,475</u>               | <u>2,785,668</u>                  | <u>2,488,491</u>                |
| <b>Operating Expenditures</b>                     |                           |                                |                                   |                                 |
| Salaries and benefits                             | \$ 462,283                | \$ 352,273                     | \$ 358,117                        | \$ 368,759                      |
| Contractual services                              | 106,000                   | 86,604                         | 81,039                            | 87,807                          |
| Supplies  | 86,200                    | 64,650                         | 39,677                            | 37,124                          |
| Facility charges                                  | 64,825                    | 47,904                         | 32,323                            | 38,145                          |
| Shared meter costs                                | 7,000                     | 5,250                          | -                                 | -                               |
| Sewer service - MMSD                              | 2,518,100                 | 1,888,575                      | 1,812,769                         | 1,618,896                       |
| Other operating costs                             | 27,200                    | 20,947                         | 10,115                            | 11,815                          |
| Allocated expenses                                | 116,500                   | 87,375                         | 90,305                            | 94,103                          |
| Sewer improvements                                | 194,750                   | 171,227                        | 74,070                            | 46,185                          |
| Retirement - GASB 68                              | -                         | -                              | -                                 | -                               |
| Depreciation                                      | 174,700                   | 131,025                        | 131,040                           | 75,285                          |
| <b>Total operating expenditures</b>               | <u>3,757,558</u>          | <u>2,855,830</u>               | <u>2,629,455</u>                  | <u>2,378,119</u>                |
| <b>Operating Income (Loss)</b>                    | (56,568)                  | (81,355)                       | 156,213                           | 110,372                         |
| <b>Non-Operating Revenue (Expenditures)</b>       |                           |                                |                                   |                                 |
| Miscellaneous income                              | -                         | -                              | 2,950                             | 1,725                           |
| Investment income                                 | 485,308                   | 242,654                        | 258,630                           | 271,963                         |
| Interest expense                                  | (477,808)                 | (238,904)                      | (246,381)                         | (260,975)                       |
| <b>Total non-operating revenue (expenditures)</b> | <u>7,500</u>              | <u>3,750</u>                   | <u>15,199</u>                     | <u>12,713</u>                   |
| <b>Income (Loss) before Capital Contributions</b> | <u>(49,068)</u>           | <u>(77,605)</u>                | <u>171,412</u>                    | <u>123,085</u>                  |
| Retained Earnings- Beginning                      | 1,647,847                 | 1,647,847                      | 1,647,847                         | 1,685,002                       |
| Transfer (to) from Invested in Capital Assets     | (615,350)                 | (461,513)                      | 97,281                            | 60,129                          |
| <b>Retained Earnings- Ending</b>                  | <u>983,429</u>            | <u>1,108,730</u>               | <u>1,916,540</u>                  | <u>1,868,216</u>                |
| <b>Capital Contributions</b>                      | 1,856,000                 | 1,392,000                      | -                                 | -                               |
| Depreciation - CIAC                               | (2,012,000)               | (1,509,000)                    | (1,509,030)                       | (1,508,103)                     |
| Transfer (to) from Retained Earnings              | 271,000                   | 203,250                        | (97,281)                          | (60,129)                        |
| Change in Net Investment in Capital Assets        | 115,000                   | 86,250                         | (1,606,311)                       | (1,568,232)                     |
| Net Investment in Capital Assets-Beginning        | 63,241,982                | 63,241,982                     | 63,241,982                        | 65,071,887                      |
| <b>Net Investment in Capital Assets-Ending</b>    | <u>63,356,982</u>         | <u>63,328,232</u>              | <u>61,635,671</u>                 | <u>63,503,655</u>               |
| <b>Total net assets</b>                           | <u>\$ 64,340,411</u>      | <u>\$ 64,436,962</u>           | <u>\$ 63,552,211</u>              | <u>\$ 65,371,871</u>            |

**City of Franklin  
Sanitary Sewer Fund  
Comparative Balance Sheet  
September 30, 2018 and 2017**

|   | <b>2018</b>   | <b>2017</b>   |
|---|---------------|---------------|
| <b><u>Assets</u></b>                            |               |               |
| Current assets:                                 |               |               |
| Cash and investments                            | \$ 1,690,144  | \$ 1,487,839  |
| Accounts receivable                             | 1,087,629     | 985,077       |
| Due from Franklin Water Utility                 | -             | 69,091        |
| Miscellaneous receivable                        | 7,030         | 7,031         |
| Total current assets                            | 2,784,803     | 2,549,038     |
| Non current assets:                             |               |               |
| Due from MMSD                                   | 18,799,969    | 20,014,692    |
| Sanitary Sewer plant in service:                |               |               |
| Land  | 725,594       | 725,594       |
| Buildings and improvements                      | 3,298,163     | 3,292,878     |
| Improvements other than buildings               | 78,754,451    | 78,725,672    |
| Machinery and equipment                         | 1,089,854     | 826,541       |
| Construction in progress                        | -             | 485           |
|   | 83,868,062    | 83,571,170    |
| Less accumulated depreciation                   | (22,232,391)  | (20,067,515)  |
| Net sanitary sewer plant in service             | 61,635,671    | 63,503,655    |
| Deferred assets:                                |               |               |
| Pension assets                                  | 386,276       | 168,109       |
| Total Assets                                    | \$ 83,606,719 | \$ 86,235,494 |
| <b><u>Liabilities and Net Assets</u></b>        |               |               |
| Current liabilities:                            |               |               |
| Accounts payable                                | \$ 655,499    | \$ 565,665    |
| Accrued liabilities                             | 28,084        | 27,937        |
| Due to Franklin Water Utility                   | 194           | 488           |
| Due to General Fund - non-interest bearing      | 82,127        | 86,992        |
| Total current liabilities                       | 765,904       | 681,082       |
| Non current liabilities:                        |               |               |
| Accrued compensated absences                    | 75,021        | 74,066        |
| Pension liability (GASB 68)                     | 361,331       | 41,843        |
| General Obligation Notes payable - CWF          | 18,799,970    | 20,014,693    |
| Total liabilities                               | 20,002,226    | 20,811,684    |
| Deferred inflows:                               |               |               |
| Pension liabilities                             | 52,282        | 51,939        |
| Net Assets:                                     |               |               |
| Invested in capital assets, net of related debt | 42,835,702    | 43,488,963    |
| Restricted balances - LT receivable             | 18,978,559    | 20,408,919    |
| Retained earnings                               | 1,737,950     | 1,473,989     |
| Total net assets                                | 63,552,211    | 65,371,871    |
| Total Liabilities and Net Assets                | \$ 83,606,719 | \$ 86,235,494 |

**City of Franklin  
Sanitary Sewer Fund  
Statement of Cash Flows  
For the Nine months ended September 30, 2018 and 2017**

|   | <u>2018</u>         | <u>2017</u>         |
|---|---------------------|---------------------|
| <b>Cash Flows from Operating Activities</b>   |                     |                     |
| Operating income (loss)   | \$ 156,213          | \$ 110,372          |
| Adjustments to reconcile operating income to net cash provided by operating activities: |                     |                     |
| Depreciation  | 131,040             | 75,285              |
| (Increase) decrease in assets:  |                     |                     |
| Accounts receivable   | (241,223)           | (125,467)           |
| Taxes receivable  | 97,015              | 121,939             |
| Due from other funds  | 44,579              | (12,920)            |
| Miscellaneous receivable  | 1                   | 98                  |
| Prepaid expenses  | -                   | 2,214               |
| Increase (decrease) in liabilities:   |                     |                     |
| Accounts payable  | (144,989)           | 7,580               |
| Accrued expenses  | -                   | -                   |
| Due to other funds  | (20,714)            | (20,004)            |
| GASB 68 pension   | -                   | (138,600)           |
| Total Adjustments   | <u>(134,291)</u>    | <u>(89,875)</u>     |
| <b>Net Cash Provided by Operating Activities</b>  | <u>\$ 21,922</u>    | <u>\$ 20,497</u>    |
| <br><b>Cash Flows From Capital &amp; Related Financing Activities</b>                   |                     |                     |
| Due from MMSD & Other Governments   | 1,214,723           | 3,940,407           |
| Due to general fund   | -                   | (2,198,615)         |
| Notes payable   | (1,214,722)         | (1,185,535)         |
| Acquisition of capital assets   | (33,759)            | (15,156)            |
| <b>Net Cash Provided (Used) in Capital and Financing Activities</b>                     | <u>(33,758)</u>     | <u>541,101</u>      |
| <br><b>Cash Flows from Investing Activities</b>   |                     |                     |
| Interest and other income   | 261,580             | 273,688             |
| Interest expense  | <u>(246,381)</u>    | <u>(260,975)</u>    |
| <b>Net Change in Cash and Cash Equivalents</b>  | 3,363               | 574,311             |
| <br><b>Cash and Cash Equivalents, beginning of period</b>                               | 1,686,781           | 913,528             |
| <br><b>Cash and Cash Equivalents, end of period</b>                                     | <u>\$ 1,690,144</u> | <u>\$ 1,487,839</u> |

**Franklin Municipal Water Utility**  
**Detailed Statement of Revenue, Expenditures**  
**and Changes in Net Assets**  
**For the period ended September 30, 2018 and 2017**

| Account Description                      | Annual<br>Budget    | Year to Date<br>Budget | Current<br>Year to Date | Prior<br>Year to Date |
|--|---------------------|------------------------|-------------------------|-----------------------|
| <b>Operating Revenue</b>                 |                     |                        |                         |                       |
| Metered Sales-Residential                | \$ 2,997,300        | \$ 2,448,628           | \$ 2,259,768            | \$ 2,352,429          |
| Metered Sales-Commercial                 | 657,100             | 537,073                | 539,362                 | 523,404               |
| Metered Sales-Industrial                 | 473,700             | 374,456                | 358,578                 | 358,869               |
| Other Sales to Public Authority          | 282,100             | 225,942                | 183,712                 | 189,007               |
| Metered Sales-Multifamily                | 752,200             | 564,150                | 564,372                 | 557,941               |
| Metered Sales-Irrigation                 | 116,300             | 87,225                 | 123,721                 | 131,209               |
| <b>Total Metered Sales</b>               | <b>5,278,700</b>    | <b>4,237,474</b>       | <b>4,029,513</b>        | <b>4,112,859</b>      |
| Unmetered Sales                          | 5,000               | 2,099                  | 8,587                   | 1,944                 |
| Private Fire Protection                  | 124,100             | 99,335                 | 92,380                  | 91,597                |
| Public Fire Protection                   | 540,000             | 414,602                | 406,930                 | 405,926               |
| Forfeited Discount                       | 51,500              | 25,452                 | 27,230                  | 27,262                |
| <b>Total Operating Revenue</b>           | <b>\$ 5,999,300</b> | <b>\$ 4,778,962</b>    | <b>\$ 4,564,640</b>     | <b>\$ 4,639,588</b>   |
| <b>Operating Expenditures</b>            |                     |                        |                         |                       |
| <b>Operation and maintenance expense</b> |                     |                        |                         |                       |
| Source of Supply-Oper Labor              | \$ 500              | \$ 420                 | \$ -                    | \$ 526                |
| Operations Supplies & Expense            | 18,000              | 10,990                 | 3,618                   | 4,824                 |
| Wholesale Water                          | 2,970,300           | 2,227,725              | 2,287,362               | 2,319,473             |
| Maint of Water Source plant              | 5,500               | 2,750                  | -                       | -                     |
| <b>Source of Supply</b>                  | <b>2,994,300</b>    | <b>2,241,885</b>       | <b>2,290,980</b>        | <b>2,324,823</b>      |
| Pumping-Fuel                             | 45,000              | 31,278                 | 25,395                  | 27,681                |
| Pumping-Operations Labor                 | 75,000              | 57,690                 | 75,370                  | 69,888                |
| Pumping-Main Labor Pumping               | 700                 | 630                    | 720                     | 696                   |
| Pumping-Main Expense Pumping             | 17,000              | 13,100                 | 5,763                   | 959                   |
| <b>Pumping</b>                           | <b>137,700</b>      | <b>102,698</b>         | <b>107,248</b>          | <b>99,224</b>         |
| Water Treat Chemicals                    | 500                 | 500                    | -                       | 242                   |
| Water Treat Operation Labor              | -                   | -                      | 440                     | -                     |
| Water Treat Tests                        | 13,000              | 7,866                  | 2,192                   | 1,933                 |
| Water Treat Maint Labor                  | -                   | -                      | -                       | -                     |
| Water Treat Maint Expenses               | 500                 | 500                    | 16                      | -                     |
| <b>Water Treatment</b>                   | <b>14,000</b>       | <b>8,866</b>           | <b>2,648</b>            | <b>2,175</b>          |
| Storage Software Maintenance             | 11,000              | 5,094                  | 4,722                   | 9,453                 |
| Trans & Distr Labor                      | 27,000              | 20,775                 | 17,446                  | 20,135                |
| Trans & distr Supp Exp                   | 25,000              | 14,217                 | 14,973                  | 16,299                |
| Trans & Distr Safety Supplies & Expense  | 4,500               | 2,216                  | 1,774                   | 1,678                 |
| Maint Labor-Distr Reservoir              | 500                 | 380                    | -                       | 134                   |
| Maint Expenses-Distr Reservoir           | 70,000              | 46,049                 | 10,466                  | 2,041                 |
| Maintenance Labor-Mains                  | 10,000              | 7,690                  | 10,060                  | 6,661                 |
| Maintenance Expense-Mains                | 80,000              | 61,086                 | 39,592                  | 24,988                |
| Locating Labor-Mains                     | 12,000              | 9,240                  | 8,509                   | 7,735                 |
| Maint Labor-Services                     | 30,000              | 23,100                 | 4,593                   | 17,130                |
| Maint Expense-Services                   | 70,000              | 50,675                 | 23,354                  | 37,401                |
| Locating Labor-Services                  | 10,000              | 7,690                  | 5,406                   | 7,404                 |
| Maint Labor-Meters                       | 41,348              | 31,808                 | 36,660                  | 32,873                |
| Maint Expenses-Meters                    | 4,000               | 2,363                  | 1,464                   | 3,538                 |
| Maint Labor-Hydrants                     | 36,500              | 28,085                 | 26,198                  | 21,007                |
| Maint Expenses-Hydrants                  | 60,000              | 47,648                 | 49,279                  | 35,379                |
| Maint Labor-Plant                        | 35,000              | 26,900                 | 19,604                  | 10,604                |
| Maint Expenses-Plant                     | 16,500              | 12,993                 | -                       | 840                   |
| <b>Transmission &amp; Distribution</b>   | <b>543,348</b>      | <b>398,009</b>         | <b>274,100</b>          | <b>255,300</b>        |



**Franklin Municipal Water Utility**  
**Detailed Statement of Revenue, Expenditures**  
**and Changes in Net Assets**  
**For the period ended September 30, 2018 and 2017**

| Account Description                                 | Annual<br>Budget     | Year to Date<br>Budget | Current<br>Year to Date | Prior<br>Year to Date |
|---|----------------------|------------------------|-------------------------|-----------------------|
| Meter Reading Labor                                 | 7,000                | 5,105                  | 2,059                   | 2,435                 |
| Acct & Collection Labor                             | -                    | -                      | 7,833                   | 7,673                 |
| Acctg & Coll Payroll Exp                            | 13,560               | 10,167                 | 11,340                  | 11,115                |
| Supplies & Expense                                  | 9,200                | 6,737                  | 5,913                   | 5,836                 |
| Bank Fees   | 10,000               | 7,471                  | 4,909                   | 5,133                 |
| Uncollectible Accounts                              | 2,500                | 1,488                  | 665                     | 1,933                 |
| <b>Customer Accounts</b>                            | <b>42,260</b>        | <b>30,968</b>          | <b>32,719</b>           | <b>34,125</b>         |
| Admin & General Payroll Exp                         | 50,400               | 37,788                 | 36,360                  | 30,870                |
| Office Supplies                                     | 1,800                | 1,350                  | 942                     | 498                   |
| Conferences/Dues/Subscriptions                      | 8,200                | 5,849                  | 3,264                   | 2,661                 |
| Mileage   | 500                  | 408                    | 210                     | 254                   |
| Outside Services                                    | 61,400               | 118,800                | 136,290                 | 115,459               |
| Insurance   | 25,400               | 18,072                 | 19,035                  | 19,035                |
| Employee Leave Time & Benefits                      | 177,266              | 129,612                | 147,173                 | 153,092               |
| Regulatory Commission Exp                           | 5,700                | 2,054                  | -                       | 6,103                 |
| Misc General Expense                                | 900                  | 506                    | 266                     | 158                   |
| Maintenance of General Plant                        | 15,000               | 10,991                 | 1,710                   | 4,929                 |
| Transportation Expenses                             | 23,000               | 17,144                 | 10,082                  | 10,275                |
| Facility Charges                                    | -                    | -                      | 1,945                   | -                     |
| <b>Administrative and general</b>                   | <b>369,566</b>       | <b>342,574</b>         | <b>357,277</b>          | <b>343,334</b>        |
| <b>Total Operation and Maintenance Expenditures</b> | <b>4,101,174</b>     | <b>3,125,000</b>       | <b>3,064,972</b>        | <b>3,058,981</b>      |
| Depreciation  | 411,500              | 299,667                | 308,700                 | 290,250               |
| Taxes-Property Tax Equivalent                       | 1,050,000            | 802,963                | 787,500                 | 787,500               |
| Amortization  | 130,666              | 98,000                 | 98,001                  | 98,001                |
| Loss on Abandoned Property                          | 91,000               | 75,000                 | 5,900                   | -                     |
| Capital Expenditures                                | 12,675               | 9,506                  | -                       | -                     |
| Taxes-FICA  | 26,394               | 19,054                 | 19,770                  | 18,641                |
| <b>Total Operating Expenditures</b>                 | <b>5,823,409</b>     | <b>4,429,190</b>       | <b>4,284,843</b>        | <b>4,253,373</b>      |
| <b>Operating Income</b>                             | <b>\$ 175,891</b>    | <b>\$ 349,772</b>      | <b>\$ 279,797</b>       | <b>\$ 386,215</b>     |
| <b>Non-Operating Revenue (Expenditures)</b>         |                      |                        |                         |                       |
| Interest Income                                     | 1,500                | 1,125                  | 25,335                  | 5,676                 |
| Misc Revenue  | 2,000                | 1,621                  | -                       | 570                   |
| Interest on LTD                                     | (33,488)             | 25,116                 | (32,287)                | (33,388)              |
| Water Property Rent                                 | 48,800               | 47,753                 | 84,040                  | 51,692                |
| Other Water Revenue                                 | 4,000                | 2,215                  | 11,277                  | 6,145                 |
| Interest-Debt to Municipality                       | -                    | -                      | (3,893)                 | (2,400)               |
| <b>Total non-operating revenue</b>                  | <b>22,812</b>        | <b>77,830</b>          | <b>84,472</b>           | <b>28,295</b>         |
| <b>Income before capital contributions</b>          | <b>\$ 198,703</b>    | <b>\$ 427,602</b>      | <b>\$ 364,269</b>       | <b>\$ 414,510</b>     |
| Retained earnings - beginning                       | 2,538,239            | 2,538,239              | 2,538,239               | 1,928,085             |
| Transfer (to) from invested in capital assets       | (1,735,680)          | (1,301,760)            | 248,466                 | (1,055,214)           |
| <b>Retained earnings - ending</b>                   | <b>\$ 1,001,262</b>  | <b>\$ 1,664,081</b>    | <b>\$ 3,150,974</b>     | <b>\$ 1,287,381</b>   |
| Capital contributions                               | 2,113,500            | 1,237,232              | -                       | -                     |
| Depreciation - CIAC                                 | (779,200)            | (584,400)              | (584,370)               | (586,035)             |
| Transfer (to) from retained earnings                | 1,735,680            | 1,301,760              | (248,466)               | 1,055,214             |
| Change in net investment                            | 5,072,504            | 3,980,994              | (832,836)               | 469,179               |
| Net investment in capital assets - beginning        | 43,529,045           | 43,529,045             | 43,529,045              | 44,475,869            |
| <b>Net investment in capital assets - ending</b>    | <b>\$ 48,601,549</b> | <b>\$ 47,510,039</b>   | <b>\$ 42,696,209</b>    | <b>\$ 44,945,048</b>  |
| <b>Total net assets</b>                             | <b>\$ 49,602,811</b> | <b>\$ 49,174,120</b>   | <b>\$ 45,847,183</b>    | <b>\$ 46,232,429</b>  |

**Franklin Municipal Water Utility**  
**Comparative Statement of Revenue, Expenditures,**  
**and Changes in Net Assets**  
**For the period ended September 30, 2018 and 2017**

| <b>Operating Revenue</b>                       | <b>2018</b>          | <b>2017</b>         |
|--|----------------------|---------------------|
| Total metered sales                            | 4,029,513            | 4,112,859           |
| Fire protection                                | 499,310              | 497,523             |
| Forfeited discounts, penalties and other       | 35,817               | 29,206              |
| <b>Total Operating Revenue</b>                 | <b>4,564,640</b>     | <b>4,639,588</b>    |
| <b>Operating Expenditures</b>                  |                      |                     |
| Operation and maintenance expenses:            |                      |                     |
| Source of supply                               | 2,290,980            | 2,324,823           |
| Pumping  | 107,248              | 99,224              |
| Water treatment                                | 2,648                | 2,175               |
| Transmission and distribution                  | 274,100              | 255,300             |
| Customers' accounts                            | 32,719               | 34,125              |
| Administrative and general                     | 357,277              | 343,334             |
| Total operation and maintenance expenses       | 3,064,972            | 3,058,981           |
| Depreciation                                   | 308,700              | 290,250             |
| Amortization and Pension Expenses              | 98,001               | 98,001              |
| Taxes  | 807,270              | 806,141             |
| <b>Total Operating Expenditures</b>            | <b>4,278,943</b>     | <b>4,253,373</b>    |
| <b>Operating Income (Loss)</b>                 | <b>285,697</b>       | <b>386,215</b>      |
| <b>Non-Operating Revenue (Expenses)</b>        |                      |                     |
| Sundry   | 95,317               | 58,407              |
| Interest on investments                        | 25,335               | 5,676               |
| Interest on long term debt                     | (32,287)             | (33,388)            |
| Interest-Debt to Municipality                  | (3,893)              | (2,400)             |
| Gain(Loss) on Abandoned Property               | (5,900)              | -                   |
| <b>Total Non-Operating Revenue (Expenses)</b>  | <b>78,572</b>        | <b>28,295</b>       |
| <b>Income before Capital Contributions</b>     | <b>364,269</b>       | <b>414,510</b>      |
| Capital Contributions-Developer & Municipality | -                    | -                   |
| Depreciation - CIAC                            | (584,370)            | (586,035)           |
| <b>Net change in net assets</b>                | <b>(220,101)</b>     | <b>(171,525)</b>    |
| <b>Net Assets, beginning of period</b>         | <b>46,067,284</b>    | <b>46,403,954</b>   |
| <b>Net Assets, end of period</b>               | <b>\$ 45,847,183</b> | <b>\$46,232,429</b> |

**Franklin Municipal Water Utility  
Comparative Balance Sheet  
September 30, 2018 & 2017**

| <b>Assets</b>                                   | <u>2018</u>                 | <u>2017</u>                |
|---|-----------------------------|----------------------------|
| Current Assets:                                 |                             |                            |
| Cash and investments                            | \$ 2,420,639                | \$ 1,620,941               |
| Accounts receivable                             | 1,912,103                   | 1,982,414                  |
| Taxes receivable                                | -                           | (106)                      |
| Due from City of Franklin                       | (22,357)                    | 3,049                      |
| Prepaid expenses                                | -                           | -                          |
| Total current assets                            | <u>4,310,385</u>            | <u>3,606,298</u>           |
| Utility plant in service:                       |                             |                            |
| Land  | 162,885                     | 162,885                    |
| Buildings and improvements                      | 3,392,666                   | 3,384,279                  |
| Construction in Progress                        | -                           | 733                        |
| Improvements other than buildings               | 55,651,603                  | 55,599,147                 |
| Machinery and equipment                         | 4,625,691                   | 4,597,260                  |
|   | <u>63,832,845</u>           | <u>63,744,304</u>          |
| Less accumulated depreciation                   | <u>20,096,785</u>           | <u>19,004,646</u>          |
| Net utility plant in service                    | <u>43,736,060</u>           | <u>44,739,658</u>          |
| Deferred Assets:                                |                             |                            |
| Pension Assets                                  | 447,267                     | 188,850                    |
| Deferred Costs                                  | 74,724                      | 205,390                    |
| Total deferred assets                           | <u>521,991</u>              | <u>394,240</u>             |
| <b>Total Assets</b>                             | <u><u>\$ 48,568,436</u></u> | <u><u>\$48,740,196</u></u> |
| <b>Liabilities and Net Assets</b>               |                             |                            |
| Liabilities:                                    |                             |                            |
| Accounts payable                                | \$ 96,634                   | \$ 29,106                  |
| Accrued liabilities                             | 874,518                     | 934,885                    |
| Due to City of Franklin                         | -                           | 95,192                     |
| Advance from municipality                       | 139,700                     | 155,700                    |
| Pension liability                               | 418,383                     | 47,005                     |
| Compensated absences reserve                    | 75,021                      | 74,066                     |
| Bond Payable                                    | 1,059,575                   | 1,113,466                  |
|   | <u>2,663,831</u>            | <u>2,449,420</u>           |
| Deferred Liabilities:                           |                             |                            |
| Pension & OPEB Liabilities                      | 57,422                      | 58,347                     |
| <b>Total liabilities</b>                        | <u>2,721,253</u>            | <u>2,507,767</u>           |
| <b>Net Assets</b>                               |                             |                            |
| Invested in capital assets, net of related debt | 42,696,209                  | 44,945,048                 |
| Retained earnings                               | 3,150,974                   | 1,287,381                  |
| <b>Total net assets</b>                         | <u>45,847,183</u>           | <u>46,232,429</u>          |
| <b>Total Liabilities and Net Assets</b>         | <u><u>\$ 48,568,436</u></u> | <u><u>\$48,740,196</u></u> |

**Franklin Municipal Water Utility**  
**Comparative Statement of Cash Flows**  
For the period ended September 30, 2018 and 2017

|   | <b>2018</b>         | <b>2017</b>         |
|---|---------------------|---------------------|
| <b>Cash Flows from Operating Activities</b>   |                     |                     |
| Operating income (loss)   | \$ 285,697          | \$ 386,215          |
| Adjustments to reconcile operating income to net cash provided by operating activities: |                     |                     |
| Depreciation & Amortization   | 406,701             | 388,251             |
| (Increase) decrease in assets:  |                     |                     |
| Accounts receivable   | (438,019)           | (566,365)           |
| Due from other funds  | 61,617              | 23,226              |
| Taxes receivable  | 161,856             | 183,568             |
| Prepaid expenses  | -                   | 2,304               |
| Increase (decrease) in liabilities:   |                     |                     |
| Accounts payable  | (614,662)           | (701,377)           |
| Accrued expenses  | 863,000             | 923,000             |
| Due to other funds  | (55,014)            | 24,242              |
| Advance from municipality   | (16,000)            | 155,700             |
| GASB 68 pension   | -                   | (155,700)           |
| <br>Total Adjustments   | <br>369,479         | <br>276,849         |
| <b>Net Cash Provided (Used) by Operating Activities</b>                                 | <b>655,176</b>      | <b>663,064</b>      |
| <br><b>Cash Flows From Capital &amp; Related Financing Activities</b>                   |                     |                     |
| Acquisition of capital assets   | (168,028)           | (206,822)           |
| Interest paid on long term debt   | (32,287)            | (33,388)            |
| Principal on long term debt   | (55,000)            | (55,000)            |
| <b>Net Cash Provided (Used) in Capital and Financing Activities</b>                     | <b>(255,315)</b>    | <b>(295,210)</b>    |
| <br><b>Cash Flows from Investing Activities</b>   |                     |                     |
| Interest, property rental & other income  | 120,652             | 64,083              |
| <br><b>Net Change in Cash and Cash Equivalents</b>                                      | <br>520,513         | <br>431,937         |
| <b>Cash and Cash Equivalents, beginning of period</b>                                   | 1,900,126           | 1,189,004           |
| <b>Cash and Cash Equivalents, end of period</b>   | <b>\$ 2,420,639</b> | <b>\$ 1,620,941</b> |

**Franklin Municipal Water Utility**  
**Notes to the Financial Statements**  
**For the period ended September 30, 2018 and 2017**

<sup>1</sup> Operating revenues are less than budget by \$214,322 through three quarters of the year. Actual third quarter billings were used for the statements.

<sup>2</sup> Operating expenditures are less than budget through three quarters by \$144,347. The cost of wholesale water purchased from Oak Creek was estimated based on consumption billed to Franklin customers.

**Water Connection Fee**

Prior to May 31, 2002, the City collected a water connection fee on new construction and connections to existing properties, to be used to fund water main construction projects. The water connection fees on hand on September 30, 2018 total \$640,576.

**Water Impact Fee**

Since May 31, 2002 a water impact fee on residential and commercial construction replaced the water connection fee. Water Impact Fees collected in 2018 total \$524,049. Water Impact fees on hand at September 30, 2018 are \$1,175,929.

**City of Franklin**  
**Self Insurance Fund - Actives**  
**Balance Sheet**  
**September 30, 2018 and 2017**

| <u>Assets</u>                             | <u>2018</u>                | <u>2017</u>                |
|---|----------------------------|----------------------------|
| Cash and investments                      | \$ 2,035,600               | \$ 2,276,392               |
| Accounts receivable                       | 900                        | 594                        |
| Interfund advance receivable              | -                          | 275,000                    |
| Prepaid expenses                          | -                          | 13,500                     |
| <b>Total Assets</b>                       | <b><u>\$ 2,036,500</u></b> | <b><u>\$ 2,565,486</u></b> |
| <br>                                      |                            |                            |
| <u>Liabilities and Net Assets</u>         |                            |                            |
| Accounts payable                          | \$ 30,620                  | \$ 62,696                  |
| Claims payable                            | 290,700                    | 270,500                    |
| Unrestricted net assets                   | 1,715,180                  | 2,232,290                  |
| <b>Total Liabilities and Fund Balance</b> | <b><u>\$ 2,036,500</u></b> | <b><u>\$ 2,565,486</u></b> |

**City of Franklin Self Insurance Fund - Actives**  
**Statement of Revenue, Expenses and Fund Balance**  
**For the Nine months ended September 30, 2018 and 2017**

| <u>Revenue</u>                    | <u>2018</u><br><u>Budget</u> | <u>2018</u><br><u>Year-to-Date</u><br><u>Budget</u> | <u>2018</u><br><u>Year-to-Date</u><br><u>Actual</u> | <u>2017</u><br><u>Year-to-Date</u><br><u>Actual</u> |
|-----------------------------------|------------------------------|---|---|---|
| Medical Premiums-City             | \$ 2,585,500                 | 1,942,422   | \$ 1,853,252  | \$ 1,825,639  |
| Medical Premiums-Employee         | 428,900                      | 319,903   | 343,364   | 317,287   |
| Other - Invest Income, Rx Rebates | 18,300                       | 13,725  | 44,787  | 46,353  |
| Medical Revenue                   | <u>3,032,700</u>             | <u>2,276,050</u>                                    | <u>2,241,403</u>                                    | <u>2,189,279</u>                                    |
| Dental Premiums-City              | 118,300                      | 74,685  | 81,275  | 81,330  |
| Dental Premiums-Retirees          | 6,000                        | 6,000   | 3,600   | 3,492   |
| Dental Premiums-Employee          | 57,000                       | 42,718  | 41,800  | 40,993  |
| Dental Revenue                    | <u>181,300</u>               | <u>123,403</u>                                      | <u>126,675</u>                                      | <u>125,815</u>                                      |
| <b>Total Revenue</b>              | <b><u>3,214,000</u></b>      | <b><u>2,399,453</u></b>                             | <b><u>2,368,078</u></b>                             | <b><u>2,315,094</u></b>                             |
| <br>                              |                              |   |   |   |
| <b>Expenditures:</b>              |                              |   |   |   |
| <b>Active Employees-Medical</b>   |                              |   |   |   |
| Medical claims - Current Year     | 2,376,800                    | 1,593,600   | 1,356,804   | 1,561,707   |
| Medical claims - Prior Year       | -                            | -   | 241,102   | 267,708   |
| Prescription drug claims          | -                            | -   | 252,102   | 214,487   |
| Refunds-Stop Loss Coverage        | -                            | -   | (18,130)  | (4,349)   |
| Total Claims-Actives              | <u>2,376,800</u>             | <u>1,593,600</u>                                    | <u>1,831,878</u>                                    | <u>2,039,553</u>                                    |
| Medical Claim Fees                | 145,000                      | 116,525   | 111,840   | 146,619   |
| Memberships                       | -                            | -   | 3,075   | 3,180   |
| Miscellaneous Wellness            | 77,000                       | 29,517  | 12,686  | 17,536  |
| Section 125 administration Fee    | 4,500                        | 3,275   | 2,326   | 2,286   |
| Stop Loss Premiums                | 664,000                      | 522,070   | 418,653   | 469,938   |
| ACA Fees                          | 25,000                       | 21,884  | 1,348   | 1,309   |
| Total Medical Costs-Actives       | <u>3,292,300</u>             | <u>2,286,871</u>                                    | <u>2,381,806</u>                                    | <u>2,680,421</u>                                    |
| <b>Active Employees-Dental</b>    |                              |   |   |   |
| Dental Claims                     | 165,300                      | 120,450   | 141,739   | 128,186   |
| Dental Claim Fees                 | 12,000                       | 9,484   | 10,693  | 15,180  |
| Total Dental Costs-Actives        | <u>177,300</u>               | <u>129,934</u>                                      | <u>152,432</u>                                      | <u>143,366</u>                                      |
| <b>Retirees-Dental</b>            |                              |   |   |   |
| Dental Claims                     | 6,000                        | 4,635   | 4,689   | 4,857   |
| Dental Claim Fees                 | 200                          | 161   | 167   | 235   |
| Total Dental Costs-Retirees       | <u>6,200</u>                 | <u>4,796</u>  | <u>4,856</u>  | <u>5,092</u>  |
| Total Dental Costs                | <u>183,500</u>               | <u>134,730</u>                                      | <u>157,288</u>                                      | <u>148,458</u>                                      |
| Claims contingency                | 528,000                      | 352,000   | -   | -   |
| <b>Total Expenditures</b>         | <b><u>4,003,800</u></b>      | <b><u>2,773,601</u></b>                             | <b><u>2,539,094</u></b>                             | <b><u>2,828,879</u></b>                             |
| Revenue over (under) expenditures | (789,800)                    | <u>\$ (374,148)</u>                                 | (171,016)   | (513,785)   |
| Net assets, beginning of year     | <u>1,886,196</u>             |   | <u>1,886,196</u>                                    | <u>2,746,075</u>                                    |
| <b>Net assets, end of period</b>  | <b><u>\$ 1,096,396</u></b>   |   | <b><u>\$ 1,715,180</u></b>                          | <b><u>\$ 2,232,290</u></b>                          |

**City of Franklin**  
**City of Franklin Post Employment Benefits Trust**  
**Balance Sheet**  
**September 30, 2018 and 2017**

| <u>Assets</u>                             | <u>2018</u>                | <u>2017</u>                |
|---|----------------------------|----------------------------|
| Cash and investments                      | \$ -                       | \$ -                       |
| Investments held in trust - Fixed Inc     | 1,986,650                  | 1,888,077                  |
| Investments held in trust - Equities      | 3,902,791                  | 3,562,042                  |
| Accounts receivable                       | 24,938                     | 17,892                     |
| Due from Water Utility                    | -                          | 408                        |
| <b>Total Assets</b>                       | <b><u>\$ 5,914,379</u></b> | <b><u>\$ 5,468,419</u></b> |
| <br>                                      |                            |                            |
| <u>Liabilities and Net Assets</u>         |                            |                            |
| Accounts payable                          | \$ 7,378                   | \$ 6,525                   |
| Claims payable                            | 131,100                    | 45,000                     |
| Due to City                               | 28,391                     | 17,175                     |
| Net assets held in trust for post emp     | 5,747,510                  | 5,399,719                  |
| <b>Total Liabilities and Fund Balance</b> | <b><u>\$ 5,914,379</u></b> | <b><u>\$ 5,468,419</u></b> |

**City of Franklin Post Employment Benefits Trust**  
**Statement of Revenue, Expenses and Fund Balance**  
**For the Nine months ended September 30, 2018 and 2017**

| <u>Revenue</u>                      | <u>2018</u><br><u>Year-to-Date</u><br><u>Actual</u> | <u>2017</u><br><u>Year-to-Date</u><br><u>Actual</u> |
|-------------------------------------|---|---|
| ARC Medical Charges - City          | \$ 235,383  | \$ 192,680  |
| Medical Charges - Retirees          | 128,294   | 90,851  |
| Implicit Rate Subsidy               | 97,896  | 38,865  |
| <b>Medical Revenue</b>              | <b><u>461,573</u></b>                               | <b><u>322,396</u></b>                               |
| <br>                                |   |   |
| <b>Expenditures:</b>                |   |   |
| <b>Retirees-Medical</b>             |   |   |
| Medical claims - Current Year       | 254,428   | 145,168   |
| Medical claims - Prior Year         | 110,888   | 19,032  |
| Prescription drug claims            | 96,767  | 82,706  |
| Refunds-Stop Loss Coverage          | (642)   | -   |
| <b>Total Claims-Retirees</b>        | <b><u>461,441</u></b>                               | <b><u>246,906</u></b>                               |
| Medical Claim Fees                  | 14,465  | 16,102  |
| Stop Loss Premiums                  | 64,695  | 58,957  |
| Miscellaneous Expense               | 330   | 300   |
| ACA Fees                            | 160   | 131   |
| <b>Total Medical Costs-Retirees</b> | <b><u>541,091</u></b>                               | <b><u>322,396</u></b>                               |
| <br>                                |   |   |
| Revenue over (under) expenditures   | (79,518)  | -   |
| <br>                                |   |   |
| Annual Required Contribution-Net    | -   | 31,399  |
| Other - Investment Income, etc.     | 253,265   | 482,484   |
| <b>Total Revenues</b>               | <b><u>253,265</u></b>                               | <b><u>513,883</u></b>                               |
| <br>                                |   |   |
| Net Revenues (Expenditures)         | 173,747   | 513,883   |
| <br>                                |   |   |
| Net assets, beginning of year       | <u>5,573,763</u>                                    | <u>4,885,836</u>                                    |
| <br>                                |   |   |
| Net assets, end of period           | <b><u>\$ 5,747,510</u></b>                          | <b><u>\$ 5,399,719</u></b>                          |

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS FOR CITY OF FRANKLIN  
Period Ending 09/30/2018**

| GL Number   | LIBRARY-<br>RESTRICTED<br>FUND | TOURISM<br>COMMISSION<br>FUND | FIRE DEPT<br>GRANT FUND | ST MARTINS<br>FAIR FUND | HEALTH<br>DEPT GRANT<br>FUND | OTHER<br>GRANTS | DONATIONS<br>FUND | CIVIC<br>CELEBRATIONS<br>FUND | TOTAL    |
|---|--------------------------------|-------------------------------|-------------------------|-------------------------|------------------------------|-----------------|-------------------|-------------------------------|----------|
| <b>REVENUES</b>                                     |                                |                               |                         |                         |                              |                 |                   |                               |          |
| TAXES   | -                              | 179                           | -                       | -                       | -                            | -               | -                 | -                             | 179      |
| REAL ESTATE TAXES                                   | -                              | -                             | -                       | -                       | -                            | -               | -                 | -                             | -        |
| INTERGOVERNMENTAL                                   | -                              | -                             | 30,615                  | -                       | 96,262                       | -               | -                 | -                             | 126,877  |
| SPECIAL ASSESSMENTS                                 | -                              | -                             | -                       | -                       | -                            | -               | -                 | -                             | -        |
| LICENSES & PERMITS                                  | -                              | -                             | -                       | 22,915                  | -                            | -               | -                 | 25                            | 22,940   |
| CHARGES FOR SERVICES                                | 9,200                          | -                             | -                       | -                       | -                            | -               | -                 | 83,906                        | 93,106   |
| MISCELLANEOUS REVENUE                               | 48,280                         | -                             | -                       | -                       | 15,153                       | -               | 33,002            | 21,008                        | 117,443  |
| INVESTMENT EARNINGS                                 | 79                             | 2,359                         | -                       | -                       | -                            | -               | -                 | -                             | 2,438    |
| Total Revenues                                      | 57,560                         | 2,538                         | 30,615                  | 22,915                  | 111,415                      | -               | 33,002            | 104,939                       | 362,983  |
| <b>EXPENDITURES</b>                                 |                                |                               |                         |                         |                              |                 |                   |                               |          |
| PERSONAL SERVICES                                   | -                              | -                             | -                       | 28,180                  | 45,264                       | -               | -                 | 18,825                        | 92,269   |
| EMPLOYEE BENEFITS                                   | -                              | -                             | -                       | 10,391                  | 13,131                       | -               | -                 | 6,948                         | 30,471   |
| CONTRACTUAL SERVICES                                | 7,612                          | -                             | -                       | -                       | 30,114                       | -               | -                 | 44,182                        | 81,908   |
| SUPPLIES  | 16,501                         | 77                            | 4,043                   | 392                     | 31,857                       | -               | 17,588            | 21,409                        | 91,868   |
| SERVICES & CHARGES                                  | 5,216                          | -                             | -                       | 14,853                  | 21,114                       | -               | -                 | 18,983                        | 60,166   |
| FACILITY CHARGES                                    | 180                            | -                             | -                       | -                       | -                            | -               | -                 | -                             | 180      |
| CLAIMS, CONTRIB. AND AWARDS                         | 100                            | -                             | -                       | -                       | -                            | -               | -                 | -                             | 100      |
| Total Expenditures                                  | 29,610                         | 77                            | 4,043                   | 53,816                  | 141,481                      | -               | 17,588            | 110,347                       | 356,963  |
| Excess (deficiency) of<br>Revenues vs. Expenditures | 27,950                         | 2,460                         | 26,571                  | (30,901)                | (30,066)                     | -               | 15,414            | (5,408)                       | 6,021    |
| <b>OTHER FINANCING SOURCES</b>                      |                                |                               |                         |                         |                              |                 |                   |                               |          |
| FUND TRANSFERS                                      | -                              | -                             | -                       | 11,000                  | -                            | -               | -                 | 13,000                        | 24,000   |
| <b>OTHER FINANCING USES</b>                         |                                |                               |                         |                         |                              |                 |                   |                               |          |
| CAPITAL OUTLAY                                      | 1,180                          | -                             | 22,257                  | -                       | -                            | -               | 19,995            | -                             | 43,432   |
| Net Change in Fund Balance                          | 26,769                         | 2,460                         | 4,314                   | (19,901)                | (30,066)                     | -               | (4,581)           | 7,592                         | (13,411) |
| Fund Balance - Beginning:                           | 130,780                        | 211,793                       | 18,279                  | (34,452)                | 180,834                      | 315             | 150,136           | 65,727                        | 723,412  |
| Fund Balance - Ending:                              | 157,550                        | 214,253                       | 22,594                  | (54,353)                | 150,768                      | 315             | 145,555           | 73,319                        | 710,000  |