



CITY OF FRANKLIN



1ST QUARTER REPORT

FY 2017

Excellence

Innovation

Teamwork

Integrity

Action-Oriented

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Executive Summary

Quarter Ended September 30, 2016

- Consistent with the 1st quarter of prior years, the General Fund shows a current year deficit, as property tax billings do not occur until the 2nd quarter (October 1).
- The deficit is higher in 2017 as there was an additional bi-weekly payroll in the 1st quarter compared to last year, accounting for the higher amounts in wages and benefits.
- In July, the 2% general salary increase for employees was implemented.
- In the General Fund, local sales taxes are up almost 6% over last year.
- Building permit revenue is up 6% as the residential permit fee increased in July 2016.
- For development fees that are dependent on timing and type of development,
 - road impact fees and facilities tax are both one-quarter less than last year, and
 - water/sewer development fees are about half of last year.
- In the Street Aid Fund, gasoline taxes are equivalent to last year. (The fee is set on gallons sold rather than price.)
- In the Capital Projects Fund, the City expects reimbursements from other funds and bonds to fund the deficit. (Once available bond proceeds are determined, a plan for resolving any remaining deficit is anticipated in February/March.)



CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

All Funds Summary

Fund	Beg Fund Balance	Revenue	Expenditures	End Fund Balance	Change	Fund Summary on Page
General	\$39,249,586	\$11,845,074	\$15,564,560	\$35,530,100	(\$3,719,486)	3
Street Aid	\$373,415	\$489,859	\$834,227	\$29,047	(\$344,368)	4
Sanitation & Envir. Services.	\$767,350	\$2,003,217	\$2,211,528	\$559,039	(\$208,311)	5
Road Impact	\$5,019,848	\$1,057,083	\$833,698	\$5,243,233	\$223,385	6
Facilities Tax	\$6,976,276	\$764,351	\$66,921	\$7,673,706	\$697,430	7
Stormwater	\$4,873,735	\$608,870	\$762,615	\$4,719,990	(\$153,745)	8
Drug	\$515,642	\$38,643	\$6,343	\$547,942	\$32,300	9
Hotel/Motel	\$2,634,109	\$933,786	\$903,586	\$2,664,309	\$30,200	10
In Lieu of Parkland	\$4,425,966	\$140,997	\$0	\$4,566,963	\$140,997	11
Transit	\$374,758	\$269,364	\$644,122	\$0	(\$374,758)	12
CDBG	\$85,185	\$41,093	\$40,895	\$85,383	\$198	13
Debt Service	\$5,000	\$1,496,926	\$2,590,122	(\$1,088,196)	(\$1,093,196)	14
Capital Projects	(\$7,887,886)	\$972,233	\$2,186,234	(\$9,101,887)	(\$1,214,001)	15
Water & Wastewater Operations	*	\$8,168,713	\$8,487,141	*	(\$318,428)	16
Water & Wastewater Dev. Fees	*	\$975,978	\$349,205	*	\$626,773	17

* As an enterprise fund (which is similar to a private business), Water & Wastewater does not have a fund balance.



CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

General Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Local Sales Tax	\$7,911,292	\$7,469,308	105.9%	\$33,183,778	23.8%
State Shared Taxes	1,676,420	1,544,374	108.6%	10,821,651	15.5%
Property Taxes	23,552	72,458	32.5%	5,906,618	0.4%
Alcohol Taxes	958,424	893,867	107.2%	3,888,566	24.6%
Grants	90,016	113,090	79.6%	1,828,300	4.9%
Franchise Fees	155,111	156,586	99.1%	2,536,790	6.1%
Building Permits & Fees	708,617	666,300	106.4%	2,606,289	27.2%
Court Fines & Fees	123,466	111,065	111.2%	500,036	24.7%
In Lieu of Tax (Local)	0	0	0.0%	271,369	0.0%
Interest Income	26,592	48,415	54.9%	217,582	12.2%
Other Revenues	171,587	148,897	115.2%	2,386,869	7.2%
Total Revenues	11,845,074	11,224,361	105.5%	64,147,848	18.5%
Expenditures:					
Salaries & Wages	7,184,375	5,666,812	126.8%	32,208,050	22.3%
Employee Benefits	3,393,048	2,724,296	124.5%	12,902,571	26.3%
Utilities	578,665	557,812	103.7%	2,124,957	27.2%
Contractual Services	927,798	917,688	101.1%	2,989,936	31.0%
Repair & Maintenance Services	422,954	442,083	95.7%	2,016,161	21.0%
Debt Service & Lease Payments	956,120	1,033,558	92.5%	2,378,967	40.2%
Reimbursement from Other Funds	(676,796)	(649,314)	104.2%	(2,707,180)	25.0%
Transfers To Other Funds	49,040	315,294	15.6%	963,956	5.1%
Capital (>\$25,000)	30,791	94,790	32.5%	2,575,000	1.2%
Other Expenditures	2,698,567	2,213,587	121.9%	8,695,430	31.0%
Total Expenditures	15,564,560	13,316,607	116.9%	64,147,848	24.3%
Total Unallocated Funds	(3,719,486)	(2,092,247)	177.8%	0	0.0%

FUND SUMMARY

- Consistent with the 1st quarter of prior years, the General Fund shows a current year deficit, as property tax billings do not occur until the 2nd quarter (October 1).
- The deficit is higher in 2017 as there was an additional bi-weekly payroll in the 1st quarter compared to last year, accounting for the higher amounts in wages and benefits.
- In July, the 2% general salary increase for employees was implemented.
- Local sales tax exceeds last year by almost 6%.
- State shared taxes exceed last year by almost 9%.
- Building permit revenue is up 6% as the residential permit fee increased in July.

CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

Street Aid Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	\$373,415	\$287,224	130.0%	\$333,098	112.1%
State Shared Taxes	489,814	493,960	99.2%	1,939,747	25.3%
Property Taxes	0	0	0.0%	689,756	0.0%
Interest Income	46	41	111.2%	300	15.2%
Total Revenues	863,274	781,226	110.5%	2,962,901	29.1%
Expenditures:					
Repair & Maintenance Services	833,590	545,495	152.8%	2,629,600	31.7%
Other Expenditures	638	544	117.2%	0	0.0%
Total Expenditures	834,227	546,039	152.8%	2,629,600	31.7%
Total Unallocated Funds	29,047	235,186	12.4%	333,301	8.7%

FUND SUMMARY

- Gasoline taxes are slightly less than last year. (The fee is set on gallons sold rather than price.)
- Expenditures are for the paving activity in the 1st quarter.

CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

Sanitation Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	\$767,350	\$618,294	124.1%	\$613,691	125.0%
Interest Income	73	0	0.0%	0	0.0%
Sanitation Collection Services	1,310,562	1,340,824	97.7%	5,571,252	23.5%
Tipping Fees	611,070	813,500	75.1%	3,173,347	19.3%
Other Revenues	81,513	42,482	191.9%	627,628	13.0%
Total Revenues	2,770,567	2,815,101	98.4%	9,985,918	27.7%
Expenditures:					
Salaries & Wages	464,983	366,439	126.9%	2,054,227	22.6%
Employee Benefits	263,645	248,134	106.3%	950,256	27.7%
Utilities	20,168	16,033	125.8%	72,055	28.0%
Contractual Services	0	0	0.0%	10,000	0.0%
Repair & Maintenance Services	179,280	194,321	92.3%	717,319	25.0%
Debt Service & Lease Payments	358,741	461,862	77.7%	577,045	62.2%
Transfers To Other Funds	2,670	2,770	96.4%	623,956	0.4%
Other Expenditures	922,041	1,095,505	84.2%	4,335,076	21.3%
Total Expenditures	2,211,528	2,385,063	92.7%	9,339,934	23.7%
Total Unallocated Funds	559,039	430,037	130.0%	645,984	86.5%

FUND SUMMARY

- Collection services revenue is slightly less than last year.
- Part of the difference is additional revenue received in 2016 from Milcrofton of \$65,000 when the City began billing for its services.
- Tipping fees are about 25% less than last year. This decrease is due to the transfer station no longer accepting construction and demolition debris.
- In July, the 2% general salary increase for employees was implemented.

CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

Road Impact Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	\$5,019,848	\$397,976	1,261.3%	\$4,243,275	118.3%
Interest Income	4,206	664	633.6%	1,000	420.6%
Road Impact Fees	1,095,490	1,464,391	74.8%	6,810,334	16.1%
Road Impact Credits	(42,613)	0	0.0%	0	0.0%
Total Revenues	6,076,931	1,863,031	326.2%	11,054,609	55.0%
Expenditures:					
Contractual Services	517,448	0	0.0%	3,637,141	14.2%
Transfers To Other Funds	316,250	511,681	61.8%	2,737,999	11.6%
Total Expenditures	833,698	511,681	162.9%	6,375,140	13.1%
Total Unallocated Funds	5,243,233	1,351,350	388.0%	4,679,469	112.0%

FUND SUMMARY

- Road impact fees are at 75% of last year (as these revenues are dependent on timing and type of development).

CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

Facilities Tax Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	\$6,976,276	\$6,717,764	103.8%	\$6,815,787	102.4%
Interest Income	754	22,495	3.4%	10,000	7.5%
Facilities Taxes	763,597	1,005,422	75.9%	2,900,000	26.3%
Total Revenues	7,740,627	7,745,681	99.9%	9,725,787	79.6%
Expenditures:					
Utilities	246	0	0.0%	0	0.0%
Contractual Services	1,865	1,972	94.6%	0	0.0%
Repair & Maintenance Services	26,090	0	0.0%	0	0.0%
Capital (>\$25,000)	30,302	1,023,197	3.0%	4,132,956	0.7%
Other Expenditures	8,418	107,749	7.8%	141,833	5.9%
Total Expenditures	66,921	1,132,918	5.9%	4,274,789	1.6%
Total Unallocated Funds	7,673,706	6,612,763	116.0%	5,450,998	140.8%

FUND SUMMARY

- Facilities taxes are at 75% of last year (as these revenues are dependent on timing and type of development).



CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

Stormwater Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	\$4,873,735	\$4,783,235	101.9%	\$4,706,201	103.6%
Building Permits & Fees	0	30,867	0.0%	85,000	0.0%
Interest Income	(4,901)	2,696	(181.8%)	10,000	(49.0%)
Stormwater Fees	596,651	624,306	95.6%	2,569,224	23.2%
Customer Service	(992)	0	0.0%	0	0.0%
Other Revenues	18,112	14,068	128.7%	50,000	36.2%
Total Revenues	5,482,605	5,455,172	100.5%	7,420,425	73.9%
Expenditures:					
Salaries & Wages	195,958	155,422	126.1%	894,193	21.9%
Employee Benefits	108,121	92,357	117.1%	418,647	25.8%
Utilities	11,555	15,575	74.2%	53,765	21.5%
Contractual Services	211,160	49,096	430.1%	176,456	119.7%
Repair & Maintenance Services	34,919	25,254	138.3%	115,385	30.3%
Debt Service & Lease Payments	0	0	0.0%	230,580	0.0%
Capital (>\$25,000)	64,174	100,202	64.0%	2,672,357	2.4%
Other Expenditures	136,728	137,659	99.3%	609,279	22.4%
Total Expenditures	762,615	575,564	132.5%	5,170,662	14.7%
Total Unallocated Funds	4,719,990	4,879,608	96.7%	2,249,763	209.8%

FUND SUMMARY

- Stormwater fees are 4% less than last year.
- Part of the difference is additional revenue received in 2016 from Milcrofton of \$14,000 when the City began billing for its services.
- In July, the 2% general salary increase for employees was implemented.

CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

Drug Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	\$515,642	\$295,296	174.6%	\$489,890	105.3%
Interest Income	675	312	216.6%	1,000	67.5%
Drug Fines Received	16,653	11,977	139.0%	95,397	17.5%
Other Revenues	21,316	57,056	37.4%	27,613	77.2%
Total Revenues	554,285	364,641	152.0%	613,900	90.3%
Expenditures:					
Other Expenditures	6,343	10,976	57.8%	72,500	8.7%
Total Expenditures	6,343	10,976	57.8%	72,500	8.7%
Total Unallocated Funds	547,942	353,665	154.9%	541,400	101.2%

FUND SUMMARY

- Drug fine collections are over 39% higher than last year. This revenue is dependent on court actions.

CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

Hotel/Motel Tax Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	\$2,634,109	\$2,749,596	95.8%	\$3,232,656	81.5%
Interest Income	2,110	1,274	165.6%	4,000	52.7%
Hotel/Motel Taxes	931,675	883,608	105.4%	3,406,850	27.3%
Total Revenues	3,567,894	3,634,478	98.2%	6,643,506	53.7%
Expenditures:					
Contractual Services	2,877	35,327	8.1%	0	0.0%
Transfers To Other Funds	652,483	344,846	189.2%	1,125,086	58.0%
Capital (>\$25,000)	21,936	42,610	51.5%	566,666	3.9%
Other Expenditures	226,290	313,887	72.1%	837,680	27.0%
Total Expenditures	903,586	736,669	122.7%	2,529,432	35.7%
Total Unallocated Funds	2,664,309	2,897,809	91.9%	4,114,074	64.8%

FUND SUMMARY

- Hotel/Motel tax collections are 5% higher than last year.



CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

In Lieu of Parkland Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	\$4,425,966	\$2,494,076	177.5%	\$4,372,436	101.2%
Interest Income	3,543	1,173	302.1%	5,000	70.9%
In Lieu of Parkland Fees	137,454	395,640	34.7%	1,202,525	11.4%
Total Revenues	4,566,963	2,890,889	158.0%	5,579,961	81.8%
Expenditures:					
Total Unallocated Funds	4,566,963	2,890,889	158.0%	5,579,961	81.8%

FUND SUMMARY

- Almost \$138,000 has been collected in 2017 through the 1st quarter.
- There are no expenditures currently budgeted for this fund in 2017.



CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

Transit Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	\$374,758	\$189,607	197.6%	\$146,073	256.6%
Grants	200,669	62,028	323.5%	1,184,899	16.9%
Interest Income	1,579	914	172.7%	3,200	49.3%
Transit Fares	15,576	16,680	93.4%	85,000	18.3%
Transfer From General Fund	49,040	315,294	15.6%	963,956	5.1%
Other Revenues	2,500	2,500	100.0%	9,700	25.8%
Total Revenues	644,122	587,023	109.7%	2,392,828	26.9%
Expenditures:					
Capital (>\$25,000)	0	58,725	0.0%	305,000	0.0%
Other Expenditures	644,122	399,164	161.4%	1,941,755	33.2%
Total Expenditures	644,122	457,889	140.7%	2,246,755	28.7%
Total Unallocated Funds	0	129,134	0.0%	146,073	0.0%

FUND SUMMARY

- Through the 1st quarter, Transit has used 15% of its operating subsidy.

CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

CDBG Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	\$85,185	\$20,211	421.5%	\$28,257	301.5%
Grants	40,895	74,661	54.8%	280,410	14.6%
Interest Income	197	67	294.6%	150	131.6%
Total Revenues	126,278	94,939	133.0%	308,817	40.9%
Expenditures:					
Contractual Services	10,895	39,532	27.6%	165,000	6.6%
Repair & Maintenance Services	30,000	0	0.0%	120,000	25.0%
Other Expenditures	0	31,372	0.0%	1,975	0.0%
Total Expenditures	40,895	70,903	57.7%	286,975	14.3%
Total Unallocated Funds	85,383	24,036	355.2%	21,842	390.9%

FUND SUMMARY

- Through the 1st quarter, 14% of budgeted expenditures have been incurred. Grant revenue has offset the expenditures incurred.

CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

Debt Service Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	\$5,000	\$709	705.6%	\$1,609	310.7%
Property Taxes	0	0	0.0%	7,503,769	0.0%
Interest Income	0	0	0.0%	5,000	0.0%
Rebate on BAB/RZEDB Bonds	425,523	419,028	101.6%	904,051	47.1%
Transfer from Sanitation Fund	2,670	2,770	96.4%	623,956	0.4%
Transfer from Road Impact Fund	316,250	511,681	61.8%	2,874,529	11.0%
Transfer from Hotel/Motel Tax Fund	652,483	344,846	189.2%	1,113,993	58.6%
Transfer from Water & Sewer Fund	100,000	100,000	100.0%	200,000	50.0%
Total Revenues	1,501,926	1,379,033	108.9%	13,226,907	11.4%
Expenditures:					
Debt Service & Lease Payments	2,590,122	2,402,004	107.8%	13,220,298	19.6%
Total Expenditures	2,590,122	2,402,004	107.8%	13,220,298	19.6%
Total Unallocated Funds	(1,088,196)	(1,022,971)	106.4%	6,609	(16,465.4%)

FUND SUMMARY

- Consistent with the 1st quarter of prior years, the Debt Service funds shows a current year deficit, as property tax billings do not occur until the 2nd quarter (October 1).

CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

Capital Projects Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	(\$7,887,886)	(\$10,104,657)	78.1%	\$0	0.0%
Grants	343,653	250,720	137.1%	0	0.0%
Facilities Taxes	287,216	334,255	85.9%	0	0.0%
Other Revenues	341,364	1,357,315	25.1%	0	0.0%
Total Revenues	(6,915,653)	(8,162,366)	84.7%	0	0.0%
Expenditures:					
Contractual Services	21,821	38,311	57.0%	0	0.0%
Repair & Maintenance Services	0	7,972	0.0%	0	0.0%
Capital (>\$25,000)	857,328	1,559,160	55.0%	0	0.0%
Other Expenditures	1,307,085	592,873	220.5%	0	0.0%
Total Expenditures	2,186,234	2,198,316	99.5%	0	0.0%
Total Unallocated Funds	(9,101,887)	(10,360,682)	87.9%	0	0.0%

FUND SUMMARY

- The City expects reimbursements from other funds and bonds to fund the deficit. (Once available bond proceeds are determined, a plan for resolving any remaining deficit is anticipated in February/March.)

CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

Water/Sewer Operations

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Interest Income	\$17,804	\$23,415	76.0%	\$78,000	22.8%
Customer Service	8,063,378	8,176,258	98.6%	25,844,177	31.2%
Other Revenues	87,531	146,033	59.9%	228,800	38.3%
Total Revenues	8,168,713	8,345,705	97.9%	26,150,977	31.2%
Expenditures:					
Salaries & Wages	890,126	675,970	131.7%	4,320,228	20.6%
Employee Benefits	438,992	419,108	104.7%	1,853,666	23.7%
Utilities	367,936	413,576	89.0%	1,729,026	21.3%
Contractual Services	139,358	338,276	41.2%	441,875	31.5%
Repair & Maintenance Services	55,009	145,768	37.7%	341,000	16.1%
Debt Service & Lease Payments	301,715	258,287	116.8%	1,795,746	16.8%
Transfers To Other Funds	100,000	100,000	100.0%	200,000	50.0%
Capital (>\$25,000)	3,388,690	499,128	678.9%	5,401,035	62.7%
Other Expenditures	2,805,314	2,448,363	114.6%	8,559,915	32.8%
Total Expenditures	8,487,141	5,298,476	160.2%	24,642,491	34.4%
Total Unallocated Funds	(318,428)	3,047,229	(10.4%)	1,508,486	(21.1%)

FUND SUMMARY

- Customer service revenue is slightly less than last year as number of days billed were fewer in the 1st quarter compared to last year.
- Part of the difference is additional revenue received in 2016 from Milcrofton of \$165,000 when the City began billing for its sewer services.
- In July, the 2% general salary increase for employees was implemented.

CITY OF FRANKLIN – 1ST QUARTER REPORT 2017

Water/Sewer Development Fees

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Interest Income	\$27,322	\$24,014	113.8%	\$0	0.0%
Customer Service	2,000	21,000	9.5%	0	0.0%
Access Fees	521,566	998,643	52.2%	0	0.0%
System Development Fees	421,476	767,041	54.9%	0	0.0%
Other Revenues	3,614	(5,179)	(69.8%)	0	0.0%
Total Revenues	975,978	1,805,519	54.1%	0	0.0%
Expenditures:					
Debt Service & Lease Payments	344,064	381,927	90.1%	0	0.0%
Capital (>\$25,000)	5,104	50,350	10.1%	0	0.0%
Other Expenditures	37	(37)	(99.0%)	0	0.0%
Total Expenditures	349,205	432,240	80.8%	0	0.0%
Total Unallocated Funds	626,773	1,373,279	45.6%	0	0.0%

FUND SUMMARY

- Access fees and system development fees are almost ½ of last year (as these revenues are dependent on timing and type of development.)

On the Horizon

February 2017

2018 budget presentations begin

Finance Department Information

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