109 3rd Ave S
Franklin, TN 37064
(615) 791-3217

City of Franklin

Meeting Agenda

Budget & Finance Committee

Thursday, December 1, 2022 **3:00 PM** **Board Room**

CALL TO ORDER

APPROVAL OF MINUTES

1. Consideration Of Approval Of Minutes
October 13, 2022 Budget & Finance Committee

NEW BUSINESS

2. Consideration Of Resolution 2022-81, A Resolution To Revise The Organizational Chart For The Facilities Department

Sponsors: Brad Wilson

3. Consideration Of Resolution 2022-74, A Resolution To Create An Organizational Chart For The Transit Fund

Sponsors: Eric Stuckey

4. Consideration Of Resolution 2022-75, A Resolution Of The Board Of Mayor And Aldermen For The City Of Franklin Adopting Budget Goals For The Fiscal Year 2023-2024

Sponsors: Eric Stuckey, Kristine Brock, Michael Walters Young

5. Report Of The City's External Auditor, Crosslin, PLLC, And Presentation Of The Fiscal Year 2022 Annual Comprehensive Financial Report

Sponsors: Kristine Brock, Mike Lowe, Margaret Wilson

6. Report Of The City's External Auditor, Crosslin, PLLC, And Presentation Of The Fiscal Year 2022 Annual Comprehensive Financial Report For Cool Springs Conference Center

Sponsors: Eric Stuckey, Kristine Brock, Mike Lowe, Margaret Wilson

7. Report On State's Standardized Chart Of Accounts For Municipalities For Fiscal Year 2023

Sponsors: Kristine Brock, Mike Lowe

8. Report On The American Rescue Plan Act (ARPA)

Sponsors: Kristine Brock, Mike Lowe

9. Monthly Reports For December 2022

Sponsors: Mike Lowe, Margaret Wilson

OTHER BUSINESS

ADJOURN

Anyone needing accommodations due to disabilities please contact the ADA Coordinator at 615-791-3277 at least 24 hours prior to the meeting.

BUDGET & FINANCE COMMITTEE MEETING MINUTES
THURSDAY, OCTOBER 13, 2022 @ 3:00 P.M.
CITY HALL BOARD ROOM
FRANKLIN, TENNESSEE

Committee Members		Other Attendees	
Alderman Clyde Barnhill, Chair	P	Eric Stuckey, City Administrator	P
Alderman Patrick Baggett	A	Kristine Brock, ACA/CFO	P
Alderman Ann Petersen, Vice-Chair	P	Chris Franklin, Management Fellow	P
Alderman Jason Potts	P	Mike Lowe, Comptroller	P
		Cayce Anderson Records Technician	P
		Angie Johnson, Deputy City Recorder	P
		Ken Moore, Mayor	P
		Jessica Davey, Revenue Licensing Manager, City Court Clerk	P
		Lanaii Benne, City Recorder	P
		Brian Wilcox, Purchasing Manager	P

CALL TO ORDER

Chairman Clyde Barnhill called the meeting to order at 3:00 PM

APPROVAL OF THE MINUTES

1. *A motion was made by Alderman Ann Petersen, seconded by Alderman Jason Potts to approve the minutes from September 8, 2022. The motion passed 3-0.*

NEW BUSINESS

2. **Consideration Of DRAFT Resolution 2022-67, A Resolution Adopting A Customer Service Policy For The City Of Franklin.**

The City services approximately 30,000 residential and commercial water, sewer, stormwater, and solid waste customers. The Revenue Management division of the Finance Department is responsible for account creation, billing, and payment collection for these customers. The Franklin Municipal Code provides some rules and regulations regarding obtaining these services from the City. However, a detailed written policy would ensure consistent treatment of the City's utility customers.

Aldermen Petersen and Potts believe this will be a good policy for the City of Franklin to implement and to have a formal policy in place.

Alderman Potts wondered how this policy will be updated?
Answer: Policies are updated on an annual basis (June) or as needed.

A motion was made by Alderman Potts, seconded by Alderman Petersen to Recommend Approval of the Resolution to the Board of Mayor and Aldermen. The motion passed 3-0.

3. **Consideration Of Resolution 2022-68, A Resolution Authorizing The Use Of The Competitive Sealed Proposal Procurement Method For Choosing The Service Provider For Non-Discretionary Investment Advisory Services For Certain Non-Pension Assets Of The City For A Term Of Award For The Finance Department (Purchasing Office Procurement Solicitation No. 2023-007).**

Tennessee law and City ordinance both require the Board of Mayor and Aldermen to authorize use of the competitive sealed proposal procurement method for choosing suppliers and/or service providers whenever the Board determines that the use of competitive sealed bidding is either not practicable or not advantageous for the City.

For the planned procurement of non-discretionary investment advisory services for certain non-pension assets of the City for a term of award, competitive sealed bidding is either not practicable or not advantageous to the City because qualifications, experience, and competence are more important than price in making the purchase, and because there is more than one solution to this purchasing issue and the competitive sealed proposal procurement method will assist in choosing the best solution and service provider.

A motion was made by Alderman Petersen, seconded by Alderman Potts to Recommend Approval of the Resolution to the Board of Mayor and Aldermen. The motion passed 3-0.

4. **Report Of The Actuary For The City's Pension Plans**

The City of Franklin has two defined benefit pension plans. The first, the single employer City of Franklin Plan, was established in 1971 and closed to new hires after December 31, 2016. The second plan is a local subdivision account of the multiple employer Tennessee Consolidated Retirement System (TCRS) and is open to new hires on and after January 1, 2017. Both plans are required by state law and generally accepted accounting principles to have an annual actuarial report prepared by a licensed actuary. The City's actuary for the closed plan is USI Consulting Group of Brentwood, Tennessee. USI Consulting Group is also the actuary for TCRS. In addition to preparing annual actuarial reports, Kevin Sullivan, Vice President and Senior Consulting Actuary for USI Consulting Group, provides professional advisement to the City's Employee Pension Committee and City staff.

5. **Review Of FY 2023 Budget Process Survey And Recommendations For FY 2024 Budget**

Routine reexamination and analysis of systems with an eye towards continual improvement is a hallmark of any high-functioning organization. The City of Franklin prides itself on trying to maintain the highest level of municipal service delivery in the most efficient manner possible. This is no different for support services and the most important decision the Board of Mayor and Alderman make annually - the annual operating budget. Several weeks ago, BOMA members were asked to take a brief survey on five to six key areas of the budget process - materials, functioning of the committee, staff support, role of the City Administrator, public engagement, etc.

6. **Report On State Comptroller's Review Of The City's 2021 Annual Report**

The Tennessee Comptoller of the Treasury Office reviewed the annual financial report on the Cty of Franklin for fiscal year ended June 30, 2021, as audited by Crosslin, PLLC. The report has been filed as part of the public records of the State of Tennessee.

7. **Monthly Reports For October 2022**

The local sales tax remittance from the State of Tennessee for July 2022 sales (received by the City in September 2022) was $4,889,176 compared to $4,616,865 for the same month in FY 2022, a monthly year over year increase of $272,311 or 5.9%.

Hotel/Motel Tax: 2023 fiscal year to date compared to 2022 is 8.2% more, and compared for 2023 budget is more by 6.2%.

OTHER BUSINESS

ADJOURNMENT

A motion to adjourn was made by Alderman Ann Petersen, seconded by Alderman Jason Potts. The motion passed 3-0.

Meeting Adjourned @ 4:45 PM

Clyde Barnhill, Chair

Minutes prepared by Cayce Anderson, Records Technician, City Administrator’s Office - 11/3/2022 2:15 PM

City of Franklin

109 3rd Ave S.
Franklin, TN 37064
(615) 791-3217

File #: 21-03996

DATE: November 16, 2022

TO: Board of Mayor and Aldermen

FROM: Brad Wilson, Facilities Project Manager

SUBJECT:

Consideration Of Resolution 2022-81, A Resolution To Revise The Organizational Chart For The Facilities Department

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Resolution 2022-81, a Resolution to Revise the Organizational Chart for the Facilities Department.

BACKGROUND/STAFF COMMENTS:

The City of Franklin strives to take advantage of the best talent available while maintaining a nimble organization to best serve its citizens. This resolution requests a minor modification of the Facilities Department to change a Custodian position (Grade D) to a Facilities Maintenance Worker (Grade D). The department has converted its custodial positions into Facilities Maintenance Worker positions over the last several years as the title is more reflective of the total work responsibilities of members of our Facilities Department Team. There is no additional position requested with this organizational change.

FINANCIAL IMPACT:

There is no direct financial impact at this time with this organizational change. Should there be a need to add additional resources as a result of the position change, sufficient funds will be added to a subsequent budget amendment in FY 2023.

RECOMMENDATION:

Staff recommends that Resolution 2022-81 be recommended to the Board of Mayor and Aldermen for approval.

RESOLUTION 2022-81

A RESOLUTION TO REVISE THE ORGANIZATIONAL CHART WITHIN THE FACILITIES DEPARTMENT

WHEREAS, the Board of Mayor and Alderman established the annual budget for the City of Franklin for the Fiscal Year 2022-2023 by Ordinance 2022-12, effective July 1, 2022; and

WHEREAS, the City Administrator desires to adjust the Organizational Chart of the Administration Department; and

WHEREAS, with respect to the Administration Department the reorganization will provide for more appropriate division of duties to maximize operational effectiveness; and

WHEREAS, the Board of Mayor Aldermen desires to support the minor reorganizations of the Administration Department to include this initiative; and

WHEREAS, the Board of Mayor Aldermen believes it is in the best interest of the City of Franklin to adopt such change.

NOW, THEREFORE, BE IT RESOLVED by the Board of Mayor and Aldermen for the City of Franklin as follows:

Section 1. The City of Franklin hereby adopts the amended Organization and Personnel Charts for the Facilities Department to be incorporated within the FY 2022-23 Budget, as shown in Exhibit A, attached, with the elimination of one (1) existing Custodian (Grade D), and the addition of one (1) Facilities Maintenance Worker position (Grade D), without amending the expenditures currently adopted in the FY 2022-23 Budget.

Section 2. That the Resolution shall be effective upon adoption.

IT IS SO RESOLVED AND DONE on this ______ day of _______2022.

ATTEST	CITY OF FRANKIN, TENNESSEE
By: ____________________	By:_______________________
Eric S. Stuckey	Dr. Ken Moore
City administrator	Mayor

Approved as to form

By: ____________________________________
Shauna R. Billingsley
City Attorney

City of Franklin, Tennessee
FY 2023 Operating Budget

Performance Measurement (con't)

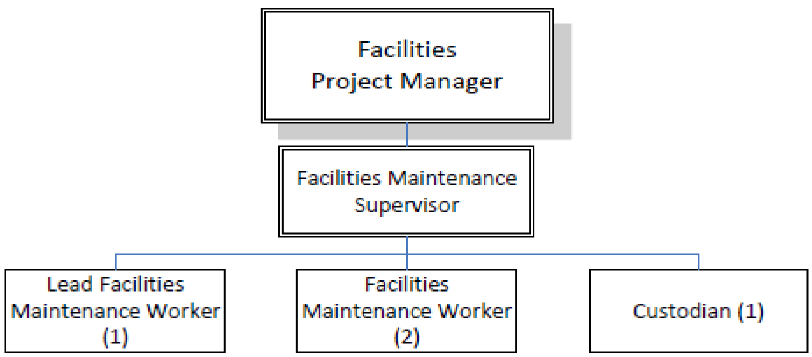
Outcome (Effectiveness) Measures

	2019	2020	2021	2022*	2023*
Percentage of routine requests completed in 2-3 days	Data being collected				
Reduce government agency use of electricity by 20% by 2020.					
City of Franklin Electric Use (Annually)	25,041,728	24,705,955	24,307,916	24,200,000	23,950,000
Target ***(In Kilowatt hours - Source: Finance Department)***	**15,315,688**	**14,932,795**	**14,549,903**	**14,167,011**	**14,167,011**
Meets Target?	**No**	**No**	**No**	**No**	**No**

** 2022 and 2023 data estimated.*

***Buildings inclusive of all structures pertaining to general fund operations. Will be refined.*

Organizational Chart (Current)



Note: For detailed counts and authorized positions, please see table below entitled "Staffing by Position"

Staffing by Position (Current)

Position	Pay Grade	FY 2019		FY 2020		FY 2021		FY 2022		FY 2023	
		F-T	P-T	F-T	P-T	F-T	P-T	F-T	P-T	F-T	P-T
Facilities Project Manager	J	1	0	1	0	1	0	1	0	1	0
Facilities Maintenance Spvsr	G	1	0	1	0	1	0	1	0	1	0
Lead Facilities Maintenance Worker	E	0	0	0	0	0	0	0	0	1	0
Facilities Maintenance Worker	D	2	0	2	0	3	0	3	0	2	0
Custodian	D	2	0	2	0	1	0	1	0	1	0
Totals		**6**	**0**	**6**	**0**	**6**	**0**	**6**	**0**	**6**	**0**

City of Franklin, Tennessee
FY 2023 Operating Budget

Performance Measurement (con't)

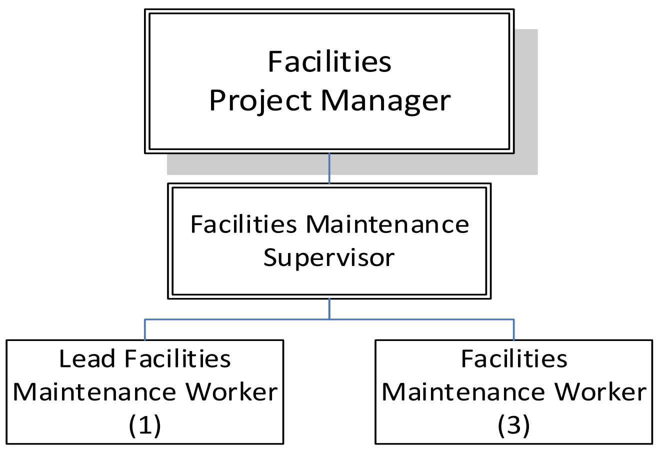
Outcome (Effectiveness) Measures

	2019	2020	2021	2022*	2023*
Percentage of routine requests completed in 2-3 days	Data being collected				
Reduce government agency use of electricity by 20% by 2020.					
City of Franklin Electric Use (Annually)	25,041,728	24,705,955	24,307,916	24,200,000	23,950,000
Target ***(In Kilowatt hours - Source: Finance Department)***	**15,315,688**	**14,932,795**	**14,549,903**	**14,167,011**	**14,167,011**
Meets Target?	**No**	**No**	**No**	**No**	**No**

** 2022 and 2023 data estimated.*

***Buildings inclusive of all structures pertaining to general fund operations. Will be refined.*

Organizational Chart (Proposed)



Note: For detailed counts and authorized positions, please see table below entitled "Staffing by Position"

Staffing by Position (Proposed)

Position	**Pay Grade**	**FY 2019**		**FY 2020**		**FY 2021**		**FY 2022**		**FY 2023**	
		F-T	**P-T**	**F-T**	**P-T**	**F-T**	**P-T**	**F-T**	**P-T**	**F-T**	**P-T**
Facilities Project Manager	J	1	0	1	0	1	0	1	0	1	0
Facilities Maintenance Spvsr	G	1	0	1	0	1	0	1	0	1	0
Lead Facilities Maintenance Worker	E	0	0	0	0	0	0	0	0	1	0
Facilities Maintenance Worker	D	2	0	2	0	3	0	3	0	3	0
Custodian	D	2	0	2	0	1	0	1	0	0	0
Totals		**6**	**0**	**6**	**0**	**6**	**0**	**6**	**0**	**6**	**0**

HISTORIC FRANKLIN TENNESSEE

City of Franklin

109 3rd Ave S.
Franklin, TN 37064
(615) 791-3217

File #: 21-03845

DATE: November 14, 2022

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator

SUBJECT:

Consideration Of Resolution 2022-74, A Resolution To Create An Organizational Chart For The Transit Fund

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Resolution 2022-74, a Resolution to Create an Organizational Chart for the Transit Fund.

BACKGROUND/STAFF COMMENTS:

The City of Franklin strives to take advantage of the best talent available while maintaining a nimble organization to best serve its citizens. This resolution requests the creation of a new position within the Transit Fund of the City of Franklin - a Contract Compliance Analyst. This position will report to the Assistant City Administrator for Community & Economic Development and function by assisting in the compliance of the Franklin Transit Authority in matters pertaining to financial oversight and reporting.

On April 15, 2022, the City of Franklin and Franklin Transit Authority received the final report from the Federal Transit Administration's full scope systems review of the Franklin Transit Authority. The report identified 3 material weaknesses on organizational structure, governance and oversight, and controls over financial reporting, 2 significant deficiencies on reimbursement requests and farebox revenue procedures, and 2 advisory comments on timesheet approvals and capital projects planning. As a result, additional staff support representing the City is critical to respond to the audits findings and strengthen the financial oversight of transit related matters.

FINANCIAL IMPACT:

There will be an increase in expenditure directly related to this position. However, it is difficult to quantify the direct financial impact at this time with this organizational change. This is because the annual budget subsidy from the City of Franklin to the Transit Fund is seldom fully used; should there be a need to add additional resources as a result of the position change, sufficient funds will be added to a subsequent budget amendment in FY 2023.

RECOMMENDATION:

Staff recommends that Resolution 2022-74 be recommended to the Board of Mayor and Aldermen for approval.

RESOLUTION 2022-74

A RESOLUTION TO CREATE AN ORGANIZATIONAL CHART FOR THE TRANSIT FUND

WHEREAS, the Board of Mayor and Alderman established the annual budget for the City of Franklin for the Fiscal Year 2022-2023 by Ordinance 2022-12, effective July 1, 2022; and

WHEREAS, the City Administrator desires to adjust the Organizational Chart of the Administration Department; and

WHEREAS, with respect to the Administration Department the reorganization will provide for more appropriate division of duties to maximize operational effectiveness; and

WHEREAS, the Board of Mayor Aldermen desires to support the minor reorganizations of the Administration Department to include this initiative; and

WHEREAS, the Board of Mayor Aldermen believes it is in the best interest of the City of Franklin to adopt such change.

NOW, THEREFORE, BE IT RESOLVED by the Board of Mayor and Aldermen for the City of Franklin as follows:

Section 1. The City of Franklin hereby adopts the Organization and Personnel Charts for the Transit Fund to be incorporated within the FY 2022-23 Budget, as shown in Exhibit A, attached, with the creation of one (1) Contract Compliance Analyst position (Grade H). Additional compensation will be covered in a later budget amendment.

Section 2. That the Resolution shall be effective upon adoption.

IT IS SO RESOLVED AND DONE on this ______ day of _______2022.

ATTEST

By: ____________________
Eric S. Stuckey
City administrator

CITY OF FRANKIN, TENNESSEE

By:______________________
Dr. Ken Moore
Mayor

Approved as to form

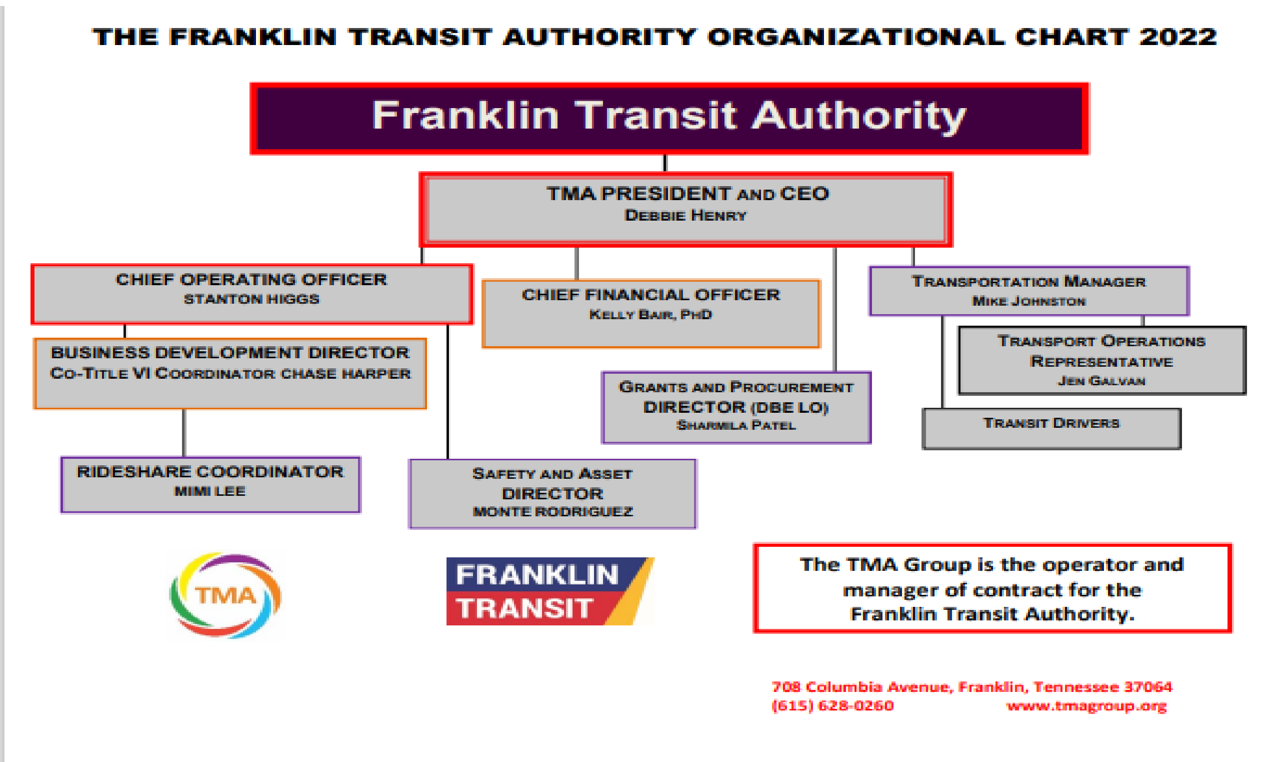
By: ___________________________________
Shauna R. Billingsley
City Attorney

Performance Measures (con't)

Franklin Citizens Survey

		2016 Citizens Survey		2019 Citizens Survey	
		Excellent/ Good	Fair/Poor	Excellent/ Good	Fair/Poor
☑	% rating the quality of bus or transit service	42%	58%	54%	46%

Organizational Chart (Current)

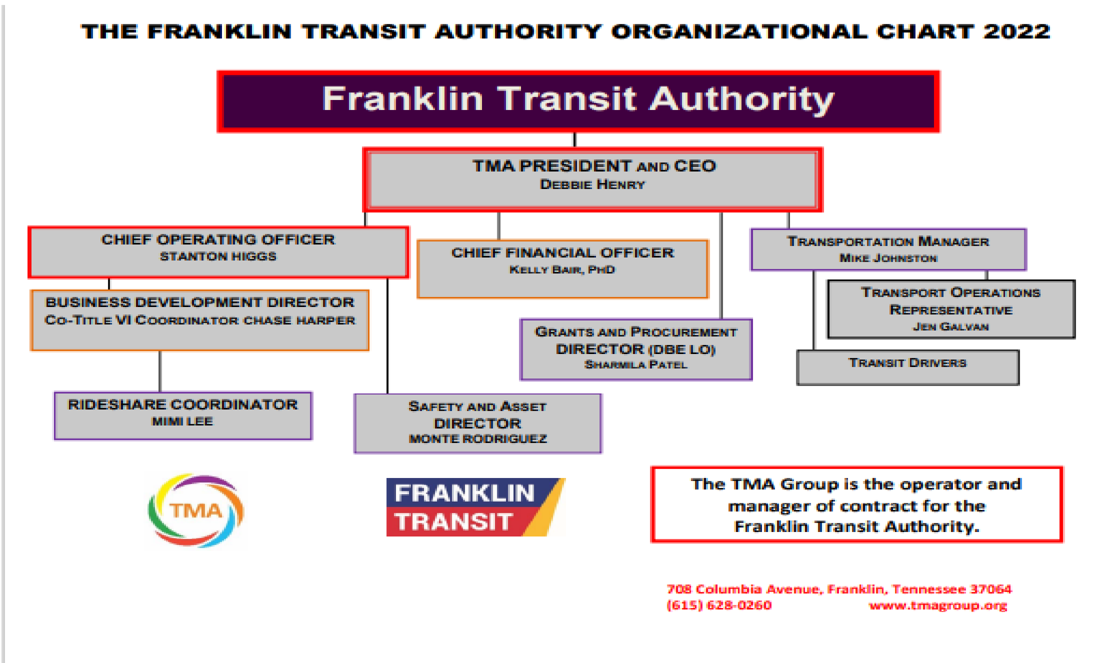


Performance Measures (con't)

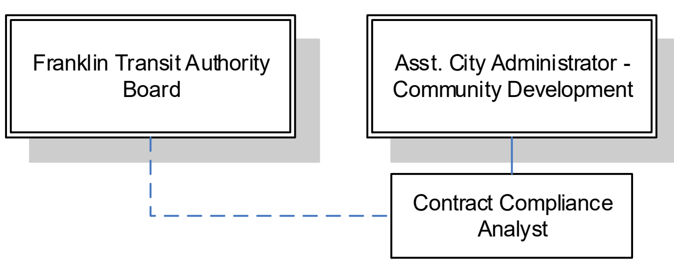
Franklin Citizens Survey

	2016 Citizens Survey		2019 Citizens Survey	
	Excellent/ Good	Fair/Poor	Excellent/ Good	Fair/Poor
☑ % rating the quality of bus or transit service	42%	58%	54%	46%

Organizational Chart - Franklin Transit Authority



Organizational Chart - City of Franklin (Proposed)



Staffing by Position (Proposed)

Budget Positions	Pay Grade	FY 2019		FY 2020		FY 2021		FY 2022		FY 2023	
		F-T	P-T	F-T	P-T	F-T	P-T	F-T	P-T	F-T	P-T
Contract Compliance Analyst	Grade H	0	0	0	0	0	0	0	0	0	1
Total Authorized Positions		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**1**

109 3rd Ave S.
Franklin, TN 37064
(615) 791-3217

File #: 21-03863

DATE: November 14, 2022

TO: Budget & Finance Committee

FROM: Eric Stuckey, City Administrator
Kristine Brock, Asst. City Administrator/CFO
Michael Walters Young, Budget and Analytics Manager

SUBJECT:

Consideration Of Resolution 2022-75, A Resolution Of The Board Of Mayor And Aldermen For The City Of Franklin Adopting Budget Goals For The Fiscal Year 2023-2024

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Resolution 2022-75, A Resolution To Adopt Budget Goals for FY 2023-2024.

BACKGROUND/STAFF COMMENTS:

Setting targeted goals is vital to accomplishment of any plan. For a financial plan to succeed, targeted goals are vital in guiding policymakers and civil servants in ensuring city services are provided in the most effective manner possible. The FY 2024 Budget goals are provided showing both the type of goal but where (and if) the proposed goal ties into FranklinForward, the City of Franklin's Strategic Plan.

The intent of a separate resolution proposing budget goals is to provide staff overarching direction in their preparation of budget requests for the upcoming fiscal year and ensure that the goals of the organization are being met through those submissions.

FINANCIAL IMPACT:

Although there is no cost associated with this item, the direction provided within this item will influence and determine the levels of resources available for the entire next Fiscal Year.

RECOMMENDATION:

Staff recommends that Resolution 2022-75 be recommended for approval by the Board of Mayor and Aldermen.

RESOLUTION 2022-75

A RESOLUTION OF THE BOARD OF MAYOR AND ALDERMEN FOR THE CITY OF FRANKLIN ADOPTING BUDGET GOALS FOR THE FISCAL YEAR 2023-2024

WHEREAS, the City of Franklin strives to provide excellent services to its citizens on a cost effective basis through adoption of an annual operating budget as required by the Municipal Charter and the laws of the State of Tennessee, and

WHEREAS, this budget document is guided in principle by the goals and strategic planning developed by the Board of Mayor and Aldermen with input from the citizens of the City, and

WHEREAS, it is deemed to be in the public interest to provide for the long range fiscal health of the system by establishing financial, non-financial and specific operational goals each year, and

WHEREAS, a set of goals has been reviewed by the full Board of Mayor & Aldermen.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF FRANKLIN, TENNESSEE THAT:

SECTION 1. The Goals for Fiscal Year 2023-2024, as set forth more fully in **Attachment A,** is herewith approved and adopted.

SECTION 2: That this Resolution shall be effective upon adoption.

ADOPTED THIS _________ DAY OF __________, _____.

ATTEST:

By: _____________________________
Eric S. Stuckey
City Administrator/Recorder

CITY OF FRANKLIN, TENNESSEE

By: _____________________________
Dr. Ken Moore
Mayor

Approved as to Form:

By: _____________________________
Shauna R. Billingsley
City Attorney

City of Franklin, Tennessee
FY 2024 Operating Budget

Budget Planning

Budget Goals

Setting targeted goals is vital to accomplishment of any plan. For a financial plan to succeed, targeted goals are vital in guiding policymakers and civil servants in ensuring city services are provided in the most effective manner possible. These FY 2024 Budget goals are provided herein showing both the type of goal but where (and if) the proposed goal ties into **Franklin*Forward*** , the City of Franklin's Strategic Plan.

Financial Goals

- Maintain and enhance the positive fiscal position of the City by adherence to financial management principles for public funds.
- Continue to pursue options for revenue diversification among property taxes, sales taxes, fees, interest earnings, other income, and state shared revenues with expenditure growth reviewed annually in terms of population increases and desired public service levels.
- Produce a structurally balanced budget with ongoing revenues meeting ongoing expenses.
- Pursue additional revenue sources when and where appropriate.
- Maintain reserve funds in compliance with the Board of Mayor and Aldermen’s adopted policy.
- Maintain compliance with the City’s adopted debt policy and capital funding program.
- Leverage local funds through the pursuit of grant opportunities.

Non-Financial Goals

- Maintain and enhance services to citizens. Focus on the delivery of high-quality services to residents, businesses, and visitors.
- Focus on the delivery of projects approved through the 10-year Capital Investment Program and supported by the Invest Franklin initiative
- Focus on continued maintenance and improvement to the water and wastewater infrastructure by advancing rate-funded capital projects.

City of Franklin, Tennessee
FY 2024 Operating Budget

Budget Planning

	• Develop, adopt, and implement programs and policies, which create and sustain a positive economic environment within the City of Franklin supporting job growth and private investment.
	• Promote the City as a preferred economic development location in cooperation with the State of Tennessee, Williamson County and other partners. Promote economic prosperity and enhance Franklin's competitive position.
	• Continue an emphasis on maintenance of facilities and equipment with replacement of the City's fixed assets as necessary, which include equipment, infrastructure, and facilities.
	• Continue and further enhance our commitment to employee training and professional development, and thereby providing a positive work environment for teamwork, individual and department initiatives, productivity, and individual development.
	• Maintain and continue to enhance the compensation and benefit plan for employees within our financial capabilities; to retain and attract qualified and motivated employees in a highly competitive market.
	• Continue commitment to the vitality of the downtown area, historical areas, and neighborhoods throughout the city.
	• Support the sustainability efforts identified by staff and the City's Sustainability Commission.

Specific Fiscal Year 2024 Initiatives

	• Work towards the development of incentives and strategies for affordable and workforce housing in the City of Franklin.
	• Support and connect the City's operational efforts to long-term planning initiatives. These key planning efforts include the Board-adopted strategic plan Franklin*Forward* , the Integrated Water Resource Plan (IWRP), the Comprehensive Transportation Plan, the Park's Master Plan, the Greenway/Open Space Plan, and the Envision Franklin land use plan.
	· Continue work on the City's growth management strategies focusing on targeted infrastructure enhancements. Support dialog with key stakeholders including Williamson County on growth patterns, infrastructure planning, and long term land use strategies. Actively engage in the update of the Countywide Growth Plan working with Williamson County and the other municipalities within the county.
	· Update the City of Franklin's land use plan, Envision Franklin, to reflect community aspirationations, lessons learned through the first five years of plan implementation, and effective sewardship of the community's built and natural environment.

City of Franklin, Tennessee
FY 2024 Operating Budget

Budget Planning

	· Continue efforts to recruit qualified employees including efforts to diversify the workforce. Review the City's compensation plan to maintain the City's position as a highly competitive employer in the region.
	• Continue to identify opportunities to expand and enhance the City's engagement with the public through various strategies and mediums.
	• Promote/market the City as a preferred economic development location in cooperation with the State of Tennessee, Williamson County and other partners.
	• Continue the City's participation and leadership in the statewide benchmarking program, the city-wide performance measurement program connecting measures to the Board's strategic plan, **Franklin*Forward*** , and further development and build out of the City's Open Performance website - http://performance.franklintn.gov. Work with the Board to update the strategic plan.
	• Continue work toward additional long-term funding strategies for multi-modal and vehicular transportation needs in Franklin, Williamson County, and throughout the Middle Tennessee region.

City of Franklin

109 3rd Ave S.
Franklin, TN 37064
(615) 791-3217

File #: 21-03789

DATE: November 1, 2022

TO: Budget & Finance Committee

FROM: Kristine Brock, Asst. City Administrator/CFO
Mike Lowe, Comptroller
Margaret Wilson, Financial Analyst

SUBJECT:

Report Of The City's External Auditor, Crosslin, PLLC, And Presentation Of The Fiscal Year 2022 Annual Comprehensive Financial Report

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning the financial condition of the City on June 30, 2022.

BACKGROUND/STAFF COMMENTS:

Each year, the City is required by State law to provide an annual financial report to the State of Tennessee. Additionally, certain disclosure requirements in bond documents also provide for periodic financial reports to be prepared. The City takes this responsibility seriously and provides regular financial updates throughout the year. However, at the end of the fiscal year, a more elaborate report, called the Annual Comprehensive Financial Report (ACFR), is produced by City staff and audited by an independent firm of Certified Public Accountants. Representatives of our CPA firm, Crosslin & Associates, will be present at the December 1st meeting of the Budget & Finance Committee to make a verbal report.

The final report will be delivered prior to the 12/13/2022 meeting of the Board and Mayor and Aldermen.

FINANCIAL IMPACT:

The delivery of the ACFR is for reporting purposes only. There is no financial impact.

RECOMMENDATION:

Staff recommends acknowledgment by the Board of Mayor and Aldermen of the FY 2022 ACFR for the City.

City of Franklin, Tennessee
Report to Board of Mayor and Aldermen
Results of the 2022 Audit
December 1, 2022

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CERTIFIED PUBLIC ACCOUNTANTS

www.crosslinpc.com

CROSSLIN
CERTIFIED PUBLIC ACCOUNTANTS

December 1, 2022

To the Board of Mayor and Aldermen
City of Franklin, Tennessee

Thank you for the opportunity to serve as independent auditors and business advisors for the City of Franklin, Tennessee (the "City"). We are pleased to provide our report on the results of the June 30, 2022 audit of the financial statements of the City.

A direct line of communication between our Firm and those charged with governance is essential to the proper exercise of our respective responsibilities. Our appointment involves the responsibility on our part to call to your attention any significant matters which we believe require your consideration.

The accompanying report is intended solely for the use of the Finance Committee, Board of Mayor and Aldermen and management and presents information regarding the audit and certain other information which we believe will be of assistance to you. We appreciate this opportunity to communicate the contents of this report with you. If you have any questions, please call me, or David Hunt, Principal at (615) 320-5500.

We would like to take this opportunity to express our appreciation for the assistance and courtesy extended to us by the City's employees. We appreciate working with you, and we look forward to a continued relationship with the City of Franklin.

Very truly yours,

Jennifer Manternach

Jennifer Manternach
Principal

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Report on Results of the June 30, 2022 Audit

Crosslin, PLLC has completed the audit of the financial statements of the City of Franklin, Tennessee (the "City") as of and for the year ended June 30, 2022, and we drafted our unmodified opinion thereon.

The State of Tennessee has oversight responsibility and approved our audit engagement through the Comptroller of the Treasury's Standard Contract to Audit Accounts. The City will meet reporting deadlines for Federal and State Governments as well as the GFOA Certificate of Achievement program.

The following discussion contains information related to our audit that is required by professional standards, and certain other information which we hope will be of assistance to you.

Independence

Our professional standards require that we communicate at least annually with you regarding all relationships between Crosslin and the City that, in our professional judgment, may reasonably be thought to bear on our independence. We have prepared the following comments to facilitate our discussion with you regarding independence matters.

We are not aware of any relationships between Crosslin and the City that, in our professional judgment, may reasonably be thought to bear on our independence that have occurred during the period from July 1, 2021 through the date of this letter.

We confirm that as of December 1, 2022, we are independent accountants with respect to the City, within the requirements of both the American Institute of Certified Public Accountants and *Government Auditing Standards*.

Engagement Personnel

The following is the engagement team.

Jennifer Manternach	Audit Principal
David Hunt	Audit Principal, Concurring Reviewer
J.D. Cage	Audit Supervisor
Jacob Smith	Audit Senior
Victoria Burgess	Audit Staff

Our Responsibility Under U.S. Generally Accepted Auditing Standards and Uniform Guidance

Our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance about whether the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements but not to provide assurance on the internal control over financial reporting. Accordingly, we express no such opinion.

We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with the Uniform Guidance, we examined, on a test basis, evidence about the City's compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on its major federal program for the purpose of expressing an opinion on the City's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the City's compliance with those requirements.

Management Judgments and Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Significant accounting estimates reflected in the City's 2022 financial statements include the following:

- Property taxes receivable and related deferred inflows of resources
- Allowance for doubtful receivables
- The useful lives and valuation of capital assets
- Valuation of donated capital assets, including streets
- The fair value of derivative financial instruments
- Appropriateness of assumptions used to calculate the pension and OPEB obligations
- Valuation of certain investments in the fiduciary pension fund, including investments in timberlands, real estate, and other private equity ventures.

The basis for our conclusions as to the reasonableness of the estimates when considered in the context of the financial statements taken as a whole, as expressed in our auditor's report, is our review and tests of the process used by management to develop the estimates. During the year ended June 30, 2022, we are not aware of any significant changes in the methodology surrounding accounting estimates or in management's judgments relating to such estimates, except for changes in assumptions for the total OPEB liability and related amounts.

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. Based on our audit procedures, we believe the City's significant accounting policies are appropriate and comprehensive under U.S. generally accepted accounting principles. We noted no matters that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is lack of authoritative guidance or consensus.

Audit Adjustments

Our audit of the financial statements was designed to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant impact on an organization's financial reporting process. We had no audit adjustments in 2022.

Audit adjustments for the Cool Springs Conference Center are included in Appendix A.

Alternative Accounting Treatments

We had no discussions with management regarding alternative accounting treatments within accounting principles generally accepted in the United States of America for policies and practices related to material items including recognition, measurement, and disclosure considerations related to the accounting for specific transactions as well as general accounting policies related to the year ended June 30, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion". If a consultation involves application of an accounting principle to the organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of our audit.

Issues Discussed Prior to Retention of Independent Auditors

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management prior to our retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition of our retention.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in performing our audit.

Fraud and Illegal Acts

No material fraudulent or illegal acts were disclosed to us by management or the Board.

Information in Documents Containing Audited Financial Statements

We are not aware of any other documents that will contain the audited financial statements. If such a need arises, we will review the other document to ensure that there are no material inconsistencies in the information.

Other Information in the Annual Comprehensive Financial Report (ACFR)

We have read the City's ACFR and considered whether the information therein, or manner of its presentation is materially consistent with the information, or the manner of its presentation in the financial statements audited by us. We have read the other information in the City's ACFR and inquired as to the methods of measurement and presentation of such information. We noted no material inconsistencies or material misstatements of fact in the other information.

Areas of Audit Emphasis

- Cash and investments, including classification between restricted and unrestricted
- Capital assets and construction in progress, including infrastructure
- Receivables, including property taxes, other taxes, grants, leases and other
- Classification of net position and fund balances under GASB Nos. 34 and 54
- Long-term debt
- Accounts payable and accrued expenses
- Revenues, including taxes, fees and other sources
- Salaries and benefits
- Other operating expenses
- Consideration of conference center activities
- Consideration of net pension liability and OPEB liabilities and related impact on financial position

Other Procedures Performed

Uniform Guidance

In addition to the financial statement audit, we have also audited the City's compliance with its major federal grant programs. The City's expenditures under federal programs during fiscal year 2022 totaled $15,397,090. We tested the requirements of two major grant programs (the American Rescue Plan Act and Federal Transit Cluster). We reported no material weaknesses or significant deficiencies, and are reporting one compliance finding for the Federal Transit Cluster based on the Federal Transit Authority's program review. We have drafted our unmodified opinions on compliance with Uniform Guidance.

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Recent Accounting Pronouncements

The government and standard-setting bodies are issuing guidance at an unprecedented pace. Crosslin, PLLC is constantly receiving, reviewing, and searching for the latest authoritative literature, in part through our involvement with the AIPCA's Government Audit Quality Center and the Government Finance Officers Association ("GFOA"). We routinely interface with the City's management to ensure proper understanding and application of pronouncements, standards, interpretations, and addenda that arise and will continue to have these discussions with management to implement all new standards as they arise.

The City will implement several new Governmental Accounting Standards Board ("GASB") accounting pronouncements in upcoming years as discussed below. The following are recent accounting pronouncements which, to the extent applicable, pose consideration for the City. Management is currently in the process of determining the impact of these Statements to the City's financial statements.

GASB Statement No. 91, Conduit Debt Obligations, which is effective for reporting periods beginning after December 15, 2021, fiscal year 2023 for the City. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, which is effective for reporting years beginning after June 15, 2022, fiscal year 2023 for the City. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs).

GASB Statement No. 96, Subscription-Based Information Technology Arrangements, which is effective for reporting years beginning after June 15, 2022, fiscal year 2023 for the City. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA.

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Other Material Written Communications

Included as Appendix B, is the management representation letter for the City of Franklin, which we requested from management.

Conference Center at Cool Springs

In conjunction with our audit of the City, we have completed the audit the financial statements of the Conference Center at Cool Springs, a joint venture between the City and Williamson County, Tennessee (the “Conference Center”), as of and for the year ended June 30, 2022, and we drafted our unmodified opinion thereon. Included in Appendix C is the management representation letter, which we requested from Conference Center management.

Client: CONFERENCE CENTER AT COOL SPRINGS
Engagement: 0622 CSCC
Current Period: 06/30/2022
Workpaper: AJE's

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
1					
To record due to and operating transfers for June activity					
89500-00-000	Operating Transfer City		29,256.00	0.00	
89501-00-000	Operating Transfer County		29,256.00	0.00	
22200-00-000	Due to Franklin/WM County		0.00	58,512.00	
Total			**58,512.00**	**58,512.00**	**(58,512.00)**
2					
To reclass operating transfers from distribution account					
89500-00-000	Operating Transfer City		385,601.00	0.00	
89501-00-000	Operating Transfer County		385,601.00	0.00	
29936	Distributions- 2022		0.00	771,202.00	
Total			**771,202.00**	**771,202.00**	**(771,202.00)**
3					
To correct Distribution accounts based on PY activity					
29934	Distributions- 2020		237,775.00	0.00	
29935	Distributions- 2021		0.00	237,775.00	
Total			**237,775.00**	**237,775.00**	**0.00**
4					
To record PY Fixed asset activity					
17040	Furniture & Fixtures		288,592.00	0.00	
17995	Construction in Progress		29,792.00	0.00	
18030	A/D-Building Improvements		1,199,373.00	0.00	
18040	A/D-Furniture & Fixtures		0.00	2,134,484.00	
29950	Retained Earnings- Prior Years		935,111.00	0.00	
17999	Asset Purchases Clearing		0.00	318,384.00	
Total			**2,452,868.00**	**2,452,868.00**	**0.00**
5					
To record fixed assets in the CY					
17995	Construction in Progress		54,697.00	0.00	
17040	Furniture & Fixtures		66,870.00	0.00	
17999	Asset Purchases Clearing		0.00	121,567.00	
Total			**121,567.00**	**121,567.00**	**0.00**
6					
To record CY depreciation					
89600-00-000	Depreciation		476,518.00	0.00	
18030	A/D-Building Improvements		0.00	246,570.00	
18040	A/D-Furniture & Fixtures		0.00	229,948.00	
Total			**476,518.00**	**476,518.00**	**(476,518.00)**
7					
Reclass entry to place washer in service					
17999	Asset Purchases Clearing		0.00	8,793.00	
17040	Furniture & Fixtures		8,793.00	0.00	
Total			**8,793.00**	**8,793.00**	**0.00**
GRAND TOTAL			**4,127,235.00**	**4,127,235.00**	**(1,306,232.00)**

December 13, 2022

Crosslin, PLLC
3803 Bedford Avenue, Suite 103
Nashville, Tennessee 37215

This representation letter is provided in connection with your audit of the financial statements of the City of Franklin, Tennessee, which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2022 and the respective changes in financial position and, where applicable, cash flows for the year then ended (except for the Fiduciary Pension Fund, which is as of and for the year ended December 31, 2021), and the related disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 11, 2020, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government required by generally accepted accounting principles to be included in the financial reporting entity.
3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.
8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
9) Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

10) We have provided you with:
    a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
    b) Additional information that you have requested from us for the purpose of the audit.
    c) Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
    d) Minutes of the meetings of the Board of Mayor and Alderman or summaries of actions of recent meetings for which minutes have not yet been prepared.
11) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
13) We have no knowledge of any fraud or suspected fraud that affects the City and involves—
    - Management,
    - Employees who have significant roles in internal control, or
    - Others where the fraud could have a material effect on the financial statements.
14) We have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, regulators, or others.
15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
16) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
17) We have disclosed to you the names of the City's related parties and all the related party relationships and transactions, including any side agreement of which we are aware.

Government-specific

18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

19) We have a process to track the status of audit findings and recommendations.

20) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

21) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.

22) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.

23) The City has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.

24) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

25) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.

26) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

27) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse or waste that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.

28) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

29) The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

30) The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

31) The financial statements include all component units, appropriately present majority equity interest in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.

32) The financial statements include all fiduciary activities required by GASB Statement No. 84.

33) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34 , as amended.

34) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

35) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.

36) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.

37) Provisions for uncollectible receivables have been properly identified and recorded.

38) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

39) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

40) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

41) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.

42) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.

43) Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the balance sheet date and have been reduced to their estimated net realizable value.

44) The methods and significant assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes.

45) We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.

46) We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

47) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

48) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

49) With respect to the supplementary information on which an in-relation-to opinion is issued (e.g., combining statements, individual fund statements).

a) We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

b) If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

50) With respect to federal award programs:

a) We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards.

b) We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) and related notes in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.

c) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.

d) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.

e) We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.

f) We are responsible for establishing, designing, implementing, and maintaining, and have established, designed, implemented, and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.

g) We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.

h) We have received no requests from a federal agency to audit one or more specific programs as a major program.

i) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and have identified and confirm that there are no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal awards.

j) We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.

k) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.

l) Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance 2 CFR part 200, subpart E.

m) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.

n) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.

o) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.

p) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.

q) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.

r) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.

s) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.

t) We have monitored subrecipients, as necessary, to determine that they have expended subawards in compliance with federal statutes, regulations, and the terms and conditions of the subaward and have met the other pass-through entity requirements of the Uniform Guidance.

u) We have issued management decisions for audit findings that relate to federal awards made to subrecipients and such management decisions have been issued within six months of acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, we have followed-up ensuring that the subrecipient has taken timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal award provided to the subrecipient.

v) We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.

w) We have charged costs to federal awards in accordance with applicable cost principles.

x) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.

y) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.

z) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.

aa) We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

bb) We have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.

CITY OF FRANKLIN, TENNESSEE

____
Eric Stuckey
City Administrator

____
Kristine Brock
Assistant City Administrator of Finance & Administration, CFO

____
Mike Lowe
Comptroller

December 13, 2022

Crosslin, PLLC
3803 Bedford Avenue, Suite 103
Nashville, Tennessee 37215

This representation letter is provided in connection with your audit(s) of the financial statements of the Conference Center at Cool Springs (the "Conference Center"), a joint venture between the City of Franklin, Tennessee and Williamson County, Tennessee which comprise the statements of net position of the Conference Center as of June 30, 2022 and 2021 and the respective changes in net position and, where applicable, cash flows for the years then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 11, 2021, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.

2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.

3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.

8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

9) Guarantees, whether written or oral, under which the Conference Center is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

10) We have provided you with:

    a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.

    b) Additional information that you have requested from us for the purpose of the audit.

    c) Unrestricted access to persons within the Conference Center from whom you determined it necessary to obtain audit evidence.

    d) Minutes of the meetings of Board or summaries of actions of recent meetings for which minutes have not yet been prepared.

11) All material transactions have been recorded in the accounting records and are reflected in the financial statements

12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

13) We have no knowledge of any fraud or suspected fraud that affects the Conference Center and involves—

    - Management,
    - Employees who have significant roles in internal control, or
    - Others where the fraud could have a material effect on the financial statements.

14) We have no knowledge of any allegations of fraud or suspected fraud affecting the Conference Center's financial statements communicated by employees, former employees, regulators, or others.

15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.

16) We are not aware of any pending litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims or assessments.

17) We have disclosed to you the names of the Conference Center's related parties and all the related party relationships and transactions, including any side agreements.

Government-specific

18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

19) We have a process to track the status of audit findings and recommendations.

20) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.

21) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.

22) The Conference Center has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.

23) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

24) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

25) As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures

26) The Conference Center has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

27) The Conference Center has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

28) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.

29) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.

30) The financial statements properly classify all revenue and expenses.

31) Cash and cash equivalents are appropriately collateralized in accordance with state law.

32) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

33) Allocations of expenditures have been made consistent with all operating and other agreements and all such allocations are appropriate.

34) All revenue associated with the Conference Center has been credited to the Conference Center and have been included in the statement of revenue, expenses and changes in net position.

35) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

36) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

37) Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.

38) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.

39) We have appropriately disclosed the Conference Center's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

40) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

41) We have complied with all terms of the operating agreement and related agreements concerning the operation of an accounting for the Conference Center.

THE CONFERENCE CENTER AT COOL SPRINGS

____
Matthew Lahiff
General Manager – Franklin Marriott Cool Springs

____
Kristin Lamb
Controller – Franklin Marriott Cool Springs

____
Randy Hansen
Regional Controller – Chartwell Hospitality

City of Franklin, Tennessee

Annual Comprehensive Financial Report

Opening of Mack Hatcher Memorial Parkway Northwest Extension

For the Fiscal Year Ended June 30, 2022

CITY OF FRANKLIN, TENNESSEE

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2022

Prepared by:

City of Franklin
Department of Finance

CITY OF FRANKLIN, TENNESSEE
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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CITY OF FRANKLIN, TENNESSEE
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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INTRODUCTORY SECTION

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HISTORIC
FRANKLIN
TENNESSEE

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ADMINISTRATION

Dr. Ken Moore
Mayor

Eric S. Stuckey
City Administrator

HISTORIC
FRANKLIN
TENNESSEE

December 13, 2022

To the Honorable Mayor & Aldermen and Citizens of Franklin, Tennessee:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with U.S. generally accepted accounting principles (GAAP). Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the City of Franklin, Tennessee for the fiscal year ended June 30, 2022.

This report consists of management's representations concerning the finances of the City of Franklin. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Franklin has established a comprehensive internal control framework designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Franklin's financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, the City of Franklin's comprehensive framework of internal controls is designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Crosslin, PLLC, a firm of licensed certified public accountants, has audited the City of Franklin's financial statements. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the City of Franklin for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Franklin's financial statements for the year ended June 30, 2022 are fairly presented in all material respects in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Franklin's MD&A can be found immediately following the report of the independent auditor.

Profile of the government

The City of Franklin, incorporated in 1799, is in Middle Tennessee. The local economy is a well-balanced blend of financial, agricultural, wholesale, retail, manufacturing, and service industries. No single industry is critical to the region's economy. The City covers an area of 44 square miles and serves a population of 83,454 according to the 2020 census. The City is one of the fastest growing municipalities in the State of Tennessee, with the population increasing by 18% since the 2017 special census of 70,908. The City is empowered to levy both real and personal properties located within its boundaries. In addition, it is empowered by State statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing board and upon request of the property owner.

The City has operated under a Mayor/Board of Aldermen form of government under State charter since 1903. Policy-making and legislative authority are vested in a governing board consisting of the Mayor and eight other members (Aldermen). The

Board is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the government's Administrator. The Administrator's responsibilities include carrying out the policies and ordinances of the governing board, preparing an annual budget, and overseeing the day-to-day operations of the government. The Board is elected on a non-partisan basis. Board members serve four-year staggered terms, with four Aldermen elected at large and the remaining four elected by ward two years later. The Aldermen elected by wards must live within the ward they represent. The Mayor also serves a term of four years.

The City provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; pickup and disposal of solid waste; planning and codes; operation of a city court; implementation of stormwater regulations and remedies; an inner-city transit system; and a citywide park system. The City also has its own water, sanitary sewer, and reclaimed water system.

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for budget appropriations to the Administrator in the first quarter of the calendar year. The Administrator, in concert with the Chief Financial Officer, uses these requests as a starting point for developing a proposed budget. After numerous meetings with department heads, the Administrator presents the budget to the Board of Mayor and Aldermen for approval.

Three meetings of the full board and a public hearing are necessary for approving the budget. The legal level of budgetary control, the level at which management cannot overspend the without the approval of the governing body, is the fund level. Although the legal level of budgetary control is at the fund level, the budget is prepared by fund, function, and department. Additional appropriations in a fund have three readings by the Board, one of which is a public hearing. Budget-to-actual comparisons are provided within this report for each individual governmental fund for which a budget has been adopted. For the General Fund and Road Impact Fund, this comparison is presented on pages 30-38 as part of the basic financial statements. For the other governmental funds with appropriated annual budgets, the comparisons are presented beginning on page 94.

Local economy

The City of Franklin generally enjoys a favorable economic environment and local indicators point to continued stability. The region has a varied commercial and industrial base, which adds to employment stability with the State's lowest rate of unemployment (of cities with a population of 25,000 or more). The local economy is a well-balanced blend of financial, agricultural, wholesale, retail, manufacturing, and service industries. Residential and commercial development in the area has spurred continuing growth.

Since the 1991 opening of the Cool Springs Galleria, one of Tennessee's largest retail-shopping facilities with over one million square feet, the mall area has continued to develop with over 180 stores and restaurants. It is anchored by Belk, Dillard's, JCPenney, and Macy's. Like other businesses, the mall was closed during the first of the COVID-19 pandemic but reopened in May 2020.

Sufficient vacant property, zoned for retail use, is available for further development. According to Commercial Cafe, the area has a commercial office vacancy rate of 22.34% (as of 2021) with new "Class A" office space continuing to be developed. The surrounding road network has been vastly improved with many of the upgrades at developer cost.

Several well-known corporations have their national, regional, or state headquarters in Franklin; among them are: Community Health Systems, Nissan North America, Mars Petcare, Tivity Health, eviCore Healthcare, Medhost, Jackson National Life, Franklin American Mortgage, Schneider Electric, Ramsey Solutions, Mitsubishi Motors North America, Medacta USA, Acadia Healthcare, Parallon Business Solutions, CKE Restaurants, Iasis Healthcare, Capella Healthcare, Lutheran Health Network, Kaiser Aluminum, and Landmark Recovery (that announced in October 2022 it will be creating 1,300 new jobs).

The City has three (3) city-only tax abatement for Franklin Housing Authority that provides affordable housing to families and individuals. Also, with Williamson County, there are city/county abatements for Nissan offered for its relocation from California and for Ramsey Solutions to expand and add jobs by moving from Cool Springs to Berry Farms in the City.

Long-term financial planning and major initiatives

In fiscal year 2019, the governing body completed the second review of its ten-year capital investment plan (CIP). The ultimate intent of this 10-year CIP (FY 2019-2028) is to match available funding with needed projects and to highlight any funding shortfalls. Staff compiled a comprehensive list of projects anticipated within the next ten (10) years and scored these projects using objective questions based on the City's strategic plan, **Franklin*Forward***. The projects were then listed in the following project tiers: Top 25%, Top 50%, Bottom 50%, and Bottom 25%. Ultimately, the Board selected the projects to be funded in the initial phase of the 10-year CIP. The Board funded projects were referred to as “5-star” high priority projects. The CIP document will be continually adjusted every two years to reflect the Board's final decisions. In the first CIP, FY 2017-2026, the governing body prioritized the nine (9) projects for funding.

1. East McEwen (Phase IV)
2. East / Southeast Multipurpose Park
3. Sidewalk “Gaps”
4. Fire Station 7
5. Franklin Road Improvements
6. Goose Creek Interchange Lighting
7. Major Street Resurfacing
8. Public Safety Communications System
9. Mallory Station / Royal Oaks / Liberty Pike Intersection Improvements (Phase 1)

In fiscal year 2020, the governing body amended the budget to approve funding for twenty-two (22) additional projects. These projects were included in the FY 2019-2028 CIP:

1. Southeast Park (Phase 1)
2. Long Ln and Old Peytonsville Rd Connector
3. Bicentennial Park
4. 5th Ave Parking Lot
5. Mallory/N. Royal Oaks & Liberty Pike Intersection Improvements
6. Greenway & Bridge (Harlinsdale to Chestnut Bend)
7. Lockwood Glen Dam & Park
8. Jordan Road (Aspen Grove Dr-Mallory Ln)
9. Lewisburg Ave Sidewalk Improvements
10. FSSD (Freedom Middle/Poplar Grove)
11. Maplewood Stormwater Project
12. Liberty Park Improvements
13. Main Barn, Harlinsdale
14. Eastern Flank Circle Road
15. Greenway Aspen Grove Park to Mack Hatcher
16. McEwen Drive Interchange Modifications
17. Church St. (Columbia to 2nd Ave S.)
18. Pratt Ln Bridge Replacements
19. USACE - Home Raising Project
20. West Main Bridge Widening Project
21. Thompson Alley Neighborhood Park
22. Main St. Sidewalk Repair Project

In FY 2021, due to the COVID-19 pandemic, the City did not proactively budget capital investments until later in the fiscal year. By the end of FY 2022, 7 projects have been completed, 5 are in some form of active construction and the balance are in either design and/or right of way acquisition stages. The Board of Mayor and Alderman received status updates on all projects in Fall 2021 and review an update to the financial model in Winter 2022. Another update of the financial model and review of projects should occur in fiscal year 2023.

In fiscal year 2022, the BOMA considered an updated FY 2022-2031 CIP which also contained the following projects:

1. New City Hall
2. 100 Block Battle Avenue Stormwater Improvements
3. Improvements to Century Court Sanitation Facility
4. 96 West Trail (in conjunction with State of Tennessee)
5. Hayes Home Restoration (Harlinsdale – funded entirely through private donations)
6. East McEwen Phase V improvements (Wilson Pike to City Limits)
7. Peytonsville Rd & Pratt Ln Int. Improvements
8. Mack Hatcher Multiuse Trail (Franklin-Hillsboro)
9. Greenway (Pinkerton Park to Franklin Road Bridge)
10. Carlisle Ln (SR96W-Future Mack Hatcher Pkwy)

In addition, construction was completed in fiscal year 2022 of the third leg of the loop around Franklin, Mack Hatcher NW, funded primarily by the State of Tennessee.

Relevant financial policies

The City has adopted financial policies in recent years as follows:

- The investment policy provides primary objectives, in order of priority, of investment activities of non-pension funds shall be safety, liquidity, and return.
- The reserve policy established an emergency and cash flow reserve of a minimum of 33% of budgeted General Fund expenditures (which is $30.7 million in 2022). As of September 2014, the reserve policy also includes a capital funding reserve for fund of 45% or more of budgeted General Fund expenditures (which is $41.9 million in 2022).
- The debt policy provides written guidance and restrictions for the amount and type of debt the City will issue, the issuance process, and the management of the debt portfolio.
- In August 2012, the City adopted a policy for the utilization and replacement of committed funds.
- In October 2014, the City adopted a pension funding policy.
- In November 2014, the City also adopted a cash receipting policy.
- In fiscal year 2017, the City adopted a disbursements policy, approved documentation of its internal controls, and closed its books within 60 days of fiscal year end.
- In fiscal year 2018, policies relating to travel, purchasing, disbursements and human resources were updated.
- In fiscal year 2019, a capital asset policy was approved.
- In fiscal year 2020, a grant policy was approved, and the Human Resources Manual was revised. Also, policies relating to purchasing, vendor protest procedures, alternative payments, and investments were updated.
- In fiscal year 2021, a lease accounting and reporting policy was approved. Also, the investment policy for non-pension assets, Purchasing Policy and Purchasing-Vendor Protest Procedures were updated.
- In fiscal year 2022, an uncollectible accounts receivable write-off policy was approved, and the purchasing policy was updated to raise the threshold on public advertisement for bids and proposals from $25,000 to $50,000.

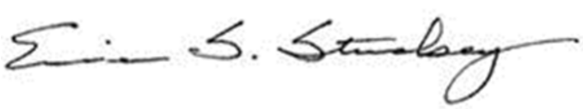
The City continues to explore adopting additional best practice financial policies including budgeting, revenues, economic development, enterprise risk management, capital improvements, and reserves for funds other than the General Fund.

Awards and acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Franklin for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2021. This was the thirty-first (31st) consecutive year that the government received this prestigious award. To be awarded a Certificate of Achievement, the government is required to publish an easily readable and efficiently organized ACFR. This report satisfies both GAAP and applicable legal requirements. The Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

In closing, the preparation of this report would not have been possible without first, the leadership and support of the Mayor and Board of Aldermen, and second, the efficient and dedicated services of the entire staff of the Finance Department.

Respectively submitted,



Eric S. Stuckey
City Administrator

CITY OF FRANKLIN, TENNESSEE
GFOA CERTIFICATE OF ACHIEVEMENT

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Franklin
Tennessee

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

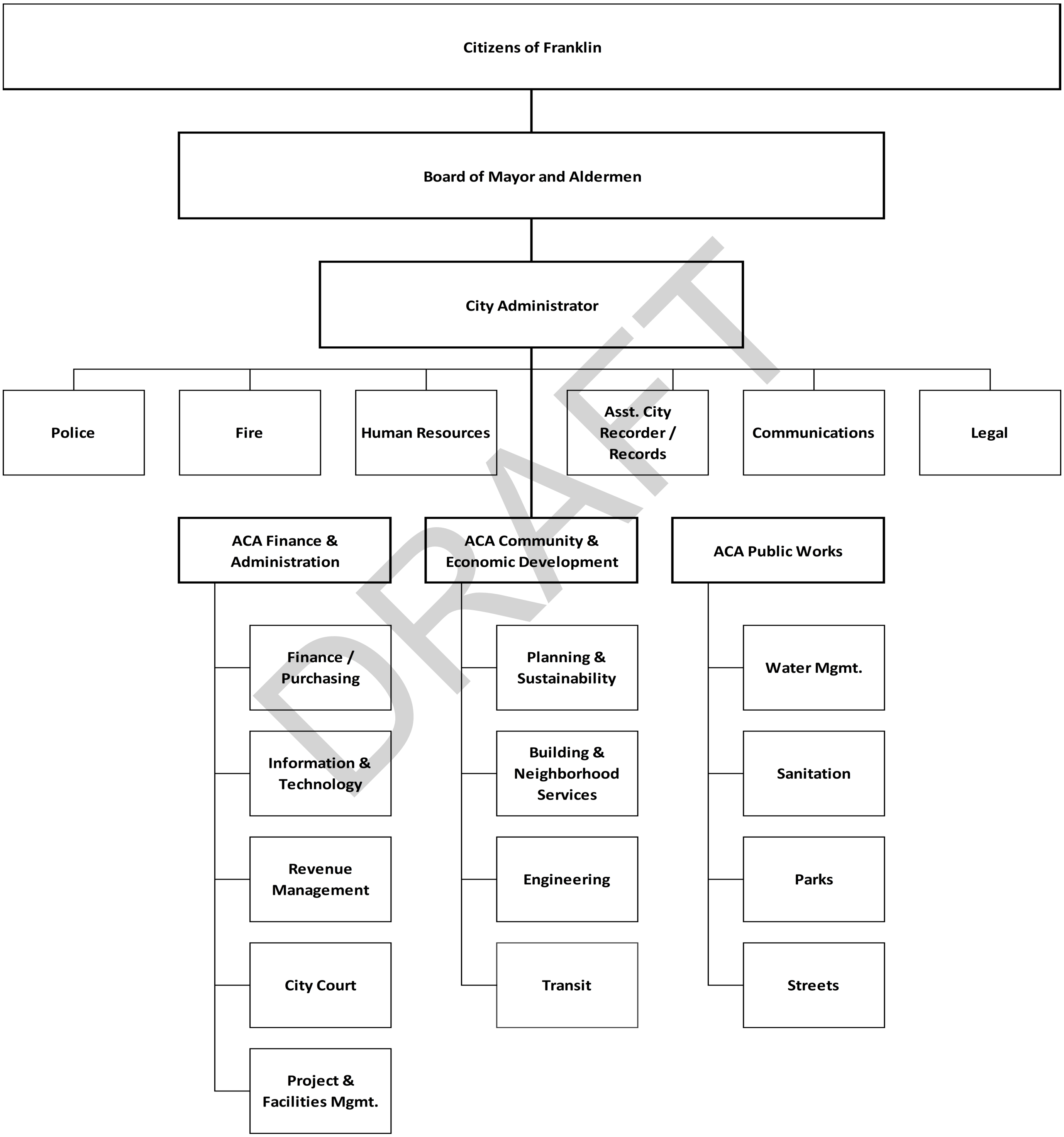
June 30, 2021

Christopher P. Morrill

Executive Director/CEO

CITY OF FRANKLIN, TENNESSEE
ORGANIZATIONAL CHART

FOR THE FISCAL YEAR ENDED JUNE 30, 2022



CITY OF FRANKLIN, TENNESSEE
LIST OF ELECTED AND APPOINTED OFFICIALS
JUNE 30, 2022

Elected Officials

Mayor	Dr. Ken Moore
Alderman – 1st Ward	Beverly Burger
Alderman – 2nd Ward	Matt Brown
Alderman – 3rd Ward	Jason L. Potts
Alderman – 4th Ward	Patrick Baggett
Alderman – At Large	Clyde Barnhill
Alderman – At Large (Vice-Mayor)	Brandy Blanton
Alderman – At Large	Gabrielle Hanson
Alderman – At Large	Ann Petersen

Appointed Officials

City Administrator	Eric Stuckey
Assistant City Administrator / Chief Financial Officer	Kristine Brock (CPFO)
Assistant City Administrator / Community & Economic Development	Vernon Gerth
Assistant City Administrator / Public Works	Mark Hilty
Building & Neighborhood Services (BNS) Director	Tom Marsh
City Attorney	Shauna Billingsley
Engineering Director	Paul Holzen, P.E.
Fire Chief	Glenn Johnson
Human Resources Director	Kevin Townsel
Information Technology (IT) Director	M. Jason Potts
Parks Director	Lisa Clayton
Planning & Sustainability Director	Emily Wright
Police Chief	Deb Faulkner
Sanitation & Environmental Services (SES) Director	Jack Tucker
Streets Director	Steve Grubb
Water Management Director	Michelle Hatcher, P.E.

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FINANCIAL SECTION

HISTORIC
FRANKLIN
TENNESSEE

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CROSSLIN
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Mayor and Aldermen
City of Franklin, Tennessee

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Franklin, Tennessee (the "City"), as of and for the year ended June 30, 2022 (except for the Fiduciary Pension Fund, which is as of December 31, 2021 and for the year then ended), and the related notes to the financial statements, which collectively comprise the City of Franklin, Tennessee's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Franklin, Tennessee, as of June 30, 2022 (except for the Fiduciary Pension Fund which is as of December 31, 2021), and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the general fund and road impact fee fund for the year then ended (except for the Fiduciary Pension Fund, which is for the year ended December 31, 2021), in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

The financial statements of the City include summarized prior-year comparative information. Such information does not include all of the information required or sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended June 30, 2021, from which the summarized information was derived. We have previously audited the City's 2021 financial statements, and we expressed an unmodified opinion on those statements in our report, dated December 14, 2021. In our opinion, the summarized comparative information presented herein as of and for the year end June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 9–17, the schedule of changes in the net pension liability and related ratios – pension plan on pages 83 and 86, the schedule of employer contributions - pension plan on pages 84 and 87, the schedule of investment returns - pension plan on page 85, and the schedule of changes in total OPEB liability and related ratios on page 88 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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To the Board of Mayor and Alderman
City of Franklin, Tennessee

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, the supplemental schedules on pages 107 - 112, the supplemental schedule on page 142, and schedule of expenditures of federal awards and state financial assistance, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State of Tennessee, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the supplemental schedules on pages 107 – 112, the supplemental schedule on page 142, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, the schedules on pages 113 - 116, the schedules on pages 140-141, and the schedules on pages 143 – 145, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2022, on our consideration of the City of Franklin, Tennessee's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Nashville, Tennessee
December 13, 2022

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CITY OF FRANKLIN, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022

As management of the City of Franklin, Tennessee (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. Management's Discussion and Analysis (MD&A) focuses on current year activities and resulting changes. We encourage readers to consider the information presented here in conjunction with the Letter of Transmittal, which can be found on pages iii through vi of this report, and in conjunction with the basic financial statements, starting on page 20 of this report.

Financial Highlights

- **Net Position**. The assets and deferred outflows of resources of the City of Franklin exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $983,211,851, compared to $928,418,619 in the previous fiscal year. Of this amount, $123,052,277 (unrestricted net position) may be used to meet government's ongoing obligations to citizens and creditors

- **Fund Balances**. At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $170,404,325. In the prior year, this amount was $153,978,623. There is an increase in fund balances of $16,425,702 due to several reasons, including increases in local taxes, state shared sales taxes, state shared fuel taxes, and COVID related grants. Also, there were fewer capital expenditures due to supply availability.

- **General Fund – Fund Balance**. At the end of the current fiscal year, fund balance in the General Fund is $74,433,206, or 86% of General Fund expenditures (including transfers to other funds) of $86,636,289. The fund balance increased $8,951,696 from the prior year. This was the second year in which there was a significant increase in fund balance in the General Fund after essentially breakeven in 2020. In 2021, the fund had a surplus of $12 million due primarily to one-time COVID recovery grants and increased local sales tax collections, with the months of April through June 2021 each exceeding $4 million. (April 2021 was the first month the City began receiving its 1/2 share of an additional 0.5 percent increase in local sales tax that went to the county for school debt service by agreement from April 2018 through March 2021.) In 2022, increased local sales tax continued as each month was over $4 million. Four of the twelve months were over $5 million. There was also less capital spending due to supply availability.

- **Budget**. The City's 2022 original General Fund budget had a draw of $430,000 from accumulated fund balance. As increased revenues were seen during the year, the final budget included no draw.

- **Capital Assets**. The City continued working on several infrastructure projects including bridge replacement, adaptive signal technology, trails, parks, water and sewer line improvements, and wastewater plant improvements.

- **Debt**. The City's debt (bonds and bond premiums) increased by $4,505,308 (from $279,039,409 to $283,544,717) during the current fiscal year. There was $22,922,880 in new bonds in the proprietary fund, loans, and premiums. A total of $17,148,147 ($10,160,000 governmental and $6,988,147 business-type) in debt was repaid and $1,269,425 in premiums was amortized during the year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: (1) government–wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government–wide Financial Statements. The government–wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets, deferred outflow of resources, liabilities, and deferred inflow of resources, with the difference reported as net position. Over periods of time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government–wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of

Franklin include general government, public safety, highways and streets, sanitation, economic development, and cultural and recreation.

The *government–wide financial statements* can be found on pages 20 through 23 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are funds used to account for essentially the same functions reported as governmental activities in the government–wide financial statements. However, unlike the government–wide financial statements, government fund financial statements focus on near–term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near–term financing requirements.

Because the focus of governmental funds is narrower than that of the government–wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government–wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains fourteen (14) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Road Impact Fee Fund, Debt Service Fund, and the Multi-Purpose Capital Project Fund, which are considered to be major funds. Data from the other nonmajor governmental funds is combined into a single, aggregated presentation in the form of combining statements on pages 92 and 93 of this report.

The City of Franklin, Tennessee adopts an annual appropriated budget for its General Fund, Special Revenue Funds, and Debt Service Fund. A budgetary comparison has been provided for the General Fund on pages 30 through 37, Road Impact Fee Fund on page 38, special revenue funds (excluding Road Impact Fee Fund) on pages 94 through 103, and the Debt Service Fund on page 104 to demonstrate compliance.

The *basic governmental fund financial statements* can be found on pages 24 through 29 of this report.

Proprietary Funds. The City of Franklin maintains one (1) proprietary fund. A proprietary fund is used to report the same functions presented in the business-type activities in the government–wide financial statements. The City uses an enterprise fund to account for its water, sewer, and reclaimed water operations. No internal service funds were used during the year covered by this report.

Proprietary funds provide the same type of information as the government–wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Water and Sewer Fund, which is considered to be a major fund. The *basic proprietary fund financial statements* can be found on pages 39 through 42 of this report.

Fiduciary Funds. A fiduciary fund is used to account for resources held for the benefit of parties outside the government. The City uses a fiduciary fund to account for the City of Franklin Employees' Pension Plan (closed plan). The fiduciary fund is not reflected in the government–wide financial statements because the resources of these funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used in proprietary funds. The *fiduciary fund financial statements* can be found on pages 43 through 44 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government–wide and fund financial statements. The notes to the financial statements can be found on pages 45 through 79 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the City's progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information can be found on pages 83 through 88 of this report.

CITY OF FRANKLIN, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pension and OPEB. Combining and individual fund statements and schedules can be found on pages 91 through 104 of this report.

Government–wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by $983,211,851 at the close of the most recent fiscal year.

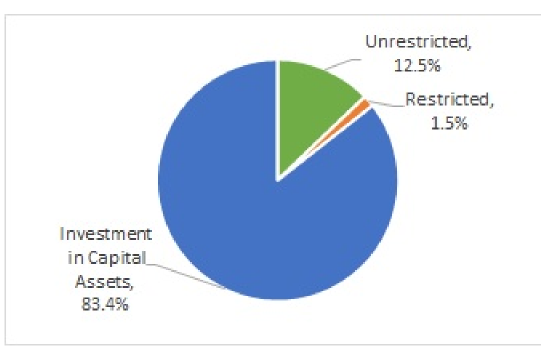
City of Franklin's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
Current and other assets	$ 226,661,660	$ 203,932,256	$ 55,547,286	$ 60,289,126	$ 282,208,946	$ 264,221,382
Capital assets, net of accumulated depreciation	741,320,084	723,831,972	340,353,342	314,896,606	1,081,673,426	1,038,728,578
Total assets	967,981,744	927,764,228	395,900,628	375,185,732	1,363,882,372	1,302,949,960
Deferred outflows of resources	25,544,896	28,011,541	3,458,190	4,004,482	29,003,086	32,016,023
Current and other liabilities	43,176,646	38,147,058	12,321,764	18,103,668	55,498,410	56,250,726
Long-term liabilities outstanding	169,122,885	190,997,342	142,980,646	128,659,166	312,103,531	319,656,508
Total liabilities	212,299,531	229,144,400	155,302,410	146,762,834	367,601,941	375,907,234
Deferred inflows of resources	39,447,972	29,168,073	2,623,694	1,073,561	42,071,666	30,640,130
Net position:						
Net investment in capital assets	623,690,227	600,239,617	195,995,094	186,313,737	819,685,321	786,553,354
Restricted	29,185,366	33,501,096	11,288,887	10,784,987	40,474,253	44,286,083
Unrestricted	88,903,544	63,722,583	34,148,733	33,856,599	123,052,277	97,579,182
Total net position	$ 741,779,137	$ 697,463,296	$ 241,432,714	$ 230,955,323	$ 983,211,851	$ 928,418,619

The government's net position increased by $54,793,232. On the asset side, a significant portion of the increase was due to contributed capital assets and additional cash and investments due to revenues from local sales tax, state shared taxes, and hotel/motel taxes. On the liability side, there were reductions in outstanding debt and pension liability.

Governmental policy continues to recognize that local revenue sources must be the foundation for providing basic public services rather than depending on uncertain federal and state sources. To this end, it is vitally important to continue efforts to seek balanced diversity, equity, and efficiency in local revenue systems to better accommodate future change.

By far, the largest portion of the City's net position, $819,685,321, or 83.4%, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less the portion of related debt outstanding used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated to repay these liabilities. A portion of the City's net position, $40,474,253, or 4.1%, represents resources that are subject to external restriction on how they may be used. The remaining balance of $123,052,277, or 12.5%, is unrestricted net position that may be used to meet the government's ongoing obligations to citizens and creditors.



CITY OF FRANKLIN, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022

Governmental and business-type activities increased the City's net position by $44,315,841 and $10,477,391, respectively. Key elements of this increase are as follows:

City of Franklin's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues:						
Charges for services	$ 17,273,148	$ 15,916,177	$ 36,950,009	$ 35,209,857	$ 54,223,157	$ 51,126,034
Operating grants & contributions	6,237,167	6,733,287	218,077	316,897	6,455,244	7,050,184
Capital grants & contributions	23,282,517	27,390,120	7,135,081	7,210,932	30,417,598	34,601,052
General Revenues:						
Property taxes	21,108,237	20,586,971	-	-	21,108,237	20,586,971
Sales taxes	57,745,532	41,999,727	-	-	57,745,532	41,999,727
Other taxes and fees	48,670,347	39,058,149	(1,136,760)	156,220	47,533,587	39,214,369
Other	(3,158,964)	158,068	47,091	(12,282)	(3,111,873)	145,786
Total revenues	171,157,984	151,842,499	43,213,498	42,881,624	214,371,482	194,724,123
Expenses:						
General government:						
Elected officials	341,197	297,949	-	-	341,197	297,949
Administration	1,644,962	1,279,793	-	-	1,644,962	1,279,793
Human resources	1,446,907	1,271,113	-	-	1,446,907	1,271,113
Legal	658,117	587,620	-	-	658,117	587,620
Communications	443,266	401,782	-	-	443,266	401,782
Project & facilities management	1,668,975	1,348,841	-	-	1,668,975	1,348,841
Revenue management	217,796	196,001	-	-	217,796	196,001
Finance	1,146,951	946,786	-	-	1,146,951	946,786
Information & technology	4,921,237	4,187,327	-	-	4,921,237	4,187,327
Purchasing	323,840	243,065	-	-	323,840	243,065
Court	235,550	323,406	-	-	235,550	323,406
Building & neighborhood services	3,083,707	2,943,051	-	-	3,083,707	2,943,051
Planning	1,767,713	1,498,484	-	-	1,767,713	1,498,484
Engineering	1,721,884	1,448,597	-	-	1,721,884	1,448,597
Traffic operations center	863,542	762,937	-	-	863,542	762,937
General	2,663,427	4,644,218	-	-	2,663,427	4,644,218
Police	21,267,686	18,322,992	-	-	21,267,686	18,322,992
Fire	23,479,105	21,150,380	-	-	23,479,105	21,150,380
Parks	6,667,437	6,037,842	-	-	6,667,437	6,037,842
Streets-maintenance	28,143,516	28,323,552	-	-	28,143,516	28,323,552
Streets-traffic	1,602,637	1,418,557	-	-	1,602,637	1,418,557
Streets-fleet	870,020	775,178	-	-	870,020	775,178
Sanitation	11,508,683	10,622,594	-	-	11,508,683	10,622,594
Stormwater	3,023,268	2,988,541	-	-	3,023,268	2,988,541
Transit	2,934,034	2,839,032	-	-	2,934,034	2,839,032
Interest expense on long-term debt:	4,396,686	4,914,713	-	-	4,396,686	4,914,713
Water & sewer:	-	-	32,536,107	33,760,377	32,536,107	33,760,377
Total expenses	127,042,143	119,774,351	32,536,107	33,760,377	159,578,250	153,534,728
Income before transfers	44,115,841	32,068,148	10,677,391	9,121,247	54,793,232	41,189,395
Transfers	200,000	200,000	(200,000)	(200,000)	-	-
Changes in net position	44,315,841	32,268,148	10,477,391	8,921,247	54,793,232	41,189,395
Net position, beginning of year	697,463,296	665,195,148	230,955,323	221,949,970	928,418,619	887,145,118
Prior period adjustment	$ -	-	-	84,106	-	84,106
Net position - beginning of year, as restated	697,463,296	665,195,148	230,955,323	222,034,076	928,418,619	887,229,224
Net position, end of year	$ 741,779,137	$ 697,463,296	$ 241,432,714	$ 230,955,323	$ 983,211,851	$ 928,418,619

Governmental Activities

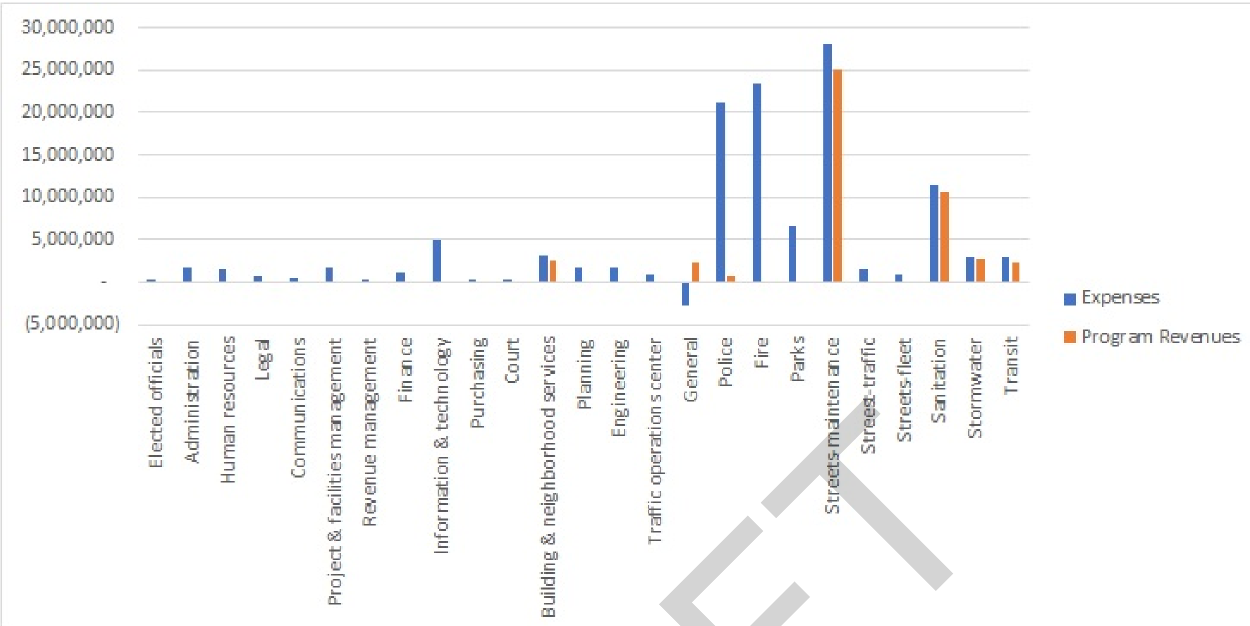
Revenues for governmental activities increased approximately 12.7% due to several factors including additional local sales tax, state shared taxes, grants, and property tax. The overall increase in current expenses of governmental activities amounted to approximately 6.1% from hiring of new and restored (had been authorized but unbudgeted during Covid) positions and general and performance wage increases.

Business-Type Activities

Revenues for business-type activities increased 0.8%. The primary factor underlying the increase was planned rate increases in 2022 compared to 2021. Expenses of the business-type activities decreased approximately (3.6)% due to additional expenses in water distribution, sewer plant, and depreciation.

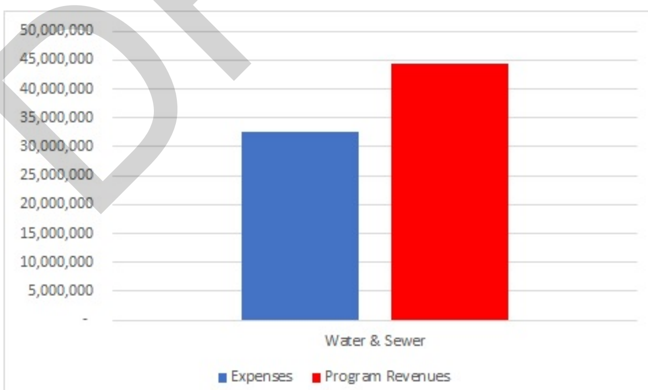
CITY OF FRANKLIN, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022

Expenses and Program Revenues – Governmental Activities



<u>Governmental Activities</u>
Expenses for governmental activities were $127,042,143. Expenses were offset by $46,792,832 in program revenues. The remainder of $80,249,311 was covered by $124,365,152 in general revenues such as property, sales, and other taxes and $200,000 net from the Water and Sewer fund for its portion of the public works facility. The amount of $44,315,841 represents the improvement in net position in 2022.

Expenses and Program Revenues – Business-type Activities



<u>Business-Type Activities</u>
Expenses for business-type activities were $32,536,107. Expenses were offset by $43,213,498 in program and general revenues. (Program revenues include $37.0 million in charges for services). There is also the net $(200,000) transfer mentioned above and $(1,089,669) in other income. The amount of $10,477,391 represents the improvement in net position in 2022.

Financial Analysis of Governmental Funds

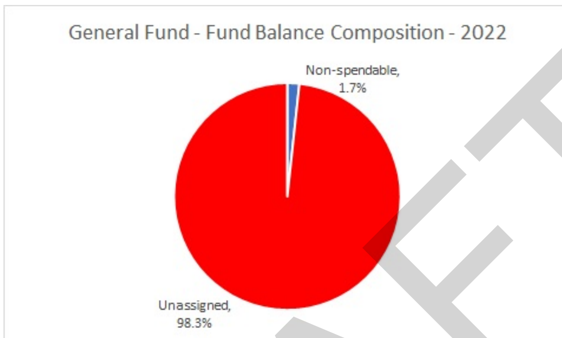
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

CITY OF FRANKLIN, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022

Governmental Funds
The focus of the City of Franklin's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance that has not yet been limited to use for a particular purpose.

On June 30, 2022, the City's governmental funds reported combined ending fund balances of $170,404,325, an increase of $16,425,702 in comparison with the prior year of $153,978,623. The increase is due primarily to increased revenues from taxes, grants, and reductions in capital expenditures due to supply availability.

The General Fund is the chief operating fund of the City. The 2022 ending fund balance of $74,433,206 has the following composition: An amount of $1,297,773, or 1.7%, is non-spendable for inventory and prepaid items. The remainder of $73,135,433, or 98.3%, is unassigned. (Additional information on fund balance can be found in the notes to the financial statements on page 76).



The most significant continuing revenue sources in the General Fund are derived from taxes. Of total General Fund revenues, $71,990,891, or 75.3%, was from taxes. Local option sales tax increased by $15,745,805 (from $41,999,727 to $57,745,532). The increase in local option sales tax is a sign of the economic rebound after the impact of COVID-19 in the region and beginning April 2021, the result of the City receiving its portion of the additional .5% local sales tax increase approved by voters in 2018. (Per a 3-year interlocal agreement with Williamson County beginning in April 2018, the City contributed its portion of the increased rate to the County to help fund school debt service.) This revenue has been the City's most significant due to the retail success in the Cool Springs area and continued growth of commercial properties, including new corporate and regional headquarters in the area. Property taxes for the General Fund decreased by $(414,813) (from $8,488,188 to $8,073,375) due to the allocation to the debt service fund.

The Debt Service Fund, which receives property taxes for debt previously paid by the General Fund, and transfers from the Sanitation Fund, Road Impact Fund, and Hotel/Motel Tax Fund for their portion of debt, had a fund balance of $1,161,978. This amount is higher than normal with the City's goal to have a minimal cash and fund balance for paying annual debt service.

The Road Impact Fee Fund had another strong year of collection and ended with a fund balance of $32,202,321. The Facilities Tax Fund saw its fund balance increase from $11,022,953 to $13,171,571. Over $570,000 was spent from the fund for growth-related capital expenditures in the general ($43,000), sanitation ($370,000) and parks ($164,000) departments.

The Multi-Purpose Capital Project Fund had a decrease in fund balance from $25,520,920 to $19,323,125 because of expenses related to ongoing capital projects.

In the Hotel/Motel Tax Fund, the fund balance increased during the fiscal year due primarily to increased collections from more travel and a net gain at the conference center owned jointly with Williamson County. The fund balance increased from $5,927,371 to $8,006,647. The County Facilities Tax Fund, established in 2017 with prior year county facilities taxes received by the City, had an increase in fund balance from $4,498,831 to $4,377,131 due to a decrease in facilities tax received.

CITY OF FRANKLIN, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022

Budgetary Highlights

In accordance with state law, the City's governing body approves a budget for the General Fund, Special Revenue Funds, and the Debt Service Fund.

Original budget compared to final budget
The original and final budgets (both including transfers to other funds) is as follows:

Fund	Original Budget	Final Budget	Change
General	$ 84,467,632	$ 93,065,291	$ 8,597,659
Street Aid	$ 3,871,097	$ 3,871,097	$ -
Sanitation	$ 10,950,563	$ 11,618,234	$ 667,671
Road Impact	$ 3,050,000	$ 3,050,000	$ -
Facilities Tax	$ 545,300	$ 577,226	$ 31,926
County Facilities Tax	$ -	$ 1,000,000	$ 1,000,000
Stormwater	$ 2,802,901	$ 2,917,837	$ 114,936
Drug	$ 258,500	$ 308,500	$ 50,000
Hotel/Motel	$ 1,544,529	$ 1,629,529	$ 85,000
Parkland Dedication	$ -	$ 375,000	$ 375,000
Transit	$ 3,287,783	$ 3,287,783	$ -
CDBG	$ 776,000	$ 776,000	$ -
Debt Service	$ 16,099,937	$ 16,099,937	$ -
	$ 127,654,242	$ 138,576,434	$ 10,922,192

The original General Fund budget was $84,467,632. The final budget (including transfers) was increased by $8,597,659 to $93,065,291. During the year, the budget was amended to add $5.1 million to $2.3 million in the original budget for transfers to the capital projects fund for the City's portion of the .5% increase in local sales tax and $3.25 million to create a capital vehicle acquisition fund within the multi-purpose capital projects fund.

Final budget compared to actual results
In the General Fund, the final budget (including transfers) of $93.1 million anticipated $93 million in current revenues. Actual results showed an increase in fund balance of $8,951,696. Actual revenues were almost $95.6 million. This was $2.6 million more than anticipated current revenues. The revenue was due primarily to the increase in local sales tax collections and COVID related grants. In conjunction with the increased revenue, the City finished the year with $86.6 million in expenditures (including transfers). Although higher than 2021, expenditures for capital equipment remained low due to supply availability.

Capital Asset and Debt Administration

Capital Assets

The City of Franklin's investment in capital assets from its governmental and business-type activities as of June 30, 2022, is $1,081,673,426 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, park facilities, roads, highways, and bridges.

City of Franklin's Capital Assets (net of depreciation)

	Governmental Activities	Business-Type Activities	Total
Land	$ 62,951,818	$ 6,037,251	$ 68,989,069
Construction in progress	48,997,893	162,760,419	211,758,312
Buildings and improvements	61,608,728	14,221,860	75,830,588
Improvements other than buildings	10,455,887	-	10,455,887
Utility plant in service	-	156,817,046	156,817,046
Infrastructure	539,461,532	-	539,461,532
Machinery & equipment	17,844,226	516,766	18,360,992
Total capital assets	$ 741,320,084	$ 340,353,342	$ 1,081,673,426

Major capital asset events during the current fiscal year included the following:

- The City's governmental activities received $28,804,102 in developer-contributed assets.
- Implementation of adaptive signal technology occurred.
- Design on the Aspen Grove Trail continued.
- Design on Bicentennial Park Improvements continued.
- Design for SR-96 Traffic Signal Improvements continued.
- Design of Bridge Replacement on Pratt Lane over Five Mile Creek continued.
- Preliminary Engineering on East McEwen Drive Improvements, Phase 4 continued.
- Design on East McEwen Phase 5 continued.
- Construction on Franklin Road Streetscape Improvements continued.
- Construction on the joint ballfield project with FSSD (Franklin Special School District) began.
- Design on Harlinsdale Farm Trail and Bridge project continued.
- Design on Intersection Improvements at Mallory Lane continued.
- Design on Lewisburg Pike Sidewalk - Multi-Use Trail continued.
- Design on Liberty Park Master Plan Phase 1 began.
- Design on Long Lane Bridge and Connector project continued.
- Design on McEwen Drive Interchange Improvements continued.
- Design on a new City Hall continued.
- Construction on Southeast Park Bridge and Carothers Parkway Widening continued.
- Construction on SR-96 W Multi Use Trail continued.
- Design on West Main Street Bridge Widening continued.
- Design on Forrest Crossing and Riverview Pump Stations.
- Design on Adams Street Water and Sewer Improvements continued.
- Pipe and Fittings for Berry Farms and Reams Fleming Reclaim Line Improvements continued.
- Design on Goose Creek at Redwing Water Pump continued.
- Design on Lewisburg Pike Area Waterline began.
- Design on Lewisburg Pike Water Main Relocation continued.
- Design on Mack Hatcher Northwest Extension and Sewer Relocation continued.
- Design on Reclaimed Water System Model and Master Plan Update continued.
- Design on Sanitary Sewer Lateral Rehabilitation continued.
- Sewer main lining on sanitary sewer main rehabilitation continued.
- Construction on Southeast and Redwing Water Reclaimed Water Pump Station began.
- Construction on the Wastewater Reclamation Plant continued.
- Design on South Prong Sewer Basin Improvements continued.
- Evaluation of Southeast wastewater facility continued.
- Construction on Spencer Creek at Franklin Road Sewer continued.

Additional information on the City of Franklin's capital assets can be found in the notes to the financial statements section of this report beginning on page 57.

Long-term Debt

At the end of the current year, the City of Franklin had bonded debt (including premiums) of $283,544,717. Of this amount, $138,875,636 comprises general obligation bonds backed by the full faith and credit of the government. Of the $144,669,081 of business-type activities debt, $117,687,826 is Revenue and Tax Bonds secured by both the taxing power of the City and specific revenue sources (i.e., revenue and tax bonds) of the Water & Sewer fund, and $11,317,404 is secured by Water and Sewer fund revenues.

City of Franklin's Outstanding Debt

	Governmental Activities	Business-Type Activities	Total
General Obligation Bonds - Capital *	$ 136,660,636	$ -	$ 136,660,636
General Obligation Bonds - Pension *	2,215,000	-	2,215,000
Revenue and Tax Bonds *	-	144,669,081	144,669,081
Total Outstanding Debt	$ 138,875,636	$ 144,669,081	$ 283,544,717
* Includes unamortized premiums			

The City's debt (bonds and bond premiums) increased by $4,505,308 (from $279,039,409 to $283,544,717) during the current fiscal year.

There was no new governmental debt. Water and Sewer had $22,922,880 in new debt (in revenue and tax bonds and state revolving fund loans). A total of $12,890,000 ($9,100,000 GO bonds-capital, $1,060,000 GO bonds-pension, and $2,730,000 business-type bonds) was repaid during the year. A total of $1,269,425 ($998,543 GO bonds-capital and $270,882 business-type bonds) in premiums were amortized during the year.

The City of Franklin maintains an "Aaa/AAA" Rating for general obligation debt. This rating was first received by Moody's in 2000 and last affirmed in November 2019 by both Moody's and Standard & Poor's. The most recent business-type debt issue backed by system revenues only was issued a rating by Moody's of Aa2 (its third highest rating) in August 2021. State statutes impose no debt limit on the amount of general obligation debt a governmental entity may issue. The City's debt policy establishes debt capacity ranges.

Additional information on the City of Franklin's long-term debt can be found in the notes to the financial statements section of this report beginning on page 72.

Economic Factors and Next Year's Budget and Rates

The unemployment rate (not seasonally adjusted) for June 2022 for the City of Franklin was 2.7%, compared to the State of Tennessee's rate of 4.2% and a national average of 3.6%. In addition to the unemployment rate, factors considered in preparing the City's budget for fiscal year 2023 included:

1. The property tax rate for fiscal year 2022 of 32.61 cents per $100 of assessed value allows payment of debt service, streets maintenance, and funding for capital projects. The property tax rate remains unchanged from the previous year.
2. The City received $9.2 million of ARPA funds in 2021 and 2022. Of this amount, $1.5 million has been spent with $7.7 million available to budget in 2023.

Requests for Information

This financial report is designed to provide a general overview of the City of Franklin, Tennessee's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Department of Finance, City of Franklin, P.O. Box 305, Franklin, TN 37065-0305

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BASIC FINANCIAL STATEMENTS

HISTORIC
FRANKLIN
TENNESSEE

CITY OF FRANKLIN, TENNESSEE
STATEMENT OF NET POSITION
JUNE 30, 2022
With Comparative Totals as of June 30, 2021

	Governmental Activities	Business-type Activities	Total	2021
ASSETS				
Cash and cash equivalents	$ 30,183,999	$ 434,369	$ 30,618,368	$ 44,599,393
Cash and cash equivalents-restricted	3,689,704	1,744,937	5,434,641	18,300,676
Investments	139,068,992	33,176,591	172,245,583	112,391,057
Investments-restricted	-	9,543,950	9,543,950	19,200,910
Receivables (net of allowance for uncollectibles)	46,955,905	9,691,952	56,647,857	62,285,261
Inventory	1,263,088	924,465	2,187,553	1,920,162
Prepaid items and other assets	105,575	-	105,575	280,529
Net pension asset (TCRS)	227,506	31,022	258,528	-
Net investment in joint venture - Conference Center	5,166,891	-	5,166,891	5,243,394
Capital assets, not being depreciated:				
Land	62,951,818	6,037,251	68,989,069	67,551,417
Construction in progress	48,997,893	162,760,419	211,758,312	174,989,701
Capital assets, net of accumulated depreciation				
Buildings and improvements	61,608,728	14,221,860	75,830,588	67,399,303
Improvements other than buildings	10,455,887	-	10,455,887	11,841,970
Utility plant in service	-	156,817,046	156,817,046	161,609,778
Infrastructure	539,461,532	-	539,461,532	533,995,945
Machinery and equipment	17,844,226	516,766	18,360,992	21,340,464
Total assets	967,981,744	395,900,628	1,363,882,372	1,302,949,960
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refundings	242,020	310,833	552,853	684,570
OPEB	5,275,886	719,439	5,995,325	8,863,669
Pensions	20,026,990	2,427,918	22,454,908	22,467,784
Total deferred outflows of resources	25,544,896	3,458,190	29,003,086	32,016,023

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
STATEMENT OF NET POSITION (Cont.)
JUNE 30, 2022
With Comparative Totals as of June 30, 2021

	Governmental Activities	Business-type Activities	Total	2021
LIABILITIES				
Accounts payable	$ 12,988,106	$ 4,176,739	$ 17,164,845	$ 22,699,675
Accrued liabilities	3,319,811	-	3,319,811	3,618,942
Accrued interest payable	1,209,117	432,059	1,641,176	1,686,982
Unearned revenue	8,807,013	-	8,807,013	5,568,245
Long-term liabilities due within one year	16,852,599	7,712,966	24,565,565	22,676,882
Long-term liabilities due in more than one year	134,509,587	138,260,649	272,770,236	268,998,445
OPEB liability	20,044,750	2,733,375	22,778,125	22,104,047
Net pension liability	14,568,548	1,986,622	16,555,170	28,554,016
Total liabilities	212,299,531	155,302,410	367,601,941	375,907,234
DEFERRED INFLOWS OF RESOURCES				
January 1 property tax levy	22,744,512	-	22,744,512	21,295,283
Leases	252,510	380,383	632,893	398,496
OPEB	724,570	98,805	823,375	1,189,081
Pension	15,726,380	2,144,506	17,870,886	7,757,270
Total deferred inflows of resources	39,447,972	2,623,694	42,071,666	30,640,130
NET POSITION				
Net investment in capital assets	623,690,227	195,995,094	819,685,321	786,553,354
Restricted for:				
State street aid	2,870,168	-	2,870,168	771,402
Sanitation use	1,957,699	-	1,957,699	1,992,796
Drug fund use	538,766	-	538,766	602,402
CDBG program use	118,477	-	118,477	114,745
Development	23,700,256	-	23,700,256	30,019,751
Water and sewer	-	11,288,887	11,288,887	10,784,987
Unrestricted	88,903,544	34,148,733	123,052,277	97,579,182
Total net position	$ 741,779,137	$ 241,432,714	$ 983,211,851	$ 928,418,619

The accompanying notes are an integral part of the financial statements.

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CITY OF FRANKLIN, TENNESSEE
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
Functions/Program:	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**	**2021**
Primary Government								
Governmental activities:								
Communication	$ 443,266	$ 3,400	$ -	$ -	$ (439,866)	$ -	$ (439,866)	$ (399,082)
Information and technology	4,921,237	7,422	-	-	(4,913,815)	-	(4,913,815)	(4,185,707)
Elected officials	341,197	-	-	-	(341,197)	-	(341,197)	(297,949)
Administration	1,644,962	558	-	-	(1,644,404)	-	(1,644,404)	(1,279,778)
Human resources	1,446,907	-	-	-	(1,446,907)	-	(1,446,907)	(1,271,113)
Legal	658,117	-	-	-	(658,117)	-	(658,117)	(587,620)
Project & facilities management	1,668,975	-	-	-	(1,668,975)	-	(1,668,975)	(1,348,841)
Revenue management	217,796	-	-	-	(217,796)	-	(217,796)	(196,001)
Finance	1,146,951	-	-	-	(1,146,951)	-	(1,146,951)	(946,786)
Purchasing	323,840	-	-	-	(323,840)	-	(323,840)	(243,065)
Court	235,550	-	-	-	(235,550)	-	(235,550)	(323,406)
Building & neighborhood services	3,083,707	2,447,117	-	-	(636,590)	-	(636,590)	(368,860)
Planning	1,767,713	170,314	-	-	(1,597,399)	-	(1,597,399)	(1,285,713)
Engineering	1,721,884	150	-	-	(1,721,734)	-	(1,721,734)	(1,443,897)
Traffic operations center	863,542	-	170,245	-	(693,297)	-	(693,297)	219,417
General government	2,663,427	417,040	1,870,778	-	(375,609)	-	(375,609)	(1,663,248)
Public safety:								
Police	21,267,686	726,477	70,111	-	(20,471,098)	-	(20,471,098)	(17,833,525)
Fire	23,479,105	-	26,388	-	(23,452,717)	-	(23,452,717)	(21,289,936)
Parks	6,667,437	-	24,606	-	(6,642,831)	-	(6,642,831)	(6,037,842)
Streets-maintenance	28,143,516	21,640	2,132,059	22,982,418	(3,007,399)	-	(3,007,399)	(393,778)
Streets-traffic	1,602,637	-	-	-	(1,602,637)	-	(1,602,637)	(1,418,557)
Streets-fleet	870,020	-	-	-	(870,020)	-	(870,020)	(775,178)
Sanitation	11,508,683	10,680,204	-	-	(828,479)	-	(828,479)	(424,358)
Storm water	3,023,268	2,730,653	-	-	(292,615)	-	(292,615)	(295,648)
Transit	2,934,034	68,173	1,942,980	300,099	(622,782)	-	(622,782)	(729,583)
Interest and amortization on long-term debt	4,396,686	-	-	-	(4,396,686)	-	(4,396,686)	(4,914,713)
	127,042,143	17,273,148	6,237,167	23,282,517	(80,249,311)	-	(80,249,311)	(69,734,767)
Business-type activities:								
Water and sewer	32,536,107	36,950,009	218,077	7,135,081	-	11,767,060	11,767,060	8,977,309
Total primary government	$ 159,578,250	$ 54,223,157	$ 6,455,244	$ 30,417,598	$ (80,249,311)	$ 11,767,060	$ (68,482,251)	$ (60,757,458)
General revenues								
Property taxes					21,108,237	-	21,108,237	20,586,971
Sales taxes					57,745,532	-	57,745,532	41,999,727
Wholesale privilege tax					2,046,920	-	2,046,920	1,956,503
Beer privilege tax					27,675	-	27,675	21,394
Wholesale liquor tax					1,953,827	-	1,953,827	1,868,263
Liquor privilege tax					139,140	-	139,140	84,107
Hotel/motel tax					4,875,687	-	4,875,687	2,600,807
Intergovernmental					21,271,769	-	21,271,769	18,654,225
Impact fees and taxes					15,826,819	-	15,826,819	11,393,647
Franchise taxes					2,528,510	-	2,528,510	2,479,203
Investment earnings					(3,158,964)	(1,136,760)	(4,295,724)	314,288
Other					-	47,091	47,091	(12,282)
Total general revenues					124,365,152	(1,089,669)	123,275,483	101,946,853
Transfers					200,000	(200,000)	-	-
Total general revenues and transfers					124,565,152	(1,289,669)	123,275,483	101,946,853
Change in net position					44,315,841	10,477,391	54,793,232	41,189,395
Net position - beginning of year					697,463,296	230,955,323	928,418,619	887,145,118
Prior period adjustment					-	-	-	84,106
Net position - beginning of year, as restated					697,463,296	230,955,323	928,418,619	887,229,224
Net position - end of year					$ 741,779,137	$ 241,432,714	$ 983,211,851	$ 928,418,619

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022
With Comparative Totals as of June 30, 2021

	General	Multi-Purpose Capital Project Fund	Road Impact Fee Fund	Debt Service Fund	Other Governmental	Total Governmental Funds 2022	Total Governmental Funds 2021
ASSETS							
Cash and cash equivalents	$ 13,480,282	$ 11,234,219	$ 308,913	$ 1,161,373	$ 7,688,916	$ 33,873,703	$ 58,055,500
Investments	64,080,811	9,089,476	31,813,168	-	34,085,537	139,068,992	94,107,941
Receivables (net of allowance for uncollectibles)	29,552,698	624,460	80,240	11,596,805	5,101,702	46,955,905	44,976,786
Inventory	1,192,198	-	-	-	70,890	1,263,088	1,279,106
Prepaid items	105,575	-	-	-	-	105,575	269,529
Total assets	$ 108,411,564	$ 20,948,155	$ 32,202,321	$ 12,758,178	$ 46,947,045	$ 221,267,263	$ 198,688,862
LIABILITIES							
Accounts payable	$ 9,258,710	$ 1,534,936	$ -	$ 480	$ 2,193,980	$ 12,988,106	$ 12,453,160
Accrued liabilities	3,319,811	-	-	-	-	3,319,811	3,618,942
Unearned revenue	8,419,906	90,094	-	-	297,013	8,807,013	5,568,245
Total liabilities	20,998,427	1,625,030	-	480	2,490,993	25,114,930	21,640,347
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue-property tax-Jan. 1 levy	10,054,242	-	-	11,595,720	1,094,550	22,744,512	21,295,283
Unavailable revenue-property taxes	143,729	-	-	-	-	143,729	146,984
Unavailable revenue-assessments	43,200	-	-	-	-	43,200	53,762
Unavailable revenue-grant proceeds	192,826	-	-	-	467	193,293	803,821
Unavailable revenue-in lieu of taxes	32,391	-	-	-	-	32,391	-
Unavailable revenue-court fines	247,564	-	-	-	-	247,564	226,705
Unavailable revenue-franchise fees	488,338	-	-	-	-	488,338	465,997
Unavailable revenue-hotel/motel Tax	-	-	-	-	77,340	77,340	77,340
Unavailable revenue-miscellaneous	1,525,131	-	-	-	-	1,525,131	-
Deferred inflows-leases	252,510	-	-	-	-	252,510	-
Total deferred inflows of resources	12,979,931	-	-	11,595,720	1,172,357	25,748,008	23,069,892
FUND BALANCES							
Non-spendable	1,297,773	-	-	-	70,890	1,368,663	1,548,635
Restricted	-	19,323,125	-	-	9,862,241	29,185,366	33,501,096
Committed	-	-	32,202,321	1,161,978	30,537,322	63,901,621	51,717,914
Assigned	-	-	-	-	2,813,242	2,813,242	3,213,771
Unassigned	73,135,433	-	-	-	-	73,135,433	63,997,207
Total fund balances	74,433,206	19,323,125	32,202,321	1,161,978	43,283,695	170,404,325	153,978,623
Total liabilities, deferred inflows of resources, and fund balances	$ 108,411,564	$ 20,948,155	$ 32,202,321	$ 12,758,178	$ 46,947,045	$ 221,267,263	$ 198,688,862

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

With Comparative Totals as of June 30, 2021

Amounts reported for the governmental activities in the Statement of Net Position (Pages 20 and 21) are different because:

	2022		2021	
Fund balance - total governmental funds (Page 24)		$ 170,404,325		$ 153,978,623
Capital and other assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds				
Capital assets, at cost	1,076,752,411		1,037,574,404	
Less related accumulated depreciation	(335,432,327)		(313,742,432)	
Investment in joint venture - conference center	5,166,891	746,486,975	5,243,394	729,075,366
Receivables not available to pay for current expenditures and, therefore are unavailable in the funds				
Property taxes	143,729		146,984	
In lieu of taxes	32,391		-	
Assessments	43,200		53,762	
Franchise fees	488,338		465,997	
Court fines	247,564		226,705	
Hotel/motel tax	77,340		77,340	
Stop loss reimbursement	1,525,131		-	
Grant revenues	193,293	2,750,986	803,821	1,774,609
Long-term items, including bonds and leases payable, are not due in the current period and, therefore, are not reported in the governmental funds				
Bonds outstanding	(121,560,000)		(131,720,000)	
Bond premiums	(17,315,636)		(18,314,179)	
Deferred loss on refunding	242,020		262,209	
Pension asset (TCRS)	227,506		-	
Net pension liability	(14,568,547)		(25,127,534)	
Deferred outflows of resources - pensions	20,026,990		19,949,299	
Deferred inflows of resources - pensions	(15,726,380)		(6,826,397)	
Total OPEB liability	(20,044,750)		(19,451,564)	
Deferred outflows of resources - OPEB	5,275,886		7,800,033	
Deferred inflows of resources - OPEB	(724,570)		(1,046,393)	
Compensated absences	(12,486,550)	(176,654,031)	(11,264,967)	(185,739,493)
Payables, such as accrued interest payable and park acquisition agreement, are not due and payable in the current period and, therefore, are not reported in the funds				
Accrued interest payable	(1,209,117)		(1,411,525)	
Park acquisition agreement	-	(1,209,117)	(214,284)	(1,625,809)
Net position - governmental activities (Page 21)		$ 741,779,138		$ 697,463,296

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

						Total Governmental Funds	
	General	Multi-Purpose Capital Project Fund	Road Impact Fee Fund	Debt Service Fund	Other Governmental	2022	2021
Revenues:							
Taxes	$ 71,990,891	$ -	$ -	$ 11,629,983	$ 1,059,197	$ 84,680,071	$ 67,886,613
Hotel/ motel tax	-	-	-	-	4,875,687	4,875,687	2,575,830
Facilities tax	-	-	-	-	3,669,629	3,669,629	3,617,950
Licenses and permits	5,121,864	-	10,641,106	-	1,516,084	17,279,054	13,058,315
Fines and fees	398,877	-	-	-	112,498	511,375	442,069
Intergovernmental	15,593,145	-	-	-	-	15,593,145	15,366,363
Gas & motor fuel	-	-	-	-	1,481,172	1,481,172	1,317,475
Petroleum special	-	-	-	-	151,965	151,965	140,774
Gas 1989	-	-	-	-	230,294	230,294	205,398
Gas 3 cent	-	-	-	-	426,593	426,593	380,588
Gas 2018	-	-	-	-	745,460	745,460	662,660
Short term vacation rental tax	-	-	-	-	326,504	326,504	133,521
Grants	2,901,470	1,624,553	-	-	3,313,087	7,839,110	6,095,561
Charges for services	232,605	-	-	-	13,463,955	13,696,560	12,971,447
Use of money and property	(724,682)	(215,883)	(894,243)	10,336	(53,476)	(1,877,948)	435,541
Miscellaneous and other	73,815	1,899,878	-	-	230,000	2,203,693	1,099,418
Total revenues	95,587,985	3,308,548	9,746,863	11,640,319	31,548,649	151,832,364	126,389,523
Expenditures:							
Governance and Management:							
Elected officials	341,197	-	-	-	-	341,197	297,949
Administration	1,592,032	-	-	-	-	1,592,032	1,208,674
Human resources	1,433,482	-	-	-	-	1,433,482	1,148,280
Legal	661,898	-	-	-	-	661,898	553,316
Communication	440,809	-	-	-	-	440,809	390,120
Public Safety:							
Police	19,156,193	-	-	-	48,989	19,205,182	16,656,682
Fire	21,766,065	-	-	-	16,695	21,782,760	19,436,763
Finance and Administration:							
Finance	1,131,025	-	-	-	-	1,131,025	916,947
Purchasing	317,318	-	-	-	-	317,318	232,342
Information and technology	4,048,985	-	-	-	-	4,048,985	3,419,835
Revenue management	186,763	-	-	-	-	186,763	206,308
Court	249,763	-	-	-	-	249,763	314,530
Project & facilities management	1,606,736	-	-	-	-	1,606,736	1,281,459
Community & Economic Development:							
Building & neighborhood services	3,129,237	-	-	-	-	3,129,237	2,840,548
Planning	1,771,006	-	-	-	-	1,771,006	1,467,393
Engineering	1,649,818	-	-	-	-	1,649,818	1,377,052
Traffic operations center	649,475	-	-	-	-	649,475	546,114
Economic development	-	-	-	-	-	-	71,261
Public Works:							
Parks	4,802,527	93,818	-	-	8,622	4,904,967	4,500,115
Streets-traffic	1,489,654	88,415	-	-	-	1,578,069	1,407,195
Streets-fleet	848,020	-	-	-	-	848,020	741,051
Highways and streets	4,436,182	4,933,175	-	-	3,261,158	12,630,515	13,399,834
Other General Government:							
General expenditures	414,803	3,397	-	-	1,397,097	1,815,297	653,290
Appropriations	598,194	-	-	-	-	598,194	446,247
Storm water	-	-	-	-	2,737,653	2,737,653	2,408,374
Sanitation	-	-	-	-	10,013,407	10,013,407	9,368,226
Transit	-	-	-	-	2,781,702	2,781,702	2,693,184
Principal	-	-	-	10,160,000	-	10,160,000	9,385,000
Interest	-	-	-	5,572,934	-	5,572,934	5,932,143
Debt Service Fees	-	-	-	4,514	-	4,514	2,665
Capital outlay	1,004,515	18,105,038	-	-	2,654,350	21,763,903	16,186,944
Total expenditures	73,725,697	23,223,843	-	15,737,448	22,919,673	135,606,661	119,489,841

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Cont.)
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	General	Multi-Purpose Capital Project Fund	Road Impact Fee Fund	Debt Service Fund	Other Governmental	Total Governmental Funds 2022	Total Governmental Funds 2021
Excess (deficiency) of revenues over (under) expenditures	$ 21,862,288	$ (19,915,295)	$ 9,746,863	$ (4,097,129)	$ 8,628,976	$ 16,225,703	$ 6,899,682
Other financing sources (uses):							
Transfers from other funds	-	12,075,000	-	-	2,210,592	14,285,592	5,063,971
From Water & Sewer	-	-	-	200,000	-	200,000	200,000
From Sanitation	-	-	-	209,551	-	209,551	209,081
From Road Impact	-	392,500	-	2,893,316	-	3,285,816	2,830,454
From Hotel/Motel	-	1,250,000	-	1,019,071	-	2,269,071	2,748,371
Transfers to other funds	(12,910,592)	-	(3,285,816)	-	(3,853,623)	(20,050,031)	(10,851,876)
Other financing uses-issuance of refunding debt:							
Total other financing sources (uses)	(12,910,592)	13,717,500	(3,285,816)	4,321,938	(1,643,031)	199,999	200,001
Net changes in fund balances	8,951,696	(6,197,795)	6,461,047	224,809	6,985,945	16,425,702	7,099,683
Fund balances (deficits) - beginning	65,481,510	25,520,920	25,741,274	937,169	36,297,750	153,978,623	146,878,940
Fund balances (deficits) - ending	$ 74,433,206	$ 19,323,125	$ 32,202,321	$ 1,161,978	$ 43,283,695	$ 170,404,325	$ 153,978,623

The accompanying notes are an integral part of the financial statements.

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CITY OF FRANKLIN, TENNESSEE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

Amounts reported for the governmental activities in the Statement of Net Activities (Page 23) are different because:

	2022		2021	
Net changes in fund balances - total governmental funds (Page 27)		$ 16,425,702		$ 7,099,683
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense in the current period. Specifically these items are as follows:				
Acquisition of capital assets	21,549,618		15,972,658	
Disposals, adjustments and reclassifications of capital assets	(1,668,653)		(825,532)	
Depreciation expense	(23,196,955)		(22,209,114)	
Change in park acquisition agreement	214,284		214,286	
Change in investment in joint venture - Conference Center	(76,503)	(3,178,209)	(183,836)	(7,031,538)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds for:				
Property taxes	(3,255)		(37,746)	
Special assessments	(10,562)		-	
In lieu of taxes	32,391		-	
Franchise fees	22,341		(18,204)	
Insurance reimbursements	1,525,131		-	
Court fines	20,859		24,977	
Hotel/motel tax	-		(15,790)	
Grant revenues and reimbursements	(610,528)		81,989	
Contributed capital assets	20,804,102	21,780,479	26,074,678	26,109,904
The issuances of long-term debt and related items provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Specifically, these items are as follows:				
Bond payments	10,160,000		9,385,000	
Change in fair value of derivative instruments	-	10,160,000	1,070	9,386,070
Governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities for:				
Amortization of bond premiums	998,543		939,497	
Deferred refunding amounts	(20,189)	978,354	(14,714)	924,783
Expenses and losses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the governmental funds and certain expenditures in the governmental funds are capitalized:				
Accrued absences	(1,221,583)		(1,322,342)	
Accrued interest	202,408		95,312	
Pension expense (closed plan)	1,143,947		(1,354,160)	
Pension expense (TCRS plan)	100,197		(274,425)	
Contributions subsequent to measurement date (closed plan)	500,000		1,000,000	
Contributions subsequent to measurement date (TCRS plan)	220,056		480,423	
OPEB expense	(2,795,510)	(1,850,485)	(2,845,562)	(4,220,754)
Change in net position of governmental activities (Page 23)		$ 44,315,841		$ 32,268,148

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	June 30, 2022				
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	2021
Revenues:					
Taxes:					
Real and personal property taxes	$ 8,267,904	$ 7,973,338	$ 8,073,375	$ 100,037	$ 8,488,188
Penalty and interest	38,078	38,078	45,040	6,962	54,878
In lieu of tax	221,990	221,990	282,068	60,078	353,969
Sales tax	45,121,566	55,200,000	57,745,532	2,545,532	41,999,727
Wholesale beer tax	1,755,932	1,755,932	2,046,920	290,988	1,956,503
Beer privilege tax	24,566	24,566	27,675	3,109	21,394
Wholesale liquor tax	1,529,735	1,529,735	1,953,827	424,092	1,868,263
Liquor privilege tax	119,961	119,961	139,140	19,179	84,107
Mixed drink tax	1,262,828	1,262,828	1,677,314	414,486	1,331,902
	58,342,560	68,126,428	71,990,891	3,864,463	56,158,931
Licenses and permits:					
Mechanical licenses	3,134	3,134	3,300	166	5,075
Mechanical permits	121,892	121,892	105,740	(16,152)	113,732
Building permits	1,791,465	1,791,465	1,661,426	(130,039)	1,796,670
Technology fee	81,792	83,892	61,900	(21,992)	65,714
Appeal of Admin Decision	-	-	1,000	1,000	-
Plumbing permits	73,925	73,925	80,303	6,378	74,574
Electric permits	272,142	272,142	263,042	(9,100)	247,267
Inspection fees	188,388	203,888	186,399	(17,489)	192,540
Site review, rezoning and submittal fees	193,982	207,732	168,578	(39,154)	211,020
Beer permits and licenses	15,092	15,092	9,750	(5,342)	11,050
Yard sale permits	4,354	4,354	4,620	266	5,030
Business license	15,183	15,183	12,627	(2,556)	15,204
Alarm permits	25,232	25,232	26,760	1,528	26,385
Miscellaneous permits	15,416	15,416	30,250	14,834	20,950
Franchise fees	2,501,079	2,501,079	2,506,169	5,090	2,497,407
	5,303,076	5,334,426	5,121,864	(212,562)	5,282,618
Intergovernmental:					
State income tax	-	-	77,208	77,208	743,846
Sales tax	7,232,718	8,900,000	8,683,827	(216,173)	7,553,994
State beer tax	33,034	33,034	38,120	5,086	18,536
State excise tax	231,403	231,403	247,314	15,911	316,397
Cemetery excise tax	-	-	1,285	1,285	1,418
Sports wagering privilege tax	70,000	70,000	83,921	13,921	41,063
In lieu of tax - TVA	836,725	836,725	866,622	29,897	810,662
Business tax from State	4,110,737	4,700,000	4,983,975	283,975	4,536,119
Business tax recording fee	385,694	385,694	506,044	120,350	467,993
Federal & State grants	6,010,310	3,296,786	3,006,299	(290,487)	3,659,217
	18,910,621	18,453,642	18,494,615	40,973	18,149,245

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL (Cont.)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	June 30, 2022				
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	2021
Revenues:					
Charges for services:					
Regional fire training	1,545	1,545	3,455	1,910	695
Maps sold	2,914	2,914	7,422	4,508	1,620
Plans sold	2,890	2,890	150	(2,740)	4,700
Records sold	1,421	1,421	2,295	874	1,766
Special event services fee	2,795	2,795	3,400	605	2,700
Traffic impact analysis review fee	25,750	25,750	-	(25,750)	-
Accident reports	691	691	1,427	736	581
Offender registry	1,683	1,683	1,950	267	2,100
License seizure fees	869	869	810	(59)	595
3rd party billable overtime	39,459	39,459	190,056	150,597	45,401
Compost vouchers	20,459	20,459	21,640	1,181	21,280
	100,476	100,476	232,605	132,129	81,438
Fines and fees:					
Fines - city court	181,012	181,012	158,514	(22,498)	96,836
Fines - general sessions/circuit court	181,604	181,604	184,480	2,876	155,456
Parking fines	68,768	68,768	55,001	(13,767)	36,768
Confiscated goods - state	-	-	882	882	15,079
Beer board violations	1,000	1,000	-	(1,000)	4,000
Building & street standards appeals fees	1,000	1,000	-	(1,000)	-
Business tax fees	4,785	4,785	-	(4,785)	-
Tree bank fees	11,265	11,265	-	(11,265)	-
	449,434	449,434	398,877	(50,557)	308,139
Use of money and property:					
Interest income	438,750	70,000	(1,100,910)	(1,170,910)	93,916
Lease interest revenue	-	-	4,787	4,787	-
Rebates on purchases	83,359	83,359	96,531	13,172	82,168
Rent - mall and other	12,001	12,001	20,615	8,614	18,001
Park concessions and rentals	85,609	85,609	146,186	60,577	85,827
Christmas Tree Lighting Donations	20,000	20,000	10,000	(10,000)	15,000
Sale of surplus assets	271,146	271,146	95,926	(175,220)	21,392
Electric Charging Stations-Garages	-	-	2,183	2,183	402
	910,865	542,115	(724,682)	(1,266,797)	316,706
Miscellaneous:					
Insurance reimbursements	-	38,170	21,829	(16,341)	-
Miscellaneous income	20,600	20,600	51,986	31,386	89,876
Contributions	-	-	-	-	173,500
Allocation from fund balance	430,000	-	-	-	-
	450,600	58,770	73,815	15,045	263,376
Total revenues	$ 84,467,632	$ 93,065,291	$ 95,587,985	$ 2,522,694	$ 80,560,453

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL (Cont.)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	June 30, 2022				
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	2021
Expenditures:					
Governance & Management:					
Elected officials:					
Personnel	277,081	277,502	204,445	73,057	256,864
Services	142,200	142,200	108,085	34,115	32,921
Supplies	24,650	24,650	25,545	(895)	5,175
Business expenses	3,138	3,078	3,122	(44)	2,989
	447,069	447,430	341,197	106,233	297,949
Administration:					
Personnel	1,525,122	1,670,946	1,652,995	17,951	1,386,625
Services	177,226	177,226	126,908	50,318	67,868
Supplies	71,019	71,019	70,708	311	40,909
Business expenses	13,495	14,172	12,859	1,313	11,910
Reimbursement of interfund services	(271,438)	(271,438)	(271,438)	-	(298,638)
	1,515,424	1,661,925	1,592,032	69,893	1,208,674
Human resources:					
Personnel	1,150,702	1,283,018	1,284,332	(1,314)	1,081,775
Services	535,993	540,993	409,524	131,469	315,336
Supplies	79,320	79,320	33,196	46,124	23,492
Business expenses	9,117	10,267	20,120	(9,853)	18,216
Reimbursement of interfund services	(313,690)	(313,690)	(313,690)	-	(290,539)
	1,461,442	1,599,908	1,433,482	166,426	1,148,280
Legal:					
Personnel	619,133	686,428	712,229	(25,801)	627,768
Services	208,150	218,150	89,427	128,723	69,633
Supplies	20,650	20,650	12,091	8,559	5,261
Business expenses	12,171	12,652	7,566	5,086	6,575
Reimbursement of interfund services	(159,415)	(159,415)	(159,415)	-	(155,921)
	700,689	778,465	661,898	116,567	553,316
Communications:					
Personnel	420,417	447,541	466,582	(19,041)	419,299
Services	88,305	90,305	46,733	43,572	46,754
Supplies	37,970	37,970	24,759	13,211	23,142
Operational units	4,795	4,795	1,881	2,914	4,446
Business expenses	5,622	3,537	6,488	(2,951)	5,015
Reimbursement of interfund services	(105,634)	(105,634)	(105,634)	-	(108,536)
	451,475	478,514	440,809	37,705	390,120
Total Governance & Management	4,576,099	4,966,242	4,469,418	496,824	3,598,339

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL (Cont.)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	June 30, 2022				
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	2021
Expenditures:					
Public Safety:					
Police department-administration:					
Personnel	2,241,022	2,944,037	3,050,521	(106,484)	2,078,355
Services	2,020,476	2,074,466	1,949,986	124,480	1,603,475
Supplies	766,151	766,151	1,143,669	(377,518)	739,122
Operational units	21,666	21,666	22,116	(450)	24,609
Business expenses	155,518	241,859	195,825	46,034	104,113
	5,204,833	6,048,179	6,362,117	(313,938)	4,549,674
Police department-criminal investigations:					
Personnel	2,658,649	2,290,779	1,890,369	400,410	2,169,246
Services	100,423	100,423	60,415	40,008	80,823
Supplies	-	-	10,555	(10,555)	15,107
Operational units	20,136	20,136	10,631	9,505	15,401
Business expenses	79,579	65,334	60,953	4,381	72,471
	2,858,787	2,476,672	2,032,923	443,749	2,353,048
Police department-patrol:					
Personnel	9,248,973	9,738,894	10,166,112	(427,218)	9,081,750
Services	66,170	66,170	85,214	(19,044)	77,430
Supplies	90,709	90,709	145,541	(54,832)	101,628
Operational units	43,971	43,971	90,846	(46,875)	89,982
Business expenses	304,140	296,535	273,440	23,095	311,470
	9,753,963	10,236,279	10,761,153	(524,874)	9,662,260
Fire department:					
Personnel	17,371,440	18,748,393	19,463,899	(715,506)	17,026,377
Services	1,343,346	1,343,346	1,211,650	131,696	1,097,172
Supplies	854,840	854,840	965,042	(110,202)	803,939
Operational units	6,000	6,000	778	5,222	294
Business expenses	176,385	172,240	124,696	47,544	139,554
	19,752,011	21,124,819	21,766,065	(641,246)	19,067,336
Total Public Safety	37,569,594	39,885,949	40,922,258	(1,036,309)	35,632,318

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL (Cont.)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	June 30, 2022				
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	2021
Expenditures:					
Finance & Administration:					
Finance:					
Personnel	1,014,453	1,113,532	1,095,518	18,014	984,314
Services	55,450	146,790	141,432	5,358	34,924
Supplies	42,900	42,900	36,900	6,000	33,511
Business expenses	103,508	104,453	96,860	7,593	96,629
Reimbursement of interfund services	(239,685)	(239,685)	(239,685)	-	(232,431)
	976,626	1,167,990	1,131,025	36,965	916,947
Purchasing:					
Personnel	336,290	358,387	349,960	8,427	293,250
Services	72,400	88,000	22,731	65,269	17,682
Supplies	9,975	9,975	4,487	5,488	4,850
Business expenses	2,186	2,696	2,693	3	2,082
Reimbursement of interfund services	(62,553)	(62,553)	(62,553)	-	(85,522)
	358,298	396,505	317,318	79,187	232,342
Information technology:					
Personnel	2,548,858	2,621,808	2,448,545	173,263	2,291,028
Services	2,280,458	2,280,458	2,382,929	(102,471)	1,791,541
Supplies	352,900	352,900	151,903	200,997	260,040
Business expenses	39,814	45,089	41,630	3,459	34,110
Reimbursement of interfund services	(976,022)	(976,021)	(976,022)	1	(956,884)
	4,246,008	4,324,234	4,048,985	275,249	3,419,835
Revenue management:					
Personnel	1,061,624	1,143,430	1,117,778	25,652	1,068,002
Services	90,130	90,130	54,756	35,374	21,653
Supplies	33,260	33,260	21,289	11,971	26,050
Business expenses	420,833	421,373	389,661	31,712	394,692
Reimbursement of interfund services	(1,396,721)	(1,396,721)	(1,396,721)	-	(1,304,089)
	209,126	291,472	186,763	104,709	206,308
Court:					
Personnel	223,267	259,318	209,999	49,319	256,268
Services	23,825	23,825	15,534	8,291	49,002
Supplies	18,700	18,700	16,006	2,694	3,793
Business expenses	5,381	5,520	8,224	(2,704)	5,467
	271,173	307,363	249,763	57,600	314,530

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL (Cont.)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	June 30, 2022				
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	2021
Expenditures:					
Project & facilities management:					
Personnel	478,361	510,959	496,048	14,911	480,964
Services	972,746	1,132,746	1,319,987	(187,241)	999,249
Supplies	66,800	66,800	104,833	(38,033)	96,720
Business expenses	27,714	27,062	30,242	(3,180)	25,718
Reimbursement of interfund services	(344,374)	(344,374)	(344,374)	-	(321,192)
	1,201,247	1,393,193	1,606,736	(213,543)	1,281,459
Total Finance & Administration	7,262,478	7,880,757	7,540,590	340,167	6,371,421
Community & Economic Development:					
Building & neighborhood services:					
Personnel	3,142,057	3,391,397	2,872,815	518,582	2,660,000
Services	187,110	187,110	109,233	77,877	78,781
Supplies	99,350	99,350	91,845	7,505	46,882
Business expenses	41,350	35,872	55,344	(19,472)	54,885
	3,469,867	3,713,729	3,129,237	584,492	2,840,548
Planning & sustainability:					
Personnel	1,480,642	1,619,775	1,504,826	114,949	1,307,853
Services	350,100	350,100	224,023	126,077	89,543
Supplies	38,200	38,200	24,225	13,975	61,700
Operational units	5,000	5,000	5,000	-	-
Business expenses	7,799	10,159	12,932	(2,773)	8,297
	1,881,741	2,023,234	1,771,006	252,228	1,467,393
Engineering:					
Personnel	1,694,166	1,871,158	1,831,581	39,577	1,676,643
Services	116,725	116,725	84,470	32,255	35,372
Supplies	60,505	60,505	49,158	11,347	10,390
Business expenses	10,001	11,473	12,561	(1,088)	8,861
Reimbursement of interfund services	(327,952)	(327,952)	(327,952)	-	(354,214)
	1,553,445	1,731,909	1,649,818	82,091	1,377,052
Traffic operations center:					
Personnel	420,690	432,720	426,682	6,038	319,114
Services	235,965	235,965	120,437	115,528	146,718
Supplies	222,700	222,700	79,607	143,093	67,951
Business expenses	13,421	13,874	22,749	(8,875)	12,331
	892,776	905,259	649,475	255,784	546,114

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL (Cont.)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	June 30, 2022				
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	2021
Expenditures:					
Economic Development:					
Appropriations	88,855	88,855	88,855	-	71,261
	88,855	88,855	88,855	-	71,261
Total Community & Economic Development	7,886,684	8,462,986	7,288,391	1,174,595	6,302,368
Public Works:					
Streets-Maintenance:					
Personnel	3,010,277	3,147,265	3,136,832	10,433	2,779,206
Services	867,125	867,125	800,965	66,160	724,486
Supplies	416,390	416,390	407,307	9,083	354,377
Business expenses	134,045	95,750	91,078	4,672	115,473
	4,427,837	4,526,530	4,436,182	90,348	3,973,542
Streets-Traffic:					
Personnel	945,205	999,608	952,888	46,720	927,719
Services	190,735	190,735	138,626	52,109	129,500
Supplies	380,647	380,647	317,769	62,878	288,567
Business expenses	66,551	70,538	80,371	(9,833)	61,409
	1,583,138	1,641,528	1,489,654	151,874	1,407,195
Streets-Fleet:					
Personnel	820,806	868,927	871,442	(2,515)	750,108
Services	343,520	343,520	476,769	(133,249)	375,911
Supplies	(316,150)	(316,150)	(509,561)	193,411	(391,950)
Business expenses	417,377	419,929	9,370	410,559	6,982
	1,265,553	1,316,226	848,020	468,206	741,051
Parks:					
Personnel	3,684,851	3,309,934	2,970,754	339,180	2,731,077
Services	1,190,442	1,190,442	1,007,365	183,077	1,054,321
Supplies	779,470	779,470	739,224	40,246	610,641
Operational units	290,000	290,000	24,500	265,500	-
Business expenses	120,542	125,738	60,684	65,054	74,778
	6,065,305	5,695,584	4,802,527	893,057	4,470,817
Total Public Works	13,341,833	13,179,868	11,576,383	1,603,485	10,592,605

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL (Cont.)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	June 30, 2022				
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	2021
Expenditures:					
Other General Government:					
General expenses:					
Personnel	3,768,715	1,757,818	689,350	1,068,468	(933,860)
Services	276,623	276,621	169,707	106,914	136,764
Supplies	2,000	2,000	(446,762)	448,762	42,672
Business expenses	4,450	4,450	2,508	1,942	2,848
	4,051,788	2,040,889	414,803	1,626,086	(751,576)
Contributions:					
Appropriations	506,458	509,919	509,339	580	446,247
Total Contributions	506,458	509,919	509,339	580	446,247
Total Other General Government	4,558,246	2,550,808	924,142	1,626,666	(305,329)
Capital Outlay:					
Streets-maintenance	130,000	219,773	95,423	124,350	176,986
Police - administration	1,333,334	1,083,334	-	1,083,334	905,116
Police - criminal investigations	-	-	-	-	61,686
Finance	50,000	-	-	-	-
Fire	252,000	313,000	264,987	48,013	118,695
Information technology	100,000	100,000	403,891	(303,891)	181,071
Parks	-	46,530	46,530	-	41,797
Traffic operations center	1,795,000	345,000	193,684	151,316	1,191,035
Total Capital Outlay	3,660,334	2,107,637	1,004,515	1,103,122	2,676,386
Total expenditures	78,855,268	79,034,247	73,725,697	5,308,550	64,868,108
Excess of revenues over expenditures	5,612,364	14,031,044	21,862,288	7,831,244	15,692,345
Other financing sources (uses):					
Transfers to other funds	(5,612,364)	(14,031,044)	(12,910,592)	1,120,452	(3,427,121)
Total other financing sources (uses)	(5,612,364)	(14,031,044)	(12,910,592)	1,120,452	(3,427,121)
Net changes in fund balance	$ -	$ -	8,951,696	$ 8,951,696	12,265,224
Fund balance - beginning of year			65,481,510		53,216,286
Fund balance - end of year			$ 74,433,206		$ 65,481,510

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
ROAD IMPACT FEE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with	
	Original	**Final**	**Actual**	**Final Budget**	**2021**
Revenues:					
Licenses and permits	$ 4,519,727	$ 4,519,727	$ 10,641,106	$ 6,121,379	$ 6,975,153
Use of money and property:					
Interest earned	50,000	50,000	(894,243)	(944,243)	86,592
Total revenues	4,569,727	4,569,727	9,746,863	5,177,136	7,061,745
Expenditures:					
Current:					
Highways and streets	3,050,000	3,050,000	-	3,050,000	889,026
Capital outlay	-	-	-	-	43,968
Total expenditures	3,050,000	3,050,000	-	3,050,000	932,994
Excess (deficiency) of revenues over (under) expenditures	1,519,727	1,519,727	9,746,863	8,227,136	6,128,751
Other financing sources (uses):					
Transfers out	(2,893,316)	(3,285,816)	(3,285,816)	-	(2,830,454)
Total other financing sources (uses)	(2,893,316)	(3,285,816)	(3,285,816)	-	(2,830,454)
Net change in fund balances	$ (1,373,589)	$ (1,766,089)	6,461,047	$ 8,227,136	3,298,297
Fund balance - beginning			25,741,274		22,442,977
Fund balance - ending			$ 32,202,321		$ 25,741,274

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
STATEMENT OF NET POSITION
PROPRIETARY FUND (WATER AND SEWER FUND)
JUNE 30, 2022
With Comparative Totals as of June 30, 2021

	2022	2021
ASSETS		
Current assets:		
Cash and cash equivalents	$ 434,369	$ 3,484,783
Cash and cash equivalents-restricted	1,744,937	1,359,786
Investments	33,176,591	28,058,825
Investments-restricted	9,543,950	9,425,201
Receivables (net of allowance for uncollectibles)	9,213,937	16,821,460
Net pension asset	31,022	-
Inventory and prepaids	924,465	652,056
Total current assets	55,069,271	59,802,111
Noncurrent assets:		
Lease receivable	478,015	487,015
Capital assets (net of accumulated depreciation):		
Land	6,037,251	5,948,524
Construction in progress	162,760,419	131,284,027
Buildings and improvements	14,221,860	15,185,385
Utility plant in service	156,817,046	161,609,779
Machinery and equipment	516,766	868,891
Total capital assets (net of accumulated depreciation):	340,353,342	314,896,606
Total assets	395,900,628	375,185,732
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refundings	310,833	422,361
OPEB	719,439	1,063,636
Pensions	2,427,918	2,518,485
Total deferred outflows of resources	3,458,190	4,004,482
LIABILITIES		
Current liabilities:		
Accounts payable	4,176,739	10,246,515
Accrued interest payable	432,059	275,457
Due within one year	7,712,966	7,581,696
Total current liabilities	12,321,764	18,103,668
Long-term liabilities:		
Due in more than one year	138,260,649	122,580,201
Total OPEB liability	2,733,375	2,652,483
Net pension liability	1,986,622	3,426,482
Total long-term liabilities	142,980,646	128,659,166
Total liabilities	155,302,410	146,762,834
DEFERRED INFLOWS OF RESOURCES		
OPEB	98,805	142,688
Pensions	2,144,506	930,873
Leases	380,383	398,496
Total deferred inflows of resources	2,623,694	1,472,057
NET POSITION		
Net investment in capital assets	195,995,094	186,313,737
Restricted-system improvements	11,288,887	10,784,987
Unrestricted	34,148,733	33,856,599
Total net position	$ 241,432,714	$ 230,955,323

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND (WATER AND SEWER FUND)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	2022	2021
Operating revenues:		
Metered water sales (net of discounts and allowances)	$ 13,043,130	$ 12,837,908
Sewer service charges (net of discounts and allowances)	22,617,694	21,185,908
Reclaimed water sales (net of discounts and allowances)	151,669	155,492
Other revenues from operations	1,137,516	1,030,549
Total operating revenues	36,950,009	35,209,857
Operating expenses:		
Water and sewer billing expenses	185,400	172,633
Water distribution expenses	2,027,351	2,883,033
Water plant expenses	6,630,592	6,110,805
Water administration	1,851,331	1,789,569
Sewer administration	4,267,594	3,094,005
General administration	1,572,844	1,406,750
Sewer collection expenses	2,919,728	2,755,929
Sewer plant expenses	4,168,738	4,108,031
Reclaimed water expenses	99,539	99,973
Depreciation	7,671,008	10,303,641
Total operating expenses	31,394,125	32,724,369
Operating income	5,555,884	2,485,488
Nonoperating revenues (expenses):		
Interest income	(1,136,760)	156,220
Gain (loss) on sale of assets	47,091	(12,282)
Interest expense	(1,141,982)	(1,036,008)
Total nonoperating revenues (expenses)	(2,231,651)	(892,070)
Income before contributions and transfers	3,324,233	1,593,418
Contributions and transfers:		
Grants	218,077	316,897
Impact fees	3,991,231	3,848,308
Capital contributions	1,581,224	7,282
Developer contributions	1,562,626	3,355,342
Transfer to debt service fund	(200,000)	(200,000)
Total contributions and transfers	7,153,158	7,327,829
Change in net position	10,477,391	8,921,247
Net position, beginning of year	230,955,323	221,949,970
Prior period adjustment	-	84,106
Net position, beginning of year as restated	230,955,323	222,034,076
Net position, end of year	$ 241,432,714	$ 230,955,323

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
STATEMENT OF CASH FLOWS
PROPRIETARY FUND (WATER AND SEWER FUND)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

With Comparative Totals for the Fiscal Year Ended June 30, 2021

	2022	2021
Cash flows from operating activities:		
Cash received from customers	$ 42,013,617	$ 35,029,930
Cash paid to employees for services	(4,715,805)	(4,685,062)
Cash paid to suppliers of goods and services	(24,987,106)	(17,242,934)
Net cash operating activities	12,310,706	13,101,934
Cash flows from noncapital financing activities:		
Grants	218,077	316,897
Transfer to debt service fund	(200,000)	(200,000)
Net cash provided by noncapital financing activities	18,077	116,897
Cash flows from capital and related financing activities:		
Purchases of property, plant and equipment	(31,565,118)	(60,205,736)
Contributions from access and tap fees and grant funds	5,572,455	3,855,590
Sales of property, plant and equipment	47,091	(12,282)
Cash received from lease activity	24,000	24,000
Transfer to capital projects fund	-	-
Interest paid on long-term debt	(1,144,734)	(1,132,600)
Premiums on bonds payable	2,493,116	-
Payments on SRF loan eligible projects not reimbursed	2,545,946	3,101,676
Proceeds from issuance of long-term debt	20,429,764	48,647,933
Payments on long-term debt	(6,988,147)	(4,746,471)
Net cash capital and related financing activities	(8,585,627)	(10,467,890)
Cash flows from investing activities:		
Purchases of investments, net	(5,236,515)	(5,370,311)
Interest received from investments	(1,171,904)	114,951
Net cash investing activities	(6,408,419)	(5,255,360)
Net change in cash and restricted cash	(2,665,263)	(2,504,419)
Cash and restricted cash, beginning of year	4,844,569	7,348,988
Cash and restricted cash, end of year	$ 2,179,306	$ 4,844,569
Cash and cash equivalents consist of:		
Unrestricted cash and cash equivalents	$ 434,369	$ 3,484,783
Restricted cash and cash equivalents	1,744,937	1,359,786
Total cash and cash equivalents	$ 2,179,306	$ 4,844,569

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
STATEMENT OF CASH FLOWS (Cont.)
PROPRIETARY FUND (WATER AND SEWER FUND)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

With Comparative Totals for the Fiscal Year Ended June 30, 2021

	2022	2021
Reconciliation of operating income to net cash provided by operations:		
Operating income	$ 5,555,884	$ 2,485,488
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	7,671,008	10,303,641
Net pension liability and related amounts	(166,682)	164,439
OPEB and related amounts	381,206	388,033
Change in:		
Accounts receivable-operating	5,063,608	(185,814)
Inventory	(272,409)	834,356
Compensated absences	147,867	123,576
Accounts payable	(6,069,776)	(1,017,672)
Net cash provided by operating activities	$ 12,310,706	$ 13,096,047
Supplemental schedule of non-cash capital and related financing activities:		
Capital assets added as developer contributions	$ 1,562,626	$ 3,355,342

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2021
With Comparative Totals as of December 31, 2020

	Franklin Employees' Pension Plan	2020
ASSETS		
Cash and equivalents	$ 2,578,781	$ 2,270,317
Total cash and equivalents	2,578,781	2,270,317
Investments:		
Domestic fixed income securities	46,577,513	42,002,450
Domestic equities	69,931,410	54,677,142
International equities	23,994,476	24,039,138
Real estate	14,898,531	11,094,987
Timber	2,803,113	2,720,725
Total investments	158,205,043	134,534,442
Total assets	160,783,824	136,804,759
NET POSITION RESTRICTED FOR PENSIONS	$ 160,783,824	$ 136,804,759

Franklin Employees' Pension Plan as of December 31, 2021.
This pension was closed to new hires after December 16, 2016.

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Franklin Employees' Pension Plan	2020
Additions:		
Contributions:		
Employer contributions	$ 6,160,363	$ 5,061,105
Employee contributions	896,492	688,835
Total contributions	7,056,855	5,749,940
Investment income:		
Net appreciation in fair value of investments (net of $212,913 investment fees)	24,962,458	14,134,655
Total investment income	24,962,458	14,134,655
Total additions	32,019,313	19,884,595
Deductions:		
Pension benefits	7,937,323	6,289,974
Administration expense	102,925	115,649
Total deductions	8,040,248	6,405,623
Net increase in fiduciary net position	23,979,065	13,478,972
Net position restricted for pension benefits - beginning	136,804,759	123,325,787
Net position restricted for pension benefits - ending	$ 160,783,824	$ 136,804,759

Franklin Employees' Pension Plan as of December 31, 2021.
This pension plan was closed to new hires after December 16, 2016.

The accompanying notes are an integral part of the financial statements.

CITY OF FRANKLIN, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting entity

The City of Franklin, Tennessee (the "City") was incorporated in 1799. The City operates under a mayor-alderman form of government. The City provides the following services: public safety, streets, sanitation, parks, planning, codes, and water and sewer services. As required by U.S. generally accepted accounting principles, these financial statements present all funds, which comprise the City.

The accompanying financial statements present the government and component units, if any. Component units are entities for which the government is considered financially accountable. Component units, although legally separate entities, are required to be presented in the government's financial statements using either a "blended" or "discrete" presentation. Based on the City's analysis as of June 30, 2022, the City had no component units that were required to be included in these financial statements.

Joint Operation of the Cool Springs Conference Center: In June 1999, the City completed construction of the Conference Center at Cool Springs (Conference Center), which operates a conference center facility. An Interlocal Agreement executed between the City and Williamson County, Tennessee (the Parties) provides for equal ownership by each of the Parties of a one-half undivided interest in the Conference Center and further specifies that each of the Parties shall be entitled to one-half of the net revenue and shall be responsible for one-half of all costs and expenses of the operation and maintenance of the Conference Center. The City's undivided interest in the investment in the Conference Center facility totaled $5,166,891 on June 30, 2022 and is accounted for as a joint venture asset of the City. The City's one-half interest in Conference Center operations is presented with governmental activities in the statements of net position and activities. Complete financial statements for the Conference Center may be obtained from the Department of Finance at City Hall.

Franklin Housing Authority: The City's officials are also responsible for appointing the members of the board of the Franklin Housing Authority; however, the City does not provide funding, has no obligation for the debt issued by the Authority, and cannot impose its will upon the operations of the Authority.

Franklin Industrial Development Board: The City, through the Industrial Development Board, has in the past authorized issuance of various Industrial Revenue Bonds to provide financial assistance to private sector entities for the acquisition of industrial and commercial facilities deemed to be in the public interest. The activities of the Board related solely to the issuance of such bonds. The bonds are secured by the property financed and payable solely from payments received on the underlying mortgage loans. Neither the City, State, nor any political subdivision thereof is obligated in any manner for repayment of bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. Also, the Board's action does not require the substantive approval of the City.

In accordance with GASB Statement No. 61, "The Financial Reporting Entity," the Franklin Housing Authority and Franklin Industrial Development Board are not shown in the City's financials as a component unit.

B. Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support.

C. Basis of presentation - government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government's enterprise fund. Separate financial statements are provided for governmental funds, the proprietary fund, and the fiduciary fund, even though the latter are excluded from the government-wide financial statements.

The government-wide financial statements, the statement of net position and the statement of activities, report information on all of the nonfiduciary activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Net Position presents the City's non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Net position is reported in three categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding debt that is attributable to the acquisition, construction, and improvement of those assets. Debt that was issued for capital purposes is not a part of the calculation of net investment in capital assets, until the proceeds have been used to acquire capital assets.

Restricted net position results from restriction placed on net position by external sources such as creditors, grantors and contributors, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of net position which do not meet the definition of the two preceding categories.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and certain charges between the government's utility divisions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Basis of presentation - fund financial statements

The fund financial statements provide information about the government's funds, including its fiduciary fund. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and the major individual enterprise fund, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental and the major enterprise fund are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Multi-Purpose Capital Project Fund* was established to account for the various capital projects of the City.

The *Road Impact Fee Fund* was established to account for the proceeds of road impact fees on new development and the expenditures of such monies as required by City Ordinance 88-13.

The *Debt Service Fund* was established to service the general obligation debt of the City through interfund transfers and property tax collections.

The City reports the following major proprietary fund:

The *Water and Sewer Fund* accounts for the water, sewer, and reclaimed water services provided to customers of the system.

CITY OF FRANKLIN, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

Additionally, the City reports the following fiduciary fund type:

The *City of Franklin Employees' Pension Fund* accounts for the activities of the closed pension plan maintained for employees of the City hired prior to January 1, 2017, which accumulates resources for pension payments to qualified employees.

During operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount, when applicable, is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the fund included in governmental activities are eliminated so only the net amount is included as transfers in the governmental activities column.

The City charges health and dental expenditures to the General Expenses department within the General Fund. The City then allocates the costs based on enrollment in these benefits to each fund and department using that year's established Cobra rate, which is an estimate of administrative and claims costs per person. If actual costs are higher than the Cobra rate charges to the departments, then a normal positive balance in General Expenses results. If actual costs are less than the Cobra rate, the General Expenses department within the General Fund may show a negative expenditure balance.

E. Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues available if they are collected within sixty days (60) of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and certain employee benefits and claims, and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales tax, franchise fees, state shared revenue, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available only when cash is received by the government.

The proprietary and fiduciary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

F. Budgetary information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, the Special Revenue Funds, and Debt Service Fund. The Board of Mayor and Aldermen approves and appropriates the budgets for these funds annually. All annual appropriations lapse at fiscal year-end.

As an extension of the formal budgetary process, the Board of Mayor and Aldermen may transfer or appropriate additional funds for expenditures not anticipated at the time of budget adoption. The City's policy is to not allow expenditures to exceed budgetary amounts at the total fund expenditure level without obtaining additional appropriation approval from the Board.

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. Cash and cash equivalents

The City's cash and cash equivalents are cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Investments

State statutes authorize the City to invest in certificates of deposit, obligations of the U.S. Treasury, agencies and instrumentalities, obligations guaranteed by the U.S. government or its agencies, repurchase agreements, and the State's investment pool. Pension Fund investments also include various domestic and international equities, private equity funds, fixed income and mutual funds, and funds invested in real estate and timberlands.

Investments for the City are reported at fair value; securities traded on a national or international exchange are valued primarily at quoted market prices. Pension fund investments that are not exchange-traded are recorded at estimated fair values provided by the investment fund managers and other value per share information. See Note 3 B.

3. Inventories and prepaid items

Inventories are valued at cost in the governmental activities and in the business-type activities using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased (consumption method).

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Capital assets

Capital assets, including property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $25,000 if non-infrastructure and $100,000 or more if infrastructure and an estimated useful life of three years or more. Donated capital assets, donated works of art and similar items, and any capital assets received in service concession arrangements are reported at acquisition value.

The costs of normal maintenance and repairs that do not add to the value or materially extend the useful life of the asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets of the City are depreciated using the straight-line method over the following useful lives:

Infrastructure	50 years
Buildings and improvements	25 - 50 years
Distribution systems	10 - 50 years
Equipment	3 - 10 years
Furniture and fixtures	3 - 10 years

5. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category: (1) deferred charge on bond refundings resulting from the difference in the carrying amount of refunded debt and its requisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt; (2) deferred outflows of resources relating to pensions resulting from differences between expected and actual actuarial experience, certain changes in actuarial assumptions, differences between actual and expected investment earnings, and amounts of employer contributions to the pension plan made subsequent to the measurement date; (3) deferred outflows of resources relating to OPEB resulting from differences between expected and actuarial experience and certain changes in actuarial assumptions.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has the following items of this type that qualify for reporting on the statement of net position: (1) property taxes levied on January 1, 2022, will not be available for collection until fiscal year 2023, beginning October 2022; (2) A second item, which arises only under a modified accrual basis of accounting, qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from uncollected property taxes (including penalties and interest), franchise fees, hotel/motel taxes, court fines, and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also reports deferred inflows of resources related to pensions and OPEB.

6. Net position flow assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. To calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

7. Fund balance flow assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). To calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

8. Fund balance policies

In accordance with GASB Statement No. 54, the governmental funds report fund balances in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The categories of fund balance are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted - Fund balance is reported as restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - Amounts that can only be used for specific purposes pursuant to constraints imposed by ordinance of the Board of Mayor and Alderman level of decision-making authority, are reported as committed fund balance. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. These commitments are provided for in accordance with the "Utilization and Replacement of Funds from Certain Reserve Accounts" policy approved by the Board of Mayor and Aldermen on August 28, 2012. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned - Amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed, are reported as assigned fund balance. Amounts that can only be used for specific purposes pursuant to constraints imposed by resolution of the Board of Mayor and Alderman or where the Board of Mayor and Aldermen have authorized the City Administrator to assign fund balance up to certain amounts. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned - Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. In other governmental funds, if expenditures incurred for specific purposes have exceeded the amounts restricted, committed, or assigned to those purposes, those amounts are reported as a negative unassigned fund balance.

H. Revenues and expenditures/expenses

1. Program revenues

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property taxes

Property taxes are levied annually on January 1 for all real and personal property located in the City's legal boundaries. The taxes are due and payable from the following October through February in the year succeeding the tax levy. An unperfected lien attaches by statute to property on March 1 for unpaid taxes from the prior year's levy. Taxes uncollected by April 1, the year after due may be submitted to the Chancery Court for collection. Tax liens become perfected at the time the court enters judgment.

Assessed values are established by the State of Tennessee at the following rates of assessed market value:

Public utility property	55%
Industrial and commercial property	
Real	40%
Personal	30%
Farm and residential property	25%

For fiscal year 2022, taxes were levied at a rate of .3261 per $100 of assessed valuation.

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3. Compensated absences

City policy provides for the accumulation of unused vacation days equal to those earned in the current year. It also provides for the accumulation of sick days. No amounts of sick leave are vested in the event of employee termination; however, the employee is entitled to payment for unused sick leave upon retirement up to a maximum of 120 days.

All annual leave is accrued when incurred in the government-wide and proprietary fund (Water and Sewer) financial statements. A liability for these amounts is reported in the governmental funds (specifically General, Sanitation, and Stormwater) only if amounts are due to employees because of termination and/or retirement.

4. Proprietary fund operating and nonoperating revenues and expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the various utility funds are charges to customers for sales and services. The Water and Sewer Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

5. Bond premiums and discounts

Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issue costs are expensed in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs from the actual debt proceeds received, are reported as debt service expenditures.

I. Estimates

The preparation of the City's Annual Comprehensive Financial Report (ACFR) in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

J. Estimates

The summarized financial information shown for fiscal year 2021 in the accompanying Basic Financial Statements and Combining and Individual Fund Statements and Schedules is included to provide a basis for comparison with fiscal year 2022.

K. Recent accounting pronouncements

The City has adopted the accounting and reporting requirements of GASB Statement No. 87, *Leases*, which is effective for the fiscal year that ends June 30, 2022 (fiscal year 2022 for the City). This Statement increases the usefulness of government's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provision of the contract.

The City has adopted accounting and reporting requirements of GASB Statement No. 92, *Omnibus 2020*, which is effective for the fiscal year that ends June 30, 2022 (fiscal year 2022 for the City). The objective of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

The City has adopted the accounting and reporting requirements of GASB Statement No. 93, *Replacement of Interbank*

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Offered Rates, which is effective for the fiscal year that ends June 30, 2022 (fiscal year 2022 for the City). The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. More comparable reporting will improve the usefulness of information for users of state and local government financial statements.

The City has adopted the accounting and reporting requirements of GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, which is effective for the fiscal year that ends June 30, 2022 (fiscal year 2022 for the City). This Statement requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution OPEB plan, or another employee benefit plan (for example, certain Section 457 plans, the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform.

The GASB issued statement No. 92, *Omnibus 2020*, which has certain provisions for the fiscal period that ends June 30, 2022 (fiscal year 2022 for the City). This Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature.

The following are additional accounting pronouncements which, to the extent applicable, pose consideration for the City. Management is currently in the process of determining the impact of these Statements to the City's financial statements.

The GASB issued Statement No. 91, *Conduit Debt Obligations*, which has certain provision effective for the fiscal period that ends December 31, 2022 (fiscal year 2023 for the City). This Statement requires issues to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment.

The GASB issued statement No. 94, *Public-Private and Public-Public Partnership and Availability Payment Arrangements*, which has certain provisions effective for the fiscal period that ends June 30, 2023 (fiscal year 2023 for the City). This Statement provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period in an exchange or exchange-like transaction.

The GASB issued statement No. 96, *Subscription-Based Information Technology Arrangements*, which has certain provision effective for the fiscal period that ends June 30, 2023 (fiscal year 2023 for the City). This Statement requires a government to disclose descriptive information about its SBITAs other than short-term SBITAs, such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability, and other essential information.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budget information

Budgeted amounts in the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual are those originally adopted as well as the final budget which reflects amendments by the Board of Mayor and Aldermen. The budget is prepared on a basis consistent with GAAP. Total expenditures may not exceed the total amount appropriated in the budget ordinance. Any revisions that alter the total appropriations must be approved through the passage of an ordinance by the Board. All appropriations lapse at year end.

NOTE 3 - DETAILED NOTE ON ALL ACTIVITIES AND FUNDS

A. Cash Deposits with Financial Institutions

The City's policies limit deposits to those instruments allowed by applicable state laws as described above. State statutes require that all deposits with financial institutions must be collateralized by securities whose market value is equal to 105% of the value of uninsured deposits. The deposits must be collateralized by federal depository insurance, by the Tennessee Bank Collateral Pool, by collateral held by the City's agent in the City's name, or by the Federal Reserve Banks acting as third-party agents. As of June 30, 2022, all bank deposits were fully collateralized or insured.

B. Investments

The City is authorized to invest funds in, among other things, financial institutions, and direct obligations of the Federal Government. During 2022, the City, except for the Pension Fund, invested in certificates of deposit, money market accounts, and government sponsored agency securities. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices for identical assets in active markets that can be accessed at the measurement date (Level 1) and the lowest priority to observable inputs (Level 3). The three levels of the fair value hierarchy under GASB 72 are described as follows:

- *Level 1* – Inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- *Level 2* – Inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted priced that are observable for the asset or liability like interest rates and yield curves observable at commonly quoted intervals, implied volatilities, or credit spreads; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified term, the level 2 must be observable for substantially the full term of the asset or liability.
- *Level 3* – Inputs are unobservable and significant to the fair value measurement.

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As of June 30, 2022, the City had the following investments measured at fair value per GASB Statement 72 and the noted weighted average maturities:

		Fair Value Measurements Using			
	6/30/2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Weighted Average Maturity (Years)
Investments by fair value level					
Certificates of Deposit	$ 3,000,000	$ 3,000,000	$ -	$ -	0.23
Money Market Accounts	30,029	30,029	-	-	-
Debt securities					
U.S. Treasury securities	137,341,138	137,341,138	-	-	1.59
Federal Home Loan Bank	-	-	-	-	-
Federal Home Loan Mortgage Corp.	10,117,620	-	10,117,620	-	1.26
Federal National Mortgage Association	14,224,274	-	14,224,274	-	0.95
Federal Farm Credit Bank	17,076,472	-	17,076,472	-	1.40
Total Investments at Fair Value	$ 181,789,533	$ 140,371,167	$ 41,418,366	$ -	
Portfolio Weighted Avg. Maturity					1.48

The certificates of deposit and money market accounts are in banks covered by the State collateral pool or under FDIC. All federal securities, guaranteed by or linked to the U.S. government, are rated Aaa by Moody's and AA+ by Standard & Poor's. (Treasury securities and Federal Home Loan Mortgage Company also have a AAA rating from Fitch). As of June 30, 2022, the investments that constituted a concentration risk due to the investments exceeding 5% of the portfolio balance were the U.S. Treasury Securities, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, and Federal Farm Credit Bank.

Interest Rate Risk: Investments held for longer periods are subject to increased risk for adverse interest rate changes. City policy provides that to the extent practicable, investments are matched with anticipated cash flows. Typically, certificates of deposit are issued for periods less than one year and investments in the Local Government Investment Pool are available daily. On June 30, 2022, investments of the City had weighted average maturities as noted above.

Credit Risk: The City's general investment policy is derived from the model investment policy created by the Government Finance Officers Association. Its general objectives are safety, liquidity, and yield and its standard of care to be used by investment officials is formulated around the prudent-person rule: investments are made as a prudent person should be expected to make, with discretion and intelligence, to produce reasonable income, preserve capital and, in general, avoid speculative investments.

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As of December 31, 2021, the City of Franklin Employees' Pension Plan (closed plan) had the following investments measured at fair value per GASB Statement 72:

		Fair Value Measurements Using		
	12/31/2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Local managed investments				
Cash and equilvalents [1]	$ 383,208	$ 383,208	$ -	$ -
	383,208			
State managed investments (TCRS)				
Cash and equivalents [2]	$ 2,195,573	2,195,573	-	-
Domestic fixed income [2]	46,577,513	-	46,577,513	-
Domestic equities [2 3]	69,931,410	69,931,410	-	-
International equity [2]	23,994,476	-	23,994,476	-
	142,698,972			
Total investments at fair value level	143,082,180	$ 72,510,191	$ 70,571,989	$ -
Investments measured at the net asset value (NAV)				
State managed investments (TCRS)				
Real estate funds [2]	14,898,531			
Timber funds [2 4]	2,803,113			
Total investments at the NAV	17,701,644			
Total investments measured at fair value	$ 160,783,824			

[1] Invested in First American prime obligation fund, class z
[2] Investments managed per agreement with the State by Tennessee Consolidated Retirements System (TCRS) money managers.
[3] Landmark private equity and Hamilton private equity changed to State managed during 2019.
[4] RMK timber fund II, RMS forest fund III, and FIA timber changed to State managed during 2019.
Allocation for state managed investments was developed from TCRS Asset Allocation Analysis Report for period ending December 31, 2021.

Pension plan investments available for sale include short-term investments, domestic corporate stock, foreign stock, private equity funds, mutual funds, investments in timberland and real estate funds, bond funds and other investments. See additional information in Note 3 F. The pension policy does not include reference to credit risk, interest rate risk, concentration risk, or foreign currency risk.

Debt and equity securities classified in Level 1 of the fair value hierarchies above are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 are generally valued using pricing techniques based on the securities relationship to the benchmark quoted prices. The fair values of real estate and timber funds has been determined using the NAV per share (or its equivalent) of the ownership interest in capital. Distributions from each fund will be received as the underlying assets of the fund are liquidated. Derivative instruments classified in Level 2 are valued using a market approach that considers benchmark interest rates.

C. Receivables

Property tax receivables are shown net of an allowance for uncollectibles. The allowance is recorded based on the history of collections. Court fines receivable are also shown net of an allowance for uncollectibles. The allowance is recorded based on management's estimate of what portion of the outstanding receivable will be collected in the future.

The allowances for uncollectible customer accounts recorded in the Water and Sewer proprietary fund are based on history of uncollectible accounts and management's analysis of current accounts. Bad debts in the proprietary fund are recorded by the direct write-off method.

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Amounts are aggregated into a single accounts receivable (net of allowance for uncollectibles) line for certain funds and aggregated columns. Below is the detail of receivables for the general, multi-purpose capital project, debt service, and the nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectible accounts:

	General Fund	Multi-Purpose Capital Project Fund	Road Impact Fee Fund	Debt Service Fund	Other Governmental Funds	Total
Receivables:						
Accounts	$ 1,259,000	$ 16,700	$ -	$ -	$ 3,047,726	$ 4,323,426
Property taxes	11,596,088	-	-	11,595,720	1,094,550	24,286,358
In Lieu of Tax	32,391	-	-	-	-	32,391
Due from IDB	1,201,119	-	-	-	-	1,201,119
Due from General	-	-	-	-	-	-
Local option sales tax	10,237,760	-	-	-	-	10,237,760
Special assessments	43,200	-	-	-	-	43,200
Due from county	105,133	-	-	-	-	105,133
State shared revenue	2,799,904	-	-	-	590,390	3,390,294
Grants	192,826	575,073	-	-	276,602	1,044,501
Fines	867,068	-	-	-	-	867,068
Leases	256,631	-	-	-	-	256,631
Events	27,910	-	-	-	-	27,910
Insurance Reimbursement	1,525,131	-	-	-	-	1,525,131
Interest	166,893	32,687	80,240	1,085	92,434	373,339
Gross receivables	30,311,054	624,460	80,240	11,596,805	5,101,702	47,714,261
Less: Allowance for uncollectibles	(758,356)	-	-	-	-	(758,356)
Net receivables	$ 29,552,698	$ 624,460	$ 80,240	$ 11,596,805	$ 5,101,702	$ 46,955,905

Receivables in the Water and Sewer Fund on June 30, 2022 represent accounts due from customers for services provided, special assessments, due from the state for SRF loan reimbursements, and interest income. The receivables are presented net of an allowance of $1,055,250.

Receivables	
Customers	$ 7,479,360
Special assessments	71,281
Due from State (SRF Loans)	2,545,946
Due from ACSI	20
Leases	487,015
Grants	54,196
Interest	109,384
Gross receivables	10,747,202
Less: Allowance for uncollectibles	(1,055,250)
Net receivables	$ 9,691,952

Governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, various components of unearned revenue reported in the governmental funds were as follows:

	Unearned
Confiscated funds	$ 154,375
Tree bank reserve	355,978
Sidewalk reserve	174,375
Affordable housing reserves	297,013
Sponsorship reserve	20,350
Capital Project Grant	90,094
American Rescue Plan Act proceeds	7,714,828
Total unearned revenue for fund financial statements	$ 8,807,013

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D. Capital Assets

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance June 30, 2021	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2022
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 61,602,893	$ -	$ 1,765,775	$ 416,850	$ 62,951,818
Construction in process-non-infrastructure	20,133,963	(11,189,040)	7,239,712	-	16,184,635
Construction in process-infrastructure	23,571,711	(1,055,059)	10,296,606	-	32,813,258
Total capital assets, not being depreciated	105,308,567	(12,244,099)	19,302,093	416,850	111,949,711
Capital assets, being depreciated:					
Buildings and improvements	74,565,195	10,961,204		-	85,526,399
Improvements other than buildings	28,337,721	-	-	-	28,337,721
Machinery and equipment	73,032,313	227,836	2,247,525	1,597,663	73,910,011
Infrastructure	756,330,608	1,055,059	20,804,102	1,161,200	777,028,569
Total capital assets, being depreciated	932,265,837	12,244,099	23,051,627	2,758,863	964,802,700
Accumulated depreciation:					
Buildings and improvements	22,351,278	-	1,566,393	-	23,917,671
Improvements other than buildings	16,495,751	-	1,386,083	-	17,881,834
Machinery and equipment	52,560,740	-	5,000,493	1,495,448	56,065,785
Infrastructure	222,334,663	-	15,243,986	11,612	237,567,037
Total accumulated depreciation	313,742,432	-	23,196,955	1,507,060	335,432,327
Total capital assets being depreciated, net	618,523,405	12,244,099	(145,328)	1,251,803	629,370,373
Total governmental activities capital assets, net	723,831,972	-	19,156,765	1,668,653	741,320,084
Business-type activities:					
Capital assets, not being depreciated:					
Land	5,948,524	-	88,727	-	6,037,251
Construction in process	131,284,027	-	31,476,392	-	162,760,419
Total capital assets, not being depreciated	137,232,551	-	31,565,119	-	168,797,670
Capital assets, being depreciated:					
Buildings and improvements	28,175,100	-	-	1	28,175,099
Utility plant in service	261,399,435	-	1,562,628	-	262,962,063
Machinery and equipment	6,408,363	-	-	28,483	6,379,880
Total capital assets, being depreciated	295,982,898	-	1,562,628	28,484	297,517,042
Accumulated depreciation:					
Buildings and improvements	12,989,714	-	963,524	-	13,953,238
Utility plant in service	99,789,657	-	6,355,359	-	106,145,016
Machinery and equipment	5,539,472	-	352,125	28,483	5,863,114
Total accumulated depreciation	118,318,843	-	7,671,008	28,483	125,961,368
Total capital assets being depreciated, net	177,664,055	-	(6,108,380)	1	171,555,674
Business-type activities capital assets, net	314,896,606	-	25,456,739	1	340,353,344
Total capital assets, net	$ 1,038,728,578	$ -	$ 44,613,504	$ 1,668,654	$ 1,081,673,428

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Depreciation expense was charged to functions/programs of the primary government for the year ended June 30, 2022, as follows:

Governmental activities:		
Project & facilities management	$	44,960
Building and neighborhood services		12,660
Information and technology		763,838
Traffic operations center		205,066
Human resources		5,841
Police department		1,639,810
Fire department		1,446,599
Highways and streets		15,385,126
Traffic		25,533
Fleet management		2,959
Parks		1,693,685
General government		128,327
Sanitation		1,453,607
Stormwater		236,612
Transit		152,332
Total depreciation expense - governmental activities		23,196,955
Business-type activities:		
Water and sewer		7,671,008
Total depreciation expense	$	30,867,963

E. Accrued Liabilities

Accrued liabilities reported by governmental funds on June 30, 2022, were as follows:

Accrued employee payroll	$	2,051,326
Accrued employee insurance claims		1,268,485
Total accrued liabilities	$	3,319,811

F. Pension Plans

The City of Franklin participates in two (2) pension plans: The City of Franklin Employees' Pension Plan and Trust (the closed plan) and the Tennessee Consolidated Retirement System (TCRS plan). The Employees' Pension plan was closed to new employees effective December 31, 2016. All new hires beginning January 1, 2017 are enrolled in the Tennessee Consolidated Retirement System (TCRS), a multiple employer defined benefit pension plan administered by the State of Tennessee Department of the Treasury.

Summary of Significant Accounting Policies

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the closed plan in the Fiduciary Pension Funds and the TCRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF FRANKLIN, TENNESSEE
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City of Franklin Employees' Pension Plan and Trust (closed plan)

General Information about the City of Franklin Employees' Pension Plan

Plan Description. The City of Franklin administers the City of Franklin Employees' Pension Plan and Trust, a single employer defined benefit pension plan. The assets of the Plan are held for investment and may be used only for the payment of benefits to members of the Plan. The Plan's year ends on December 31. It was deemed impractical to report the financial activity of the Plan as of and for the year ended June 30, 2022. Accordingly, all financial statement information regarding the Plan is as of December 31, 2021 and the year then ended. Section 4-204(2)(p) of the City's Charter assigns the Human Resources Director the responsibility to administer the pension program under the direction of the City Administrator. All benefits and provisions of the Plan are at the discretion of the Board of Mayor and Aldermen consistent with the laws of Tennessee and the Federal government. The following is a general description of the Plan; refer to the Plan document for further details. The Plan is operated under the direction of the Employee Pension Committee, which consists of the following seven members: City Mayor, Alderman, Employee Representatives (2), Citizens (2), and Human Resources Director. The financial statements of the plan are presented solely in this Annual Comprehensive Financial Report of the City; there are no separate financial statements issued for the plan. Administrative costs are paid from the pension fund as shown on page 44.

Benefits provided. The Plan is a single employer defined benefit pension plan that covers the full-time employees (who work 30 hours or more per week and are employed for 1 year) of the City including all departments, except for certain department heads who may opt out of the Plan. For employees hired after February 15, 2010, employees must make an election to participate in the Plan. The Plan provides retirement, termination, and death benefits to plan members and beneficiaries. Cost-of-living adjustments (COLA) to plan members and beneficiaries in receipt of monthly benefits are provided at the discretion of the Board of Mayor and Aldermen.

Normal retirement occurs at age 65 and completion of five years of Plan participation. With respect to employees hired before July 1, 2006, normal retirement occurs when they complete 25 years of service. The normal retirement benefit is based on a percentage of average compensation, as defined by the Plan, multiplied by the years of credited service. The Plan also has provisions for early, late, and disabled retirement, with related adjustments to the benefits provided. Participants are vested in their accrued benefits after completing five years of credited service. The plan allows for cash balance accounts equal to the pre- and post-tax employee contributions, discretionary City contributions and interest credits. Employees are 100% vested in the cash balance accounts at all times.

Employees covered by benefit terms. Membership of the Plan consisted of the following on January 1, 2022, the date of the latest actuarial valuation:

Inactive plan participants:	
Retiree participants and beneficiaries (receiving benefits)	271
Terminated employees entitled to deferred benefits	193
Disabled participants (receiving benefits)	3
Inactive plan participants total	467
Active plan participants:	
Vested	405
Nonvested	1
Active plan participants total	406
Total participants	873

Contributions. For employees hired before February 15, 2010, the City of Franklin Employees' Pension Plan is funded entirely by the City of Franklin; employees are not required to contribute to the Plan.

Plan members hired February 15, 2010 through December 31, 2016 are required to contribute 5% of their compensation to participate in the Plan. (These employees hired on or after February 15, 2010, may select the City of Franklin 2010 Defined Contribution Plan which also requires a 5% contribution but includes a 5% employer match. An additional 3% may be contributed that would be matched by the City). The Plan changes for employees hired on or after February 15, 2010 were due to a freeze on admittance to the prior non-contributory Pension Plan approved in January 2010. This approval was due to actuarial reports that showed that the Plan was underfunded and would require substantial increases in annual contributions for many years to bring the Plan to a fully funded level.

The City has established an informal policy to annually contribute an actuarial determined amount in four (4) quarterly installments on approximately the first day of each quarter during the fiscal year based on the previous January 1 actuarial valuation. The Plan has no long-term contracts for contributions to the Plan and no legally required reserves.

All employees hired beginning January 1, 2017 are enrolled in the TCRS defined benefit plan.

Net Pension Liability (Asset)

The City's net pension liability was measured as of January 1, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.0%
Salary increases	Prior year, 4% annual increase. Beginning December 31, 2018, based on age (age 25, 7.5%, Age 30, 7.0%, Age 35, 6.0%, Age 40, 5%, Age 45, 4.5%, Age 50, 4%, Age 55, 3.5%, and Ages 60+. 3%).
Investment rate of return	Prior year, 7.1%. Beginning December 31, 2021, 7.0%.
Cost of living adjustment	2.5%

Mortality rates were based on 105% for the RP-2014 Healthy Annuitants and Non-Annuitants, Blue Collar Mortality Tables, adjusted back to 2006, separate for males and females.

The actuarial assumptions used in the January 1, 2022 valuation were based on a limited update of an actuarial experience study for the 10-year period ending December 31, 2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

During 2019, domestic equity and timber investments changed to state managed. The only investments remaining as locally managed is short term securities being held for pension payments and fees.

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
Short term securities	0.0%	0%
Total		0%

For closed pension investments managed by TCRS, the target allocation and long-term expected return would be the same as the TCRS pension plan. For the year ended December 31, 2021, the annual money-weighted rate of return based on monthly cash flows on pension investments, net of pension plan investment expense, was 18.4%. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for changing amounts invested. Further information can be found on page 85.

Discount rate. The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 1/1/2021	$ 165,278,119	$ 136,804,759	$ 28,473,360
Changes for year:			
Service cost	2,303,771	-	2,303,771
Interest	11,448,477	-	11,448,477
Differences between expected and actual experience	3,987,815	-	3,987,815
Changes of assumptions	1,990,837	-	1,990,837
Contributions - employer	-	6,160,363	(6,160,363)
Contributions - employee	267,298	896,492	(629,194)
Net investment income	-	24,962,458	(24,962,458)
Benefit payments, including refunds of employee contributions	(7,937,323)	(7,937,323)	-
Administrative expense	-	(102,925)	102,925
Net changes	12,060,875	23,979,065	(11,918,190)
Balances at 12/31/2021	$ 177,338,994	$ 160,783,824	$ 16,555,170

Tennessee Consolidated Retirement System (TCRS)

General Information about the Pension Plan

Plan description. Employees of City of Franklin hired January 1, 2017 and thereafter are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under Tennessee Code Annotated, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investement-Policies.

Benefits provided. Tennessee Code Annotated, Title 8, Chapters 34-37, establishes the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's service credit. Reduced benefits for early retirement are available at age 55 and vested. Members vest with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for non-service-related disability eligibility. The service related and non-service-related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria.

Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to July 2 of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Employees covered by benefit terms. At the measurement date of June 30, 2021, the following employees were covered by the benefit terms:

Retirees or beneficiaries currently receiving benefits	-
Inactive employees entitled to but not yet receiving benefits	70
Active employees	205
Total employees	275

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute 5 percent of salary. City of Franklin makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2022, the employer contributions for City of Franklin were $722,254 based on a rate of 6.1 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept City of Franklin's state shared taxes if required employer contributions are not remitted. The employer's ADC and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

Pension liabilities (assets). City of Franklin's net pension liability (asset) was measured as of June 30, 2021, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability as of June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary increases	Graded salary ranges from 8.72 percent to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return	6.75 percent, net of pension plan investment expenses, including inflation
Cost-of-living adjustment	2.125 percent

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2021 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2017 through June 30, 2020. The demographic assumptions were adjusted to reflect more closely actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building-block method in which a best- estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class is summarized in the following table:

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Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
U.S. Equity	4.88%	31%
Developed market international equity	5.37%	14%
Emerging market international equity	6.09%	4%
Private equity and strategic lending	6.57%	20%
U.S. fixed income	1.20%	20%
Real estate	4.38%	10%
Short term securities	0.00%	1%
		100%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the factors described above.

Discount rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from City of Franklin will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2020	$ 2,035,374	$ 1,954,718	$ 80,656
Changes for year:			
Service cost	926,140	-	926,140
Interest	213,489	-	213,489
Differences between expected and actual experience	(95,425)	-	(95,425)
Changes of assumptions	297,549	-	297,549
Contributions - employer	-	581,981	(581,981)
Contributions - employee	-	480,976	(480,976)
Net investment income	-	634,842	(634,842)
Benefit payments, including refunds of employee contributions	(33,675)	(33,675)	-
Administrative expense	-	(16,862)	16,862
Net changes	1,308,078	1,647,262	(339,184)
Balances at June 30, 2021	$ 3,343,452	$ 3,601,980	$ (258,528)

CITY OF FRANKLIN, TENNESSEE
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The City reports for the plans the following net pension liability (asset) as of June 30, 2022 in the Statement of Net Position:

Net pension liability (asset)	Governmental activities	Business-type activities	Total
Closed Plan	$ 14,568,548	$ 1,986,622	$ 16,555,170
TCRS Plan	(227,506)	(31,022)	(258,528)
	$ 14,341,042	$ 1,955,600	$ 16,296,642

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the current discount rate (7.0% for the closed plan, 6.75% for the TCRS plan) as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0% closed plan, 5.75% TCRS plan) or 1-percentage-point higher (8.0% closed plan, 7.75% TCRS plan) than the current rate:

Sensitivity to discount rate	1% Decrease	Current Rate	1% Increase
Closed Plan	$ 38,625,535	$ 16,555,170	$ (1,831,201)
TCRS Plan	619,579	(258,528)	(930,049)
	$ 39,245,114	$ 16,296,642	$ (2,761,250)

Pension Expense (Negative Pension Expense) and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the City recognized pension (negative pension) expense of ($2,130,882) as follows:

Pension (negative pension) expense	Governmental activities	Business-type activities	Total
Closed Plan	$ (1,643,947)	$ (155,989)	$ (1,799,936)
TCRS Plan	(320,253)	(10,693)	(330,946)
	$ (1,964,200)	$ (166,682)	$ (2,130,882)

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On June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience:		
Closed Plan	$ 15,620,376	$ -
TCRS Plan	499,267	86,750
Changes of assumptions:		
Closed Plan	3,842,512	-
TCRS Plan	270,499	
Net difference between projected and actual earnings on pension plan investments:		
Closed Plan	-	17,437,928
TCRS Plan	-	346,208
Contributions made subsequent to the measurement date:		
Closed Plan	1,500,000	-
TCRS Plan	722,254	-
Total	$ 22,454,908	$ 17,870,886

The amount shown above for "Contributions made subsequent to the measurement date" will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

Deferred outflows of resources and deferred inflows of resources related to pension are recognized as follows in the Statement of Net Position:

Deferred Outflows of Resources	Governmental activities	Business-type activities	Total
Closed Plan	$ 18,627,342	$ 2,335,546	$ 20,962,888
TCRS Plan	1,399,648	92,372	1,492,020
	$ 20,026,990	$ 2,427,918	$ 22,454,908

Deferred Inflows of Resources	Governmental activities	Business-type activities	Total
Closed Plan	$ 15,345,376	$ 2,092,552	$ 17,437,928
TCRS Plan	381,004	51,954	432,958
	$ 15,726,380	$ 2,144,506	$ 17,870,886

CITY OF FRANKLIN, TENNESSEE
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For the plans, amounts reported as deferred outflow of resources or deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Closed Plan	TCRS Plan	Total
2023	$ 1,786,323	$ (4,077)	$ 1,782,246
2024	(2,388,794)	(3,687)	(2,392,481)
2025	(2,870,133)	(3,436)	(2,873,569)
2026	(1,790,915)	(10,043)	(1,800,958)
2027	1,265,932	81,241	1,347,173
Thereafter	6,022,544	276,811	6,299,355

In the table shown above, positive amounts will increase pension expense while negative amounts will decrease pension expense.

Payable to the Pension Plans

As of June 30, 2022, the City of Franklin had a payable of $1,500,000 relating to an approved additional contribution to the closed plan and $722,254 for the outstanding amount of contributions to the TCRS plan required at the year ended June 30, 2022.

G. Other Post-Employment Benefits (OPEB)

Plan Description and Benefits Provided. The City of Franklin self-insures its retired employees for healthcare benefits in a single employer plan (the "OPEB Plan"). Benefits are established and amended by an insurance committee. The City provides health insurance from the date the employee retires up until the age of 65. No health insurance is available to retirees with less than 20 years of service. For retirees after 20 years of service and at least age 62, retirees pay 15% of the Cobra rates for Option I (low deductible plan) single coverage and 20% of the Cobra rate for Option I family coverage. For the closed plan, retirees after 30 years and at least age 55 pay Cobra rates less $275.00/month for Option I single coverage or less $535.50/month for Option I family coverage. For the TCRS plan, retirees after 30 years of service and at least age 55 are eligible to select Option 1 coverage.

Closed plan retirees hired before July 1, 2006 with at least 25 years of service are eligible for insurance under Option II (high deductible plan) at the Cobra rate less $200/month for single coverage or $500/month for family coverage. Closed plan retirees hired after July 1, 2006 with 25 years of service are eligible for the Option II insurance plan but must also be at least age 55. TCRS plan retirees after 30 years and at least age 55 may select Option II coverage (instead of Option I). Beginning July 1, 2019, the City pays 40% of the total monthly premium for Option II coverage in lieu of the $200 for single or $500 for family.

The plan does not have vested inactives as health insurance is not available at normal retirement age of 65. Active employees are eligible if they retire prior to age 65.

The OPEB Plan does not issue separate financial statements, and as such, all required disclosures and supplementary information are included as part of the City's annual financial report. There are no assets accumulated in a GASB-compliant trust.

Funding Policy. The premium requirements of OPEB Plan members are established and may be amended by the insurance committee. Claims liabilities of the OPEB Plan are periodically computed using the actuarial and statistical techniques to establish premiums.

Employees covered by the benefit terms. At the measurement date of June 30, 2022, the following employees were covered by the benefit terms:

Retirees (receiving benefits)	34
Actives	678
Covered spouses of retirees (receiving benefits)	19
Total	731

Total OPEB Liability

The City of Franklin's total OPEB liability of $22,778,125 was measured as of June 30, 2022 and was determined by an actuarial valuation as of that date. (This was second year of the valuation from 2021.)

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry age normal
Amortization period	For contribution calculations: 20 years (closed) beginning July 1, 2018.
Remaining amortization period	Experience gains or losses are amortized over the average working lifetime of all participants which for the current period is 6 years. Plan amendments are recognized immediately. Investment gains or losses are amortized over a 5 year period. Changes in actuarial assumptions are amortized over the average working lifetime of all participants.
Asset valuation	Not applicable
Inflation	2.18% per annum based on the S&P 500 High Grade 20 Year Rate Index as of June 28, 2022
Salary increases	2.00% per annum
Investment rate of return	Not applicable
Retirement age	Pattern of retirement determined by experience for administrative, general government, and fire and police employees.
Mortality	Active and retired: 105% RP-2014 Blue Collar Mortality Tables for Males and Females adjusted back to 2006. For disabled: 105% RP-2014 Disabled Retiree Mortality Tables for Males and Females adjusted back to 2006.
Funding policy	Funded on a pay-as-you-go basis. The City funds on a cash basis as benefits are paid. No assets have been segregated and restricted to provide for post-employment benefits.
Plan participation	100% of future eligible retirees are assumed to elect the medical coverage upon retirement.
Marital status	64% of future eligible retirees are assumed to cover a spouse.

Changes in the Total OPEB liability

	Total OPEB Liability (a)	Plan Net Position (b)	OPEB Liability (a) - (b)
Balance at June 30, 2021	$ 22,104,047	$ -	$ 22,104,047
Changes for the year:			
Service cost	645,058	-	645,058
Interest	485,969	-	485,969
Change of benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes in assumptions or other inputs	-	-	-
Contributions - employer	-	456,949	(456,949)
Benefit payments	(456,949)	(456,949)	-
Net changes	674,078	-	674,078
Balance at June 30, 2022	22,778,125	-	22,778,125

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City of Franklin, as well as what the City of Franklin's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.18 percent) or 1-percentage-point higher (3.18 percent) than the current discount rate.

	1% Decrease 1.18%	Current Discount Rate 2.18%	1% Increase 3.18%
Total OPEB Liability	$ 25,237,855	$ 22,778,125	$ 20,590,256

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City of Franklin, as well as what the City of Franklin's total OPEB liability would be if it were calculated using healthcare costs trend rates that are 1-percentage-point lower (5.25 percent decreasing to 4.75 percent) or 1-percentage-point higher (7.25 percent decreasing to 6.75 percent) than the current healthcare cost trend rates:

	1% Decrease (5.25% to 4.75% over 2 year and following the Gertzen model thereafter)	Healthcare Cost Trend Rates (6.25% to 5.75% over 2 year and following the Gertzen model thereafter)	1% Increase (7.25% to 6.75% over 2 year and following the Gertzen model thereafter)
Total OPEB Liability	$ 20,049,624	$ 22,778,125	$ 25,975,411

OPEB Expense and Deferred Outflows of Resources and Deferred inflows of Resources Related to OPEB

For the year ended June 30, 2022, the City of Franklin recognized OPEB expense of $3,176,716.

	Governmental activities	Business-type activities	Total
OPEB (negative OPEB) expense	$ 2,795,510	$ 381,206	$ 3,176,716

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The City reports the following total OPEB liability (asset) as of June 30, 2022 in the Statement of Net Position:

	Governmental activities	Business-type activities	Total
Total OPEB liability	$ 20,044,750	$ 2,733,375	$ 22,778,125

On June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Differences between expected and actual experience:	$ -	$ 823,375
Changes of assumptions:	5,995,325	-
Total	$ 5,995,325	$ 823,375

Deferred outflows of resources and deferred inflows of resources related to OPEB are recognized as follows in the Statement of Net Position:

	Governmental activities	Business-type activities	Total
Deferred Outflows of Resources	$ 5,275,886	$ 719,439	$ 5,995,325

	Governmental activities	Business-type activities	Total
Deferred Inflows of Resources	$ 724,570	$ 98,805	$ 823,375

For the City of Franklin OPEB plan, amounts reported as deferred outflows or resources or deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2023	$ 2,502,638
2024	2,502,641
2025	83,333
2026	83,338

In the table shown above, positive amounts will increase OPEB expense while negative amounts will decrease OPEB expense.

H. Construction and Other Significant Commitments

1. Construction Contracts

During 2022, various street, public works and park improvement projects were in process. On June 30, 2022, there was approximately $11,956,220 in uncompleted contracts for these projects. The projects are funded by the General, Sanitation, Road Impact, Facilities Tax, Stormwater, Hotel/Motel Tax, Parkland, and the Multi-Purpose Capital Project funds. There were $13,967,364 of uncompleted contracts for Water and Sewer Fund projects.

2. Fuel-Hedging Program

The City participates in a fuel hedging program with the Metropolitan Government of Nashville and Davidson County, Tennessee. The City's objective is to hedge the changes in cash flows due to market price fluctuations related to a portion of expected purchases of fuel. The City is committed to its portion of the fuel hedges through June 30, 2022. Renewals of the contracts are expected in the normal course of operations. On June 30, 2022, the contracts are in an asset position; however, the City's portion of the contracts, approximately 4%, is immaterial to the financial statements. City practice has been to hedge no more than 60% of estimated purchases.

3. Water Purchase Contract

The Water and Sewer Fund is committed under a long-term contract for the purchase of water. Minimum payments under the contract in future years are as follows:

Year Ending June 30,		Amount
2023	$	46,325
2024		46,325
2025		46,325
2026		46,325
2027		46,325
2028 - 2029		92,650
Total	$	324,275

4. Defined Contribution Plans

Employees hired July 1, 1995 through February 14, 2010 are required to contribute between 3% and 10% of their annual covered salary to a 401(a) cash balance plan. Any plan member may also voluntarily contribute between 1% and 10% of their annual covered salary. The City makes employer and employee contributions for the cash balance plan to a pension account at US Bank. US Bank disburses eligible participant withdrawals from requests by the City. For these employees, there is also an optional 457 plan available. Mission Square (formerly ICMA-RC) administers the optional 457 plan for the City. The employee has no risk of forfeiture on these amounts.

Employees hired February 15, 2010 through December 31, 2016, may select the City of Franklin 2010 Defined Contribution Plan which requires a 5% contribution but includes a 5% employer match. An additional 3% may be contributed that would be matched by the City. The City's match for the year ended June 30, 2022, totaled $240,962. Mission Square administers the defined contribution plan for the City.

Although there is no risk of forfeiture on employee contributions, the vesting period for the employer match is five (5) years. The match is subject to forfeiture prior to this date.

Also, the City has established a deferred compensation pension plan for employees who are members of the TCRS defined benefit pension plan. Upon their two-year anniversary of hire, eligible employees who contribute to a 457 plan will have up to a 2% salary match provided by the City to a 401(a) plan. The employee is 100% vested at the time of two-year anniversary of hire. Employee participation is voluntary and may be initiated or ended at any time after two years of employment. The City's match for the year ended June 30, 2022, totaled $46,303. TCRS administers this defined benefit plan.

5. Retiree Health Savings (RHS) Program

In 2016, a retiree health savings (RHS) program was adopted to provide reasonable security regarding health needs during retirement. A portion of terminal leave of $24,000 or more is required as contribution to the plan at separation of service (with minimum of ten years service). The contribution reduces tax liability in the year of separation and increases the security of the pension plans by decreasing unplanned demands on Plan assets. The Plan applies to the City Administrator, Assistant City Administrators, and Department Directors. There is no City match to the Plan. Mission Square administers the retiree health savings (RHS) program for the City.

CITY OF FRANKLIN, TENNESSEE
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I. Risk Management

The City is exposed to various risks of losses related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City decided it is more economically feasible to purchase commercial insurance for certain general liability, auto liability, errors and omissions, worker's compensation, and physical damage coverage. The City pays an annual premium to Travelers Companies for its general liability and casualty insurance coverage. The City also carries commercial insurance for all other risks of loss, including employees' health and accident and environmental. In the past three fiscal years, the City has had certain settlements which exceeded insurance coverage, primarily personnel-related judgments.

Self-insured Employee Health Insurance
The City provides medical and dental insurance to its employees and retains the risk of loss to a limit of $225,000 per year, per employee. The City has obtained stop/loss commercial insurance policy to cover claims beyond this liability. All full-time employees of the City are eligible to participate. Claim payments are made by the respective fund of the employee/claimant. Liabilities are reported when it is probable that a claim/loss occurred, and the amount of the claim/loss can be reasonably estimated.

Claim liabilities are based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. Claim liabilities are included in accrued liabilities in the statement of net position. The process used to compute claims liabilities is subject to judgment and estimation, and accordingly, does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years were as follows:

Fiscal Year Ending	**Claims Liability, July 1**	**Current Year Claims and Changes in Estimates**	**Claims Paid**	**Claims Liability, June 30**
6/30/2022	$ 1,665,646	$ 11,487,131	$ (11,884,292)	$ 1,268,485
6/30/2021	$ 1,641,859	$ 9,578,790	$ (9,555,003)	$ 1,665,646

J. Leases

The City has two (2) leases that meet the requirements of GASB 87 (leases). Below are general descriptions of the leasing arrangements. One lease is in the proprietary fund between the City as lessor and FirstBank as lessee. FirstBank pay the City lease payments for us of the building at 5 Points. The second lease is in the General Fund between the City as lessor and Friends of Franklin Parks as lessee. Friends of Franklin Parks pay the City lease payments for us of Harlinsdale arena.

Lessor or Lessee: **Fund with Lease:** **Department with Lease** **Leased Asset** **Asset Description**	**Lessor** **Proprietary** **Water** **Building** **5 Points**	**Lessor** **General** **Parks** **Land** **Harlinsdale Arena**
Inception Date (when signed)	2/12/2013	1/28/2021
Possession Date	7/1/2013	1/1/2022
Lease Term in Years	40	18.5
Annual Payments	24,000	14,842
Payments Made At First or End of Year	Beginning	Beginning
Percent Escalation	3%	4%
Annual Discount (Interest) Rate	4.59%	4.46%
Beginning inflows of resources for leases	398,496	259,524
Total amount of inflows of resources recognized in the reporting period from leases	(18,113)	(7,014)
Ending inflows of resources for leases	380,383	252,510
The amount of inflows of resources recognized in the reporting period for variable and other payments.	0	0

CITY OF FRANKLIN, TENNESSEE
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Year Ending	Governmental Activities Future Lease Payment		Business Type Activities Future Lease Payment		Total	
June 30,	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2023	$ 4,452	$ 11,357	$ 8,447	$ 16,777	$ 12,899	$ 28,134
2024	5,316	11,139	12,743	16,405	18,059	27,544
2025	6,146	10,885	13,192	15,956	19,338	26,841
2026	7,034	10,593	13,658	15,490	20,692	26,083
2027	7,984	10,260	14,139	15,009	22,123	25,269
2028-2032	56,590	44,670	91,284	66,360	147,874	111,030
2033-2037	91,880	28,385	126,059	47,665	217,939	76,050
2038-2042	77,229	5,510	169,204	22,244	246,433	27,754
2043	-	-	38,289	723	38,289	723
Total	$ 256,631	$ 132,799	$ 487,015	$ 216,629	$ 743,646	$ 349,428

K. Long-term Debt

Long-term debt (excluding unamortized premiums) on June 30, 2022, is comprised of the following:

Governmental Activities:

General Obligation Bonds:	
Series 2010 - General Obligation Refunding Bonds, 2.00% to 4.00% interest, final maturity March 1, 2024	3,000,000
Series 2012 - General Obligation Refunding Bonds, 2.13% interest, final maturity May 1, 2027	8,500,000
Series 2013A - General Obligation Bonds, 2.00% to 4.00% interest, final maturity March 1, 2034	4,915,000
Series 2013B - General Obligation Bonds, Pension Plan Funding, 1.00% to 3.50% interest, federally taxable, final maturity March 1, 2024	2,215,000
Series 2015 - General Obligation Bonds, 3.00% to 5.00% interest, final maturity April 1, 2035	11,070,000
Series 2017 - General Obligation Bonds, 2.00% to 5.00% interest, final maturity April 1, 2037	18,920,000
Series 2019A - General Obligation Bonds, 4.00% to 5.00% interest, final maturity March 1, 2039	25,185,000
Series 2019B - General Obligation Refunding Bonds, 5.00% interest, final maturity March 1, 2029	16,995,000
Series 2019C - General Obligation Bonds, 4.00% to 5.00% interest, final maturity June 1, 2032	28,820,000
Series 2019D - General Obligation Refunding Bonds, 1.00% to 3.50% interest, federally taxable, final maturity June 1, 2027	1,940,000
Total Governmental Activities Long-Term Debt	$ 121,560,000

CITY OF FRANKLIN, TENNESSEE
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The bonds are secured by the full faith and credit of the City. During 2022, debt service for the debt was provided by the Debt Service Fund through property tax collections as well as transfers from the Sanitation Fund, Road Impact Fund, and the Hotel/Motel Tax Fund.

Business - Type Activities:

Revenue and tax bonds:		
Series 2005 - Sewer and Water Revenue and Tax Refunding Bonds, 3.00% to 5.00% interest, final maturity April 1, 2025	$	4,455,000
Series 2011 - Truist (formally SunTrust) Loan Program, 2.48% interest, final maturity May 25, 2026		6,015,000
Series 2017 - Sewer and Water Revenue Bonds, 3.00% to 5.00% interest, final maturity February 1, 2037		9,935,000
Series 2021 - Sewer and Water Revenue Bonds, 3.00% to 5.00% interest, final maturity February 1, 2042		10,660,000
Notes payable:		
Drinking Water SRF Loan provided through ARRA funding, 2.82% interest; final maturity December 20, 2030		741,523
Clean Water SRF Loan provided through ARRA funding, 2.69% interest; final maturity October 20, 2032		1,101,140
State Revolving Fund Loan (CG2 2016-367) 0.89% interest; final maturity June 20, 2033		1,360,213
State Revolving Fund Loan (SRF 2016-374) 0.89% interest; final maturity June 20, 2033		240,675
State Revolving Fund Loan (CG5 2017-375) 0.89% interest; final maturity August 20, 2049		1,177,148
State Revolving Fund Loan (SRF 2017-376) 1.47% interest; final maturity April 20, 2051		76,049,748
State Revolving Fund Loan (SRF 2017-398) 1.47% interest; final maturity September 20, 2051		19,599,893
State Revolving Fund Loan (SRF 2017-398-01) 1.47% interest; final maturity June 20, 2053		9,769,764
Total Business-Type Activities Long-Term Debt	$	141,105,104

The bonds are secured by the full faith and credit of the City and backed by the revenues of the Water and Sewer Fund. During 2022, debt service for the debt was provided solely by the Water and Sewer Fund.

CITY OF FRANKLIN, TENNESSEE
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The annual requirements, by type of issue, to amortize outstanding bonds and notes payable on June 30, 2022, are as follows:

Year Ending	General Obligation Bonds		Revenue and Tax Bonds and Notes		Total	
June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2023	10,540,000	5,165,461	6,825,946	2,850,847	$ 17,365,946	$ 8,016,308
2024	11,555,000	4,739,016	7,116,187	2,652,675	18,671,187	7,391,691
2025	10,780,000	4,305,603	7,241,469	2,450,744	18,021,469	6,756,347
2026	11,240,000	3,843,002	5,927,561	2,255,997	17,167,561	6,098,999
2027	11,740,000	3,358,483	4,464,478	2,122,117	16,204,478	5,480,600
2028-2032	43,220,000	9,588,120	23,745,034	9,043,816	66,965,034	18,631,936
2033-2037	19,355,000	2,709,995	24,864,444	6,395,689	44,219,444	9,105,684
2038-2042	3,130,000	189,000	22,606,052	3,930,168	25,736,052	4,119,168
2043-2047	-	-	20,481,240	2,056,380	20,481,240	2,056,380
2048-2052	-	-	17,443,401	549,235	17,443,401	549,235
2053	-	-	389,292	3,588	389,292	3,588
Totals	$ 121,560,000	$ 33,898,680	$ 141,105,104	$ 34,311,256	$ 262,665,104	$ 68,209,936

Management believes that the City complies with all significant debt covenants and restrictions as set forth in the bond agreements.

The above bonds and notes payable contain provisions that in the event of default, the lenders can exercise one or more of the following options: 1) make the outstanding bond and/or note payable with accrued interest due and payable, 2) use any remedy allowed by state or federal law.

CITY OF FRANKLIN, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
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Long-term liability activity for the year ended June 30, 2022, was as follows:

	Beginning Balance	Additions	Reductions/ Amortization	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds-capital	$ 128,445,000	$ -	$ 9,100,000	$ 119,345,000	$ 9,450,000
Premium-GO bonds-capital	18,314,179	-	998,543	17,315,636	1,648,054
Total GO bonds-capital	146,759,179	-	10,098,543	136,660,636	11,098,054
General obligation bonds-pension	3,275,000	-	1,060,000	2,215,000	1,090,000
Total bonds payable	150,034,179	-	11,158,543	138,875,636	12,188,054
Park acquisition agreement	214,284	-	214,284	-	-
Compensated absences	11,264,967	5,886,128	4,664,545	12,486,550	4,664,545
Net pension liability-closed	25,056,557	-	10,488,009	14,568,548	-
Net pension liability-TCRS	70,977	-	70,977	-	
Total OPEB liability	19,451,564	593,186	-	20,044,750	-
Total long-term liabilities	$ 206,092,528	$ 6,479,314	$ 26,596,358	$ 185,975,484	$ 16,852,599
Business-type activities:					
Revenue and tax bonds	$ 17,120,000	$ 10,660,000	$ 2,730,000	$ 25,050,000	$ 2,355,000
Bank debt-capital	7,430,000	-	1,415,000	6,015,000	1,450,000
State revolving loans-capital	103,113,487	9,769,764	2,843,147	110,040,104	3,020,946
Premium	1,341,743	2,493,116	270,882	3,563,977	296,852
Total bonds payable	129,005,230	22,922,880	7,259,029	144,669,081	7,122,798
Compensated absences	1,156,667	738,035	590,168	1,304,534	590,168
Net pension liability-closed	3,416,803	-	1,430,181	1,986,622	-
Net pension liability-TCRS	9,679	-	9,679	-	
Total OPEB liability	2,652,483	80,892	-	2,733,375	-
Total long-term liabilities	$ 136,240,862	$ 23,741,807	$ 9,289,057	$ 150,693,612	$ 7,712,966

The general fund is the principal fund used to liquidate long-term liabilities other than debt.

Park acquisition agreement
The City of Franklin entered into an agreement with the battlefield organizations to create the Carter Hill Battlefield Park, which includes interpretative signage. The City's financial obligation of $1.5 million paid annually over 7 years of $214,286 ended in FY 2022.

Issuance of Long-term Debt
The proprietary fund added $9,769,764 of state revolving loan funds in FY 2022. There was no new debt in the governmental activities.

Contingent Liability

The City of Franklin entered a standby loan agreement with the City of Franklin Industrial Development Board in December 2005, after an Industrial Development Board bond issue for $15 million. The bond issue provided funds to purchase land for the site of the Nissan North America Headquarters project, 500,000 square feet building on a 50 - acre campus in the McEwen Economic Development District of Franklin. The Development District is a tax-increment financing district, created under Tennessee Law, which is designed to provide funds which will retire the bond issue from property taxes on future development.

At the inception of the project, the Industrial Development Board had approximately two years of debt service escrowed. As of January 2008, this escrow was fully spent and the City of Franklin began, as agreed, to make available short-term loans while the proceeds from the Development District were insufficient to cover the debt service. These loans cannot exceed $5 million at any time during that period. As of June 30, 2022, expected development in the area is proceeding as projected in the debt repayment plan. Through June 30, 2022, the City has lent $1,201,119 to the Industrial Development Board under standby loan agreement. This amount will be repaid through future property taxes on the development. The City does not guarantee or have any obligation for the repayment of the bonds.

CITY OF FRANKLIN, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

L. Fund Balances

Fund balances:	**General Fund**	**Multi-Purpose Capital Project Fund**	**Road Impact Fee Fund**	**Debt Service Fund**	**State Street Aid Fund**	**Sanitation Fund**	**Facilities Tax Fund**	**County Facilities Tax Fund**	**Storm Water Fund**	**Drug Fund**	**Hotel/Motel Tax Fund**	**Parkland Dedication Fund**	**Transit Authority Fund**	**CDBG Fund**	**Governmental Funds Totals**
Non-Spendable	$ 1,297,773	$ -	$ -	$ -	$ -	$ 70,890	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,368,663
Restricted	-	19,323,125	-	-	2,870,168	1,957,699	-	4,377,131	-	538,766	-	-	-	118,477	29,185,366
Committed	-	-	32,202,321	1,161,978	-	-	13,171,571	-	2,914,022	-	2,713,600	8,451,071	807,253	-	61,421,816
Assigned	-	-	-	-	-	-	-	-	-	-	5,293,047	-	-	-	5,293,047
Unassigned	73,135,433	-	-	-	-	-	-	-	-	-	-	-	-	-	73,135,433
Total fund balances	$ 74,433,206	$ 19,323,125	$ 32,202,321	$ 1,161,978	$ 2,870,168	$ 2,028,589	$ 13,171,571	$ 4,377,131	$ 2,914,022	$ 538,766	$ 8,006,647	$ 8,451,071	$ 807,253	$ 118,477	$ 170,404,325
Reason for Restriction/Commitment:															
Non-spendable inventory prepaids	$ 1,297,773	$ -	$ -	$ -	$ -	$ 70,890	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,368,663
Restricted by state law	-	19,323,125	-	-	2,870,168	1,957,699	-	4,377,131	-	538,766	-	-	-	-	29,066,889
Restricted by federal regulations for fund purpose	-	-	-	-	-	-	-	-	-	-	-	-	-	118,477	118,477
Committed by Board ordinance for fund purpose	-	-	32,202,321	1,161,978	-	-	13,171,571	-	2,914,022	-	5,193,405	8,451,071	807,253	-	63,901,621
Assigned by Board resolutions	-	-	-	-	-	-	-	-	-	-	2,813,242	-	-	-	2,813,242
Unassigned*	73,135,433	-	-	-	-	-	-	-	-	-	-	-	-	-	73,135,433
Total fund balances	$ 74,433,206	$ 19,323,125	$ 32,202,321	$ 1,161,978	$ 2,870,168	$ 2,028,589	$ 13,171,571	$ 4,377,131	$ 2,914,022	$ 538,766	$ 8,006,647	$ 8,451,071	$ 807,253	$ 118,477	$ 170,404,325

Fund Balance Policy - General Fund

*Per the City's Fund Balance Policy, the unassigned fund balance for the General Fund identifies the following reserves:

	Amount
Contingency Commitment	$ 4,653,265
Emergency Commitment	4,653,265
Cash Flow Commitment	13,029,139
Debt Service Commitment	2,791,959
Property/Casualty/Health Insurance Commitment	3,722,612
Retiree Health Benefits Commitment	1,861,306
Supplemental Reserve	11,167,835
Capital Outlay Reserve	31,256,052
Total Reserves	$ 73,135,433

CITY OF FRANKLIN, TENNESSEE
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M. Interfund Receivables, Payables and Transfers

During operations, numerous transactions occur between individual funds for goods provided or services rendered. The following is a summary of transfers during the year ended June 30, 2022:

Transfer from	Transfer to	Amount
General	Street Aid	$ 1,250,000
General	Sanitation	515,680
General	Transit	444,912
General	Capital projects	10,700,000
Sanitation	Debt service	209,551
Road impact	Debt service	2,893,316
Road impact	Capital projects	392,500
County facilities tax	Capital projects	1,000,000
Hotel/motel	Debt service	1,019,071
Hotel/motel	Capital projects	1,250,000
Parkland Dedication	Capital projects	375,000
Water/Sewer	Debt service	200,000
Total		$ 20,250,030

The purposes of the transfers are:

- The transfer from the General Fund to the Street Aid Fund was to provide additional funds for the sidewalk gap project and additional paving.
- The transfer from the General Fund to the Sanitation fund is for repair of the transfer station floor.
- The transfer from the General Fund to the Transit System fund is for providing the annual operating subsidy.
- The transfers from the Sanitation, Road Impact, Hotel/Motel funds to the Debt Service Fund are for the purpose of transferring funds to cover annual debt service requirements.
- The transfer from the General Fund to the Capital Projects Fund was to provide funds for the Long Lane/Peytonsville Connector, West Main Bridge, and Vehicle and Equipment.
- The transfer from the Road Impact Fund to the Capital Projects Fund were to provide funds for Church Street design.
- The transfer from the County Facilities Tax Fund to the Capital Projects Fund was to provide funds for the FSSD joint ballfields project.
- The transfer from the Hotel/Motel Fund to the Capital Projects Fund was to provide additional funds for tourism projects, including the FSSD joint ballfields project.
- The transfer from the Parkland Dedication fund to the Capital Projects Fund was to provide additional funds for costs on Bicentennial Park.
- The transfer from Water/Sewer to the Debt Service fund is to provide funds for a portion of costs in the consolidated public works building.

N. Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal and State governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time although the City's management expects such amounts, if any, to be immaterial.

The City is a defendant in various lawsuits; however, the outcome of these lawsuits is not presently determinable. City Management, in consultation with legal counsel, does not expect any possible liability to materially exceed the City's limits of insurance.

CITY OF FRANKLIN, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

O. Tax abatements

In accordance with GASB Statement No. 77, *Tax Abatement Disclosures*, City property tax revenues were decreased by $126,892 in fiscal year 2022 under five (5) in lieu of property tax agreements. The first three are agreements with the City only. The Nissan and Ramsey Solution agreements are with the City, County, and the Industrial Development Board. The last agreement is a refund to Community Health Systems from a prior year.

The amount is comprised of:

	Estimated Property Tax		In Lieu of Tax Payment	Difference
1. Franklin Housing Authority (1967)	$ 31,163	A	$ 8,404	$ 22,759
2. Franklin Housing Authority (2018)	112,831	B	82,684	30,147
3. Franklin Housing Authority (2019)	26,740	C	3,200	23,540
4. Nissan	163,717	D	131,326	32,391
5. Ramsey Solutions	65,940	E	47,885	18,055
Totals	$ 400,391		$ 273,499	$ 126,892

A The estimated property tax amount for the Franklin Housing Authority-1967 was developed from total cost of the authority's sites per its master housing plan at an assessed residential rate of 25%. The agreement began in 1967 and has no specified end date. Reddick Street properties that have been renovated are now included in FHA-2018.

B The estimated property tax amount for the Franklin Housing Authority-2018 developed from total cost of 3 sites (Senior Residence at Reddick Street completed in November 2013, Reddick Street Apartments completed in November 2016, and Chickasaw Senior Community completed in December 2019) at an assessed residential rate of 25%. The agreement began in 2018 and has no specific end date.

C The estimated property tax amount for the Franklin Housing Authority-2019 developed from total cost of 64 renovated units at Spring Street/Johnson Circle. The PILOT agreement was approved on September 10, 2019.

D The estimated property tax amount is based on the value calculated by the Williamson County property tax assessor. The in lieu of funds are used toward paying the Industrial Development Board's outstanding debt on the land where the Nissan headquarters in located. The agreement began in 2005 and continues as part of the City's Tax Increment Financing (TIF) District provisions.

E The estimated property tax amount is based on the cost of land and building improvements for the Ramsey Solutions facility. The Industrial Development Board owns the facility and leases to Ramsey Solutions. The City passed the tax abatements on October 13, 2015.

P. Prior period adjustment

In fiscal year 2022, the City adopted Governmental Accounting Standards Board ("GASB") Statement No. 87, *Leases*. This implementation resulted in a restatement of beginning net position in 2021 totaling $95,488.

	Statement of Activities Business-type Activities
Net position - July 1, 2021 as previously reported	$ 221,949,970
Adjustment to record leases	84,106
Net position - July 1, 2021 as restated	$ 222,034,076

CITY OF FRANKLIN, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

Q. Subsequent events

On August 23, 2022, the City of Franklin passed Resolution 2022-44 updating financial policies and procedures thresholds for consistency with new purchasing thresholds of $20,000 and $50,000. The thresholds were updated in the following policies, capital asset policy, grants policy, internal control documentation, and lease accounting and reporting policy.

On September 22, 2022, the City of Franklin passed Resolution 2022-51 declaring the intent of the City of Franklin, Tennessee to reimburse itself in a not to exceed amount of $26,150,000 for certain project expenditures with the proceeds of General Obligation Bonds, Notes, or Other debt obligations to be issued by the City. The funding will be used for roads and park development, major road resurfacing, and replacement of fire apparatus.

On October 31, 2022, the City of Franklin applied to the Tennessee Department of Environment and Conservation (TDEC) as part of the non-competitive grant as part of the American Rescue Plan Grant. This grant addresses critical needs for water and sewer systems. The City of Franklin's program total is $6,317,132, TDEC ARPA Grant ($4,679,357) and thirty-five percent (35%) local match ($1,637,775). The funds must be obligated by December 31, 2024 and spent by September 30, 2026.

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REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
CITY OF FRANKLIN EMPLOYEES' PENSION PLAN
(Unaudited)

	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability								
Service cost	$ 2,303,771	$ 2,344,647	$ 2,438,659	$ 2,017,416	$ 1,894,635	$ 1,911,994	$ 2,093,993	$ 1,977,349
Interest	11,448,477	10,650,805	10,165,977	9,572,072	8,725,546	7,983,916	7,209,696	6,583,224
Cash balance increase	267,298	293,738	291,703	289,162	270,241	273,366	-	-
Changes of benefit items	-	-	-	-	-	-	-	-
Differences between expected and actual experience	3,987,815	5,262,761	622,830	2,887,307	5,623,929	3,597,048	3,542,156	3,336,925
Changes of assumptions	1,990,837	1,853,652	1,706,426	1,191,865	1,530,808	771,750	1,852,274	-
Benefit payments, including refunds of employee contributions	(7,937,323)	(6,289,974)	(6,812,691)	(5,310,361)	(4,668,158)	(4,238,026)	(3,699,996)	(3,234,121)
Net change in total pension liability	12,060,875	14,115,629	8,412,904	10,647,461	13,377,001	10,300,048	10,998,123	8,663,377
Total pension liability-beginning	165,278,119	151,162,490	142,749,586	132,102,125	118,725,124	108,425,076	97,426,953	88,763,576
Total pension liability-ending (a)	$ 177,338,994	$ 165,278,119	$ 151,162,490	$ 142,749,586	$ 132,102,125	$ 118,725,124	$ 108,425,076	$ 97,426,953
Plan fiduciary net position								
Contributions-employer	$ 6,160,363	$ 5,061,105	$ 5,988,709	$ 4,254,456	$ 4,471,922	$ 3,888,628	$ 2,846,724	$ 2,354,417
Contributions-employee	896,492	688,835	702,598	831,941	593,845	548,163	525,364	419,334
Net investment income (loss)	24,962,458	14,134,655	18,743,979	(3,237,304)	14,823,429	6,452,638	(1,678,689)	5,973,819
Benefit payments, including refunds of employee contributions	(7,937,323)	(6,289,974)	(6,812,691)	(5,310,361)	(4,668,158)	(4,238,026)	(3,699,996)	(3,234,121)
Administrative expenses	(102,925)	(115,649)	(142,565)	(114,344)	(112,112)	(171,371)	(584,138)	(561,992)
Net change in plan fiduciary net position	23,979,065	13,478,972	18,480,030	(3,575,612)	15,108,926	6,480,032	(2,590,735)	4,951,457
Plan fiduciary net position-beginning	136,804,759	123,325,787	104,845,757	108,421,369	93,312,443	86,832,411	89,423,146	84,471,689
Plan fiduciary net position-ending (b)	$ 160,783,824	$ 136,804,759	$ 123,325,787	$ 104,845,757	$ 108,421,369	$ 93,312,443	$ 86,832,411	$ 89,423,146
Net pension liability-ending (a) - (b)	$ 16,555,170	$ 28,473,360	$ 27,836,703	$ 37,903,829	$ 23,680,756	$ 25,412,681	$ 21,592,665	$ 8,003,807
Plan fiduciary net position as a percentage of the total pension liability	90.7%	82.8%	81.6%	73.4%	82.1%	78.6%	80.1%	91.8%
Covered payroll	$ 29,370,570	$ 29,868,272	$ 30,013,785	$ 31,795,391	$ 31,118,096	$ 30,832,419	$ 30,362,658	$ 27,440,025
Net Pension liability as a percentage of covered payroll	56.4%	95.3%	92.7%	119.2%	76.1%	82.4%	71.1%	29.2%

Notes to Schedule:

Changes of assumptions - In 2019, amounts reported as changes of assumptions resulted from change to the inflation rate and investment rate of return, salary increases, mortality rates, and withdrawal rates.

This schedule is presented to illustrate information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF EMPLOYER CONTRIBUTIONS
CITY OF FRANKLIN EMPLOYEES' PENSION PLAN
(Unaudited)

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 6,160,363	$ 5,061,105	$ 5,988,709	$ 4,254,456	$ 4,205,916	$ 3,888,628	$ 2,846,724	$ 2,417,920
Contributions in relation to the actuarially determined contribution	6,160,363	5,061,105	5,988,709	4,254,456	4,471,922	3,888,628	2,846,724	$ 2,354,417
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ (266,006)	$ -	$ -	$ 63,503
Covered payroll	$ 29,370,570	$ 29,868,272	$ 30,013,785	$ 31,795,391	$ 31,118,096	$ 30,832,419	$ 30,362,658	$ 27,440,025
Contributions as a percentage of covered payroll	21.0%	16.9%	20.0%	13.4%	14.4%	12.6%	9.4%	8.6%

Notes to Schedule
Valuation date:
Actuarially determined contribution rates and covered employee payroll are calculated as of December 31, six months prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar closed (not to exceed 20 years)
Remaining amortization period	Varies by year
Asset valuation	Fair market value
Inflation rate	2.0%
Salary increases	Prior year, 4% annual increase. Beginning December 31, 2018, based on age (Age 25, 7.5%, Age 30, 7.0%, Age 35, 6.0%, Age 40, 5%, Age 45, 4.5%, Age 50, 4%, Age 55, 3.5%, and Age 60+, 3%)
Investment rate of return	Prior year, 7.1%. Beginning December 31, 2021, 7.0%
Retirement age	Pattern of retirement determined by experience study. For administrative employees, 2003 SOA Pension Plan Turnover Study-Basic Age Table used. For police and fire employees, 115% of 2003 SOA Pension Plan Turnover Study-Basic Age Table used.
Mortality	105% of the RP-2014 Health Annuitants and Non-Annuitants, Blue Collar Mortality Tables, adjusted back to 2006, separate for males and females.

This schedule is presented to illustrate information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF INVESTMENT RETURNS
CITY OF FRANKLIN EMPLOYEES' PENSION PLAN
(Unaudited)

	2022	2021	2020	2019	2018	2017	2016	2015
Annual money-weighted rate of return, net of investment expenses	18.4%	11.3%	18.1%	-4.0%	16.1%	7.3%	-2.5%	6.4%

This schedule is presented to illustrate information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TENNESSEE CONSOLIDATED RETIREMENT SYSTEM
(Unaudited)

	2021	2020	2019	2018	2017
Total pension liability					
Service cost	$ 926,140	$ 653,668	$ 372,276	$ 124,730	$ -
Interest	213,489	119,330	51,291	12,799	-
Changes of benefit items	-	-	-	-	52,267
Differences between expected and actual experience	(95,425)	282,980	246,960	146,886	-
Changes of assumptions	297,549	-	-	-	-
Benefit payments, including refunds of employee contributions	(33,675)	(25,724)	(1,183)	(906)	-
Net change in total pension liability	1,308,078	1,030,254	669,344	283,509	52,267
Total pension liability-beginning	2,035,374	1,005,120	335,776	52,267	-
Total pension liability-ending (a)	$ 3,343,452	$ 2,035,374	$ 1,005,120	$ 335,776	$ 52,267
Plan fiduciary net position					
Contributions-employer	$ 581,981	$ 498,785	$ 344,345	$ 166,897	$ 23,007
Contributions-employee	480,976	422,700	278,151	128,382	17,698
Net investment income (loss)	634,842	71,587	48,394	15,395	2,220
Benefit payments, including refunds of employee contributions	(33,675)	(25,724)	(1,183)	(906)	-
Administrative expenses	(16,862)	(15,947)	(11,344)	(6,220)	(1,519)
Net change in plan fiduciary net position	1,647,262	951,401	658,363	303,548	41,406
Plan fiduciary net position-beginning	1,954,718	1,003,317	344,954	41,406	-
Plan fiduciary net position-ending (b)	$ 3,601,980	$ 1,954,718	$ 1,003,317	$ 344,954	$ 41,406
Net pension (asset) liability-ending (a) - (b)	$ (258,528)	$ 80,656	$ 1,803	$ (9,178)	$ 10,861
Plan fiduciary net position as a percentage of the total pension (asset) liability	107.73%	96.04%	99.82%	102.73%	79.22%
Covered payroll	$ 9,619,509	$ 8,453,990	$ 5,563,006	$ 2,567,642	$ 353,953
Net pension (asset) liability as a percentage of covered payroll	-2.69%	0.95%	0.03%	-0.36%	3.07%

Notes to Schedule:

Changes of assumptions - In 2021, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, and mortality improvements. In 2017, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, salary growth and mortality improvements.

This schedule is presented to illustrate information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

(Continued)

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TENNESSEE CONSOLIDATED RETIREMENT SYSTEM
(Unaudited)

	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	$ 722,254	$ 581,981	$ 498,785	$ 344,345	$ 166,897	$ 23,007
Contributions in relation to the actuarially determined contribution	722,254	581,981	498,785	344,345	166,897	23,007
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 11,938,081	$ 9,619,509	$ 8,453,990	$ 5,563,006	$ 2,567,642	$ 353,953
Contributions as a percentage of covered payroll	6.1%	6.1%	5.9%	6.2%	6.5%	6.5%

*GASB 68 requires a 10-year schedule for this data to be presented starting *with the implementation of GASB 68*. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior years' data, if needed.

Notes to Schedule
Valuation date: Actuarially determined contribution rates and covered payroll for fiscal year 2022 were calculated based on the June 30, 2020 actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar closed (not to exceed 20 years)
Remaining amortization period	Varies by year
Asset valuation	10-year smoothed within a 20 percent corridor to market value
Inflation	2.5%
Salary increases	Graded salary ranges from 8.72% to 3.44% based on age, including inflation, averaging 4.0%
Investment rate of return	7.25%, net of investment expense, including inflation
Retirement age	Pattern of retirement determined by experience study.
Mortality	Customized table based on actual experience including projection of mortality improvement using Scale MP-2017 (generational projection)
Cost of living adjustments	2.25%, if provided

(Continued)

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
(Unaudited)

	2022	2021	2020	2019	2018
Total OPEB liability					
Service cost	$ 645,058	$ 574,635	$ 559,038	$ 532,417	$ 142,900
Interest	485,969	586,392	566,552	155,371	158,282
Changes of benefit items	-	-	-	(6,939)	-
Differences between expected and actual experience	-	(275,901)	-	(1,918,330)	-
Changes of assumptions or other inputs	-	775,904	-	16,434,163	-
Benefit payments	(456,949)	(430,070)	(485,623)	(451,742)	(645,902)
Net change in total OPEB liability	674,078	1,230,960	639,967	14,744,940	(344,720)
Total OPEB liability-beginning	22,104,047	20,873,087	20,233,120	5,488,180	5,832,900
Total OPEB liability-ending	$ 22,778,125	$ 22,104,047	$ 20,873,087	$ 20,233,120	$ 5,488,180
Plan net position					
Contributions - employer	$ 456,949	$ 430,070	$ 485,623	$ 451,742	$ 645,902
Benefit payments	(456,949)	(430,070)	(485,623)	(451,742)	(645,902)
Net change in net position	-	-	-	-	-
Net OPEB liability-beginning	22,104,047	20,873,087	20,233,120	5,488,180	5,832,900
Net OPEB liability-ending	$ 22,778,125	$ 22,104,047	$ 20,873,087	$ 20,233,120	$ 5,488,180
Plan net position as a percentage of total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	$ 19,726,657	$ 19,339,860	$ 40,104,752	$ 39,318,384	n/a
Net OPEB liability as a percentage of covered-employee payroll	115.5%	114.3%	52.0%	51.5%	n/a

Notes to Schedule

There are no assets accumulating in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, related to this OPEB plan.

Changes of assumptions and methods - In 2021, the discount rate is 2.18% based on the S&P Municipal Bond 20 Year High Grad Rate Index as of June 30, 2021 under Statement No. 75, compared to the prior discount rate of 2.70%. Also, the assumed trend rate for the medical claims was changed to 6.25% grading uniformly to 5.75% over 2 years and following the Getzen model thereafter until reaching an ultimate rate of 4.04% in the year 2075, compared to the prior year assumed trend of 7.5% grading uniformly to 6.75% over 3 years, and following the Getzen model thereafter until reaching an ultimate rate of 3.9% in the year 2075.

The amounts reported for each fiscal year end were determined as of the prior fiscal year end.

This schedule is presented to illustrate information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES AND SUPPLEMENTARY SCHEDULES

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CITY OF FRANKLIN, TENNESSEE
NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR GOVERNMENTAL FUNDS SUMMARY PAGE:

State Street Aid Fund - To account for the receipt and usage of the City's share of State gasoline taxes. State law requires these gasoline taxes to be used to maintain streets.

Sanitation Fund - To account for the City's sanitation collection, fleet maintenance, and disposal operations.

Facilities Tax Fund - To account for the proceeds of a tax on the privilege of engaging in the business of development and the expenditures of such monies as required by City Ordinance 88-12.

County Facilities Tax Fund – To account for the City's share of Williamson County's Adequate School Facilities Tax. Thirty percent (30%) of the proceeds are distributed to the incorporated cities within the County, and an additional 30% is divided pro rata among the incorporated cities based on population in the last decennia census. All funds are to be used for the purpose of providing public facilities, the need for which is reasonably related to new development.

Stormwater Fund - To account for the City's stormwater operations.

Drug Fund - To account for drug fines received and usage of those monies to further drug investigations.

Hotel / Motel Tax Fund - To account for the receipt of Hotel / Motel tax which has been designated for transfers to the debt service fund to pay parks/tourism related debt service, capital outlay including parks related improvements, and support toward the Williamson County Convention and Visitors Bureau.

Parkland Dedication Fund - To account for fees collected from developers for parkland in lieu of contributions of land.

Transit Authority Fund - To account for the financial activities of the City's mass transit operations.

CDBG Fund - To account for CDBG grant revenues and expenditures.

CITY OF FRANKLIN, TENNESSEE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022
With Comparative Totals as of June 30, 2021

	Special Revenue Funds											
	State Street Aid Fund	**Sanitation Fund**	**Facilities Tax Fund**	**County Facilities Tax Fund**	**Storm Water Fund**	**Drug Fund**	**Hotel/Motel Tax Fund**	**Parkland Dedication Fund**	**Transit Authority Fund**	**CDBG Fund**	**2022**	**2021**
ASSETS												
Cash and cash equivalents	$ 2,838,802	$ 571,880	$ 413,933	$ 276,329	$ 621,775	$ 530,148	$ 541,813	$ 249,750	$ 1,253,647	$ 390,839	$ 7,688,916	$ 4,825,425
Investments	-	-	12,725,268	4,090,264	1,817,895	-	7,271,581	8,180,529	-	-	34,085,537	28,992,616
Receivables (net of allowance for uncollectibles)	1,628,340	1,905,419	32,370	10,538	478,286	8,618	737,273	20,792	207,960	72,106	5,101,702	5,198,084
Inventory	-	70,890	-	-	-	-	-	-	-	-	70,890	56,332
Prepaid items	-	-	-	-	-	-	-	-	-	-	-	8,000
Total assets	$ 4,467,142	$ 2,548,189	$ 13,171,571	$ 4,377,131	$ 2,917,956	$ 538,766	$ 8,550,667	$ 8,451,071	$ 1,461,607	$ 462,945	$ 46,947,045	$ 39,080,457
LIABILITIES												
Accounts payable	$ 502,424	$ 519,600	$ -	$ -	$ 3,934	$ -	$ 466,680	$ -	$ 653,887	$ 47,455	$ 2,193,980	$ 1,314,566
Unearned revenue	-	-	-	-	-	-	-	-	-	297,013	297,013	284,552
Total liabilities	502,424	519,600	-	-	3,934	-	466,680	-	653,887	344,468	2,490,993	1,599,118
DEFERRED INFLOWS OF RESOURCES												
Unavailable revenue-property tax-Jan. 1 levy	1,094,550	-	-	-	-	-	-	-	-	-	1,094,550	1,095,591
Unavailable revenue-grant proceeds	-	-	-	-	-	-	-	-	467	-	467	10,658
Unavailable revenue-hotel/motel Tax	-	-	-	-	-	-	77,340	-	-	-	77,340	77,340
Total deferred inflows of resources	1,094,550	-	-	-	-	-	77,340	-	467	-	1,172,357	1,183,589
FUND BALANCES												
Non-spendable	-	70,890	-	-	-	-	-	-	-	-	70,890	64,332
Restricted	2,870,168	1,957,699	-	4,377,131	-	538,766	-	-	-	118,477	9,862,241	7,980,176
Committed	-	-	13,171,571	-	2,914,022	-	5,193,405	8,451,071	807,253	-	30,537,322	25,039,471
Assigned	-	-	-	-	-	-	2,813,242	-	-	-	2,813,242	3,213,771
Total fund balances	2,870,168	2,028,589	13,171,571	4,377,131	2,914,022	538,766	8,006,647	8,451,071	807,253	118,477	43,283,695	36,297,750
Total liabilities, deferred inflows of resources, and fund balances	$ 4,467,142	$ 2,548,189	$ 13,171,571	$ 4,377,131	$ 2,917,956	$ 538,766	$ 8,550,667	$ 8,451,071	$ 1,461,607	$ 462,945	$ 46,947,045	$ 39,080,457

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	Special Revenue Funds											
	State Street Aid Fund	Sanitation Fund	Facilities Tax Fund	County Facilities Tax Fund	Storm Water Fund	Drug Fund	Hotel/Motel Tax Fund	Parkland Dedication Fund	Transit Authority Fund	CDBG Fund	2022	2021
Revenues:												
Taxes:												
Property tax	$ 1,059,197	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,059,197	$ 809,178
Hotel/ motel tax	-	-	-	-	-	-	4,875,687	-	-	-	4,875,687	2,575,830
Facilities tax	-	-	2,666,214	1,003,415	-	-	-	-	-	-	3,669,629	3,617,950
Licenses and permits	-	-	-	-	-	-	-	1,516,084	-	-	1,516,084	800,544
Fines and fees	-	-	-	-	-	112,498	-	-	-	-	112,498	133,930
Intergovernmental:												
Gas & motor fuel	1,481,172	-	-	-	-	-	-	-	-	-	1,481,172	1,317,475
Petroleum special	151,965	-	-	-	-	-	-	-	-	-	151,965	140,774
Gas 1989	230,294	-	-	-	-	-	-	-	-	-	230,294	205,398
Gas 3 cent	426,593	-	-	-	-	-	-	-	-	-	426,593	380,588
Gas 2018	745,460	-	-	-	-	-	-	-	-	-	745,460	662,660
Short term vacation rental tax	-	-	-	-	-	-	326,504	-	-	-	326,504	133,521
Grants	-	64,093	-	-	7,452	-	680,966	-	2,253,270	307,306	3,313,087	2,411,752
Charges for services	-	10,680,204	-	-	2,715,578	-	-	-	68,173	-	13,463,955	12,890,009
Use of money and property	15,243	350,550	(340,740)	(125,115)	(22,358)	57,994	232,548	(240,674)	15,346	3,730	(53,476)	14,329
Miscellaneous and other	-	-	226,444	-	-	156	3,400	-	-	-	230,000	640,000
Total revenues	4,109,924	11,094,847	2,551,918	878,300	2,700,672	170,648	6,119,105	1,275,410	2,336,789	311,036	31,548,649	26,733,938
Expenditures:												
Current:												
Police	-	-	-	-	-	48,989	-	-	-	-	48,989	91,700
Fire	-	-	16,695	-	-	-	-	-	-	-	16,695	287,578
Parks	-	-	-	-	-	-	8,622	-	-	-	8,622	9,554
Highways and streets	3,261,158	-	-	-	-	-	-	-	-	-	3,261,158	3,597,697
General expenditures	-	-	-	-	-	-	1,089,793	-	-	307,304	1,397,097	1,376,406
Storm water	-	-	-	-	2,737,653	-	-	-	-	-	2,737,653	2,408,374
Sanitation	-	10,013,407	-	-	-	-	-	-	-	-	10,013,407	9,368,173
Transit	-	-	-	-	-	-	-	-	2,781,702	-	2,781,702	2,693,184
Capital outlay	-	1,410,107	386,605	-	-	185,295	672,343	-	-	-	2,654,350	3,860,528
Total expenditures	3,261,158	11,423,514	403,300	-	2,737,653	234,284	1,770,758	-	2,781,702	307,304	22,919,673	23,693,194
Excess (deficiency) of revenues over (under) expenditures	848,766	(328,667)	2,148,618	878,300	(36,981)	(63,636)	4,348,347	1,275,410	(444,913)	3,732	8,628,976	3,040,744
Other financing sources (uses):												
Transfers in	1,250,000	515,680	-	-	-	-	-	-	444,912	-	2,210,592	1,927,341
Transfers out	-	(209,552)	-	(1,000,000)	-	-	(2,269,071)	(375,000)	-	-	(3,853,623)	(4,594,301)
Total other financing sources (uses)	1,250,000	306,128	-	(1,000,000)	-	-	(2,269,071)	(375,000)	444,912	-	(1,643,031)	(2,666,960)
Net changes in fund balances	2,098,766	(22,539)	2,148,618	(121,700)	(36,981)	(63,636)	2,079,276	900,410	(1)	3,732	6,985,945	373,784
Fund balances - beginning	771,402	2,051,128	11,022,953	4,498,831	2,951,003	602,402	5,927,371	7,550,661	807,254	114,745	36,297,750	35,923,966
Fund balances - ending	$ 2,870,168	$ 2,028,589	$ 13,171,571	$ 4,377,131	$ 2,914,022	$ 538,766	$ 8,006,647	$ 8,451,071	$ 807,253	$ 118,477	$ 43,283,695	$ 36,297,750

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
STATE STREET AID FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with	
	Original	**Final**	**Actual**	**Final Budget**	**2021**
Revenues:					
Taxes:					
Property tax	$ 821,873	$ 1,073,088	$ 1,059,197	$ (13,891)	$ 809,178
Intergovernmental:					
Gasoline tax, State of Tennessee:					
Gas & motor fuel	1,212,958	1,212,958	1,481,172	268,214	1,317,475
Petroleum special	124,447	124,447	151,965	27,518	140,774
Gas 1989	188,592	188,592	230,294	41,702	205,398
Gas 3 cent	349,344	349,344	426,593	77,249	380,588
Gas 2018	610,470	610,470	745,460	134,990	662,660
Use of money and property:					
Interest earned	7,725	7,725	15,243	7,518	1,207
Total revenues	3,315,409	3,566,624	4,109,924	543,300	3,517,280
Expenditures:					
Current:					
Highways and streets:					
Street maintenance and improvement	3,871,097	3,871,097	3,261,158	609,939	3,597,697
Total current	3,871,097	3,871,097	3,261,158	609,939	3,597,697
Total expenditures	3,871,097	3,871,097	3,261,158	609,939	3,597,697
Excess (deficiency) of revenues over (under) expenditures	(555,688)	(304,473)	848,766	1,153,239	(80,417)
Other financing sources (uses):					
Transfers from other funds	300,000	1,250,000	1,250,000	-	250,000
Total other financing sources (uses)	300,000	1,250,000	1,250,000	-	250,000
Net changes in fund balances	$ (255,688)	$ 945,527	2,098,766	$ 1,153,239	169,583
Fund balance - beginning			771,402		601,819
Fund balance - ending			$ 2,870,168		$ 771,402

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
SANITATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

With Comparative Totals for the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	2021
Revenues:					
Grants	$ -	$ 61,209	$ 64,093	$ 2,884	$ 14,327
Special event services fee	5,546	5,546	-	(5,546)	606
Charges for services:					
Garbage fees	10,188,320	10,184,557	10,482,720	298,163	10,083,376
Customer service	150,000	150,000	163,724	13,724	60,165
Use of money and property:					
Interest earned	-	-	7,849	7,849	751
Sale of surplus property	250,000	250,000	342,701	92,701	84,151
Miscellaneous income	133,677	133,677	33,760	(99,917)	54,089
Total revenues	10,727,543	10,784,989	11,094,847	309,858	10,297,465
Expenditures:					
Sanitation:					
Personnel	3,768,298	3,840,007	3,570,257	269,750	3,352,325
Services	4,769,115	4,769,115	4,842,129	(73,014)	4,587,695
Supplies	536,126	536,127	671,018	(134,891)	515,248
Operational units	827,135	839,497	839,497	-	821,593
Business expenses	83,554	87,622	90,506	(2,884)	91,312
	9,984,228	10,072,368	10,013,407	58,961	9,368,173
Capital outlay:					
Capital outlay - Sanitation	966,335	1,545,866	1,410,107	135,759	635,165
	966,335	1,545,866	1,410,107	135,759	635,165
Total expenditures	10,950,563	11,618,234	11,423,514	194,720	10,003,338
Excess (deficiency) of revenues over (under) expenditures	(223,020)	(833,245)	(328,667)	504,578	294,127
Other financing sources (uses):					
Transfers to other funds	(227,092)	(213,917)	(209,552)	4,365	(209,080)
Transfers from other funds	-	515,680	515,680	-	900,000
Total other financing sources (uses)	(227,092)	301,763	306,128	4,365	690,920
Net changes in fund balances	$ (450,112)	$ (531,482)	(22,539)	$ 508,943	985,047
Fund balance - beginning			2,051,128		1,066,081
Fund balance - ending			$ 2,028,589		$ 2,051,128

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
FACILITIES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	2021
Revenues:					
Licenses and permits:					
Facilities tax	$ 2,628,376	$ 2,628,376	$ 2,666,214	$ 37,838	$ 2,682,395
Use of money and property:					
Interest earned	50,000	50,000	(340,740)	(390,740)	36,408
Contributions from others	-	866,444	226,444	(640,000)	640,000
Total revenues	2,678,376	3,544,820	2,551,918	(992,902)	3,358,803
Expenditures:					
Police:					
Services	-	-	-	-	343
Supplies	-	-	-	-	21
	-	-	-	-	364
Fire:					
Services	-	-	6,500	(6,500)	15,142
Supplies	-	-	-	-	272,311
Business expenses	-	-	-	-	125
	-	-	6,500	(6,500)	287,578
Parks:					
Services	-	-	-	-	10,076
Supplies	-	-	-	-	(695)
Business expenses	-	-	-	-	173
	-	-	-	-	9,554
Sanitation:					
Services	20	20	-	20	-
Supplies	20,000	20,000	-	20,000	-
Business expenses	-	-	10,195	(10,195)	-
	20,020	20,020	10,195	9,825	-
Capital outlay:					
Capital outlay - General	43,000	43,000	-	43,000	-
Capital outlay - Fire	-	-	-	-	2,689,466
Capital outlay - Parks	164,280	164,280	36,680	127,600	43,737
Capital outlay - Sanitation	318,000	349,926	349,925	1	-
	525,280	557,206	386,605	170,601	2,733,203
Total expenditures	545,300	577,226	403,300	173,926	3,030,699
Net changes in fund balances	$ 2,133,076	$ 2,967,594	2,148,618	$ (818,976)	328,104
Fund balance - beginning			11,022,953		10,694,849
Fund balance - ending			$ 13,171,571		$ 11,022,953

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
COUNTY FACILITIES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with	
	Original	**Final**	**Actual**	**Final Budget**	**2021**
Revenues:					
Licenses and permits:					
Facilities tax	$ 742,649	$ 742,649	$ 1,003,415	$ 260,766	$ 935,555
Use of money and property:					
Interest earned	15,000	15,000	(125,115)	(140,115)	14,292
Total revenues	757,649	757,649	878,300	120,651	949,847
Other financing sources (uses):					
Transfers to other funds	-	(1,000,000)	(1,000,000)	-	(125,000)
Total other financing sources (uses)	-	(1,000,000)	(1,000,000)	-	(125,000)
Net changes in fund balances	$ 757,649	$ (242,351)	(121,700)	$ 120,651	824,847
Fund balance - beginning			4,498,831		3,673,984
Fund balance - ending			$ 4,377,131		$ 4,498,831

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
STORMWATER FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

With Comparative Totals for the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	2021
Revenues:					
Inspection fees	$ 143,250	$ 153,250	$ 97,496	$ (55,754)	$ 191,770
Grants	-	-	7,452	7,452	1,307
Charges for services:					
Customer service	2,613,500	2,595,462	2,633,157	37,695	2,501,123
Use of money and property:					
Interest earned	50,000	50,000	(37,433)	(87,433)	8,282
Sale of surplus property	-	-	-	-	33,739
Total revenues	2,806,750	2,798,712	2,700,672	(98,040)	2,736,221
Expenditures:					
Storm water:					
Personnel	1,870,570	1,934,438	1,915,288	19,150	1,688,289
Services	322,130	382,130	214,857	167,273	230,933
Supplies	206,963	206,963	222,926	(15,963)	123,415
Operational units	335,799	335,799	335,799	-	328,639
Business expenses	67,439	58,507	48,783	9,724	37,098
	2,802,901	2,917,837	2,737,653	180,184	2,408,374
Capital outlay:					
Capital outlay	-	-	-	-	72,245
	-	-	-	-	72,245
Total expenditures	2,802,901	2,917,837	2,737,653	180,184	2,480,619
Net changes in fund balances	$ 3,849	$ (119,125)	(36,981)	$ 82,144	255,602
Fund balance - beginning			2,951,003		2,695,401
Fund balance - ending			$ 2,914,022		$ 2,951,003

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	2021
Revenues:					
Confiscated goods - state	$ 25,000	$ 25,000	$ 20,825	$ (4,175)	$ 50,398
Fines and fees:					
Drug fines	88,000	88,000	91,673	3,673	79,877
Seized assets/unclaimed evidence	7,500	7,500	-	(7,500)	3,655
Use of money and property:					
Interest earned	6,000	6,000	7,255	1,255	4,923
Sale of surplus property	3,000	3,000	50,739	47,739	34,413
Miscellaneous income	-	-	156	156	-
Total revenues	129,500	129,500	170,648	41,148	173,266
Expenditures:					
Police:					
Services	6,000	6,000	27,924	(21,924)	-
Supplies	60,000	60,000	-	60,000	37,728
Operational units	190,000	240,000	17,660	222,340	46,976
Business expenses	2,500	2,500	3,405	(905)	6,632
	258,500	308,500	48,989	259,511	91,336
Capital outlay:					
Capital outlay - Police	-	-	185,295	(185,295)	-
	-	-	185,295	(185,295)	-
Total expenditures	258,500	308,500	234,284	74,216	91,336
Net changes in fund balances	$ (129,000)	$ (179,000)	(63,636)	$ 115,364	81,930
Fund balance - beginning			602,402		520,472
Fund balance - ending			$ 538,766		$ 602,402

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	2021
Revenues:					
Taxes:					
Hotel/Motel tax	$ 2,419,080	$ 3,542,556	$ 4,875,687	$ 1,333,131	$ 2,575,830
Short term vacation rental tax	-	-	326,504	326,504	133,521
Grants	-	504,786	680,966	176,180	-
Use of money and property:					
Interest earned	25,000	25,000	(182,309)	(207,309)	19,514
Distributions from conference center	(150,000)	(150,000)	414,857	564,857	(296,667)
Miscellaneous income	-	-	3,400	3,400	-
Total revenues	2,294,080	3,922,342	6,119,105	2,196,763	2,432,198
Expenditures:					
General:					
Services	250,000	45,000	18,172	26,828	676
Miscellaneous	-	-	-	-	(3,254)
Appropriations	1,080,243	1,080,243	1,080,243	-	1,048,577
	1,330,243	1,125,243	1,098,415	26,828	1,045,999
Capital outlay:					
Capital outlay - Parks	214,286	504,286	672,343	(168,057)	214,286
	214,286	504,286	672,343	(168,057)	214,286
Total expenditures	1,544,529	1,629,529	1,770,758	(141,229)	1,260,285
Excess (deficiency) of revenues over (under) expenditures	749,551	2,292,813	4,348,347	2,055,534	1,171,913
Other financing sources (uses):					
Transfers to other funds	(1,019,071)	(2,269,071)	(2,269,071)	-	(2,748,371)
Transfers from other funds	1,150,000	-	-	-	-
Total other financing sources (uses)	130,929	(2,269,071)	(2,269,071)	-	(2,748,371)
Net changes in fund balances	$ 880,480	$ 23,742	2,079,276	$ 2,055,534	(1,576,458)
Fund balance - beginning			5,927,371		7,503,829
Fund balance - ending			$ 8,006,647		$ 5,927,371

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
PARKLAND DEDICATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with	
	Original	**Final**	**Actual**	**Final Budget**	**2021**
Revenues:					
Parkland dedication fees	$ 1,024,768	$ 1,024,768	$ 1,516,084	$ 491,316	$ 800,544
Interest earned	20,000	20,000	(240,674)	(260,674)	25,414
Total revenues	1,044,768	1,044,768	1,275,410	230,642	825,958
Other financing sources (uses):					
Transfers to other funds	-	(375,000)	(375,000)	-	(1,511,850)
Total other financing sources (uses)	-	(375,000)	(375,000)	-	(1,511,850)
Net changes in fund balances	$ 1,044,768	$ 669,768	900,410	$ 230,642	(685,892)
Fund balance - beginning			7,550,661		8,236,553
Fund balance - ending			$ 8,451,071		$ 7,550,661

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
TRANSIT AUTHORITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with	
	Original	**Final**	**Actual**	**Final Budget**	**2021**
Revenues:					
Intergovernmental:					
Grants	$ 2,412,719	$ 2,412,719	$ 2,253,270	$ (159,449)	$ 2,065,711
Charges for services:					
Transit fares	50,000	50,000	68,173	18,173	33,080
Use of money and property:					
Interest earned	-	-	5,646	5,646	3,123
Rental income	9,700	9,700	9,700	-	8,900
Total revenues	2,472,419	2,472,419	2,336,789	(135,630)	2,110,814
Expenditures:					
Transit:					
Services	100	100	-	100	-
Supplies	250,000	250,000	-	250,000	-
Operational units	2,837,683	2,837,683	2,781,702	55,981	2,693,184
	3,087,783	3,087,783	2,781,702	306,081	2,693,184
Capital outlay:					
Capital outlay - General	200,000	200,000	-	200,000	205,629
	200,000	200,000	-	200,000	205,629
Total expenditures	3,287,783	3,287,783	2,781,702	506,081	2,898,813
Excess (deficiency) of revenues over (under) expenditures	(815,364)	(815,364)	(444,913)	370,451	(787,999)
Other financing sources (uses):					
Transfers from other funds	815,364	1,565,364	444,912	(1,120,452)	777,341
Total other financing sources (uses)	815,364	1,565,364	444,912	(1,120,452)	777,341
Net changes in fund balances	$ -	$ 750,000	(1)	$ (750,001)	(10,658)
Fund balance - beginning			807,254		817,912
Fund balance - ending			$ 807,253		$ 807,254

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with	
	Original	**Final**	**Actual**	**Final Budget**	**2021**
Revenues:					
Intergovernmental:					
Grants	$ 773,000	$ 773,000	$ 307,306	$ (465,694)	$ 330,407
Use of money and property:					
Interest earned	5,000	5,000	3,730	(1,270)	1,679
Total revenues	778,000	778,000	311,036	(466,964)	332,086
Expenditures:					
General:					
Services	376,000	376,000	67,014	308,986	64,736
Operational units	400,000	400,000	240,290	159,710	265,671
	776,000	776,000	307,304	468,696	330,407
Total expenditures	776,000	776,000	307,304	468,696	330,407
Net changes in fund balances	$ 2,000	$ 2,000	3,732	$ 1,732	1,679
Fund balance - beginning			114,745		113,066
Fund balance - ending			$ 118,477		$ 114,745

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with	
	Original	**Final**	**Actual**	**Final Budget**	**2021**
Revenues:					
Taxes:					
Property tax apportionment	$ 11,778,039	$ 11,782,505	$ 11,629,983	$ (152,522)	$ 10,918,504
Intergovernmental:					
Use of money and property:					
Interest earned	25,000	25,000	10,336	(14,664)	17,914
Total revenues	11,803,039	11,807,505	11,640,319	(167,186)	10,936,418
Expenditures:					
Debt service:					
Principal	10,160,000	10,160,000	10,160,000	-	9,385,000
Interest	5,925,934	5,925,933	5,572,934	352,999	5,932,143
Debt Service Fees	14,003	14,004	4,514	9,490	2,665
Total expenditures	16,099,937	16,099,937	15,737,448	362,489	15,319,808
Excess (deficiency) of revenues over (under) expenditures	(4,296,898)	(4,292,432)	(4,097,129)	195,303	(4,383,390)
Other financing sources (uses):					
Transfers in	-	-	-	-	94,896
From Water & Sewer	200,000	200,000	200,000	-	200,000
From Sanitation	209,512	209,512	209,551	39	209,081
From Road Impact	2,893,316	2,893,316	2,893,316	-	2,730,454
From Hotel/Motel	1,019,071	1,019,071	1,019,071	-	1,281,521
Other financing sources-issuance of refunding debt:					
Total other financing sources (uses)	4,321,899	4,321,899	4,321,938	39	4,515,952
Net change in fund balances	$ 25,001	$ 29,467	224,809	$ 195,342	132,562
Fund balance - beginning			937,169		804,607
Fund balance - ending			$ 1,161,978		$ 937,169

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CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Source/Grant Name	Assistance Listing Number	Grant Number	Pass-through Entity Number	Amount Pass-through to Subreceipients	Expenditures
U.S. DEPARTMENT OF JUSTICE					
Bulletproof Vest Partnership	16.607	2021BUBX09046522		$ -	$ 10,955
TOTAL U.S. DEPARTMENT OF JUSTICE				-	**10,955**
U.S. DEPARTMENT OF THE INTERIOR					
Hayes House Windows	15.904	32701-04177		$ -	$ 14,700
Lewisburg Avenue Historical District	15.904	32701-04358		-	5,000
TOTAL U.S. DEPARTMENT OF THE INTERIOR				-	**19,700**
U.S. DEPARTMENT OF TRANSPORTATION					
Federal Transit Cluster:					
Transit Capital Grant-FY12 5307 Allocation	20.507	TN-90-X352-00		-	47,171
Transit Capital Grant-FY12 5307 Allocation (Vanpool) (e)	20.507	TN-90-X352-00		13,870	13,870
5307 Capital and Operating Assistance	20.507	TN-2019-021-00		-	18,219
5307 Operating and Capital	20.507	TN-2020-008-00		-	250,564
5307 FY 21 Operating Assistance	20.507	TN-2021-012-00		-	247,838
CARES Act 5307 Funding	20.507	TN-2020-018-00		-	1,194,177
CARES Act 5307 Funding (Vanpool) (e)	20.507	TN-2020-018-00		146,082	146,082
FY16 5307 Allocation	20.507	TN-2017-020-00		-	25,059
Total Federal Transit Cluster				**159,952**	**1,942,980**
Highway Planning and Construction Cluster:					
SR-96 (Murfreesboro Rd) Traffic Signal Improvements (a)	20.205	127913.00 / CM-NH-96(59)		-	51,734
Columbia Ave to Downs Blvd (a)	20.205	121454.00 / STP-M-6(110)		-	17,747
SR-96 Multi-Use Trail (a)	20.205	123098.00 / TAP-96(49)		-	1,540,205
Franklin ITS Infrastructure (a)	20.205	116144.00 / STP-M-9305(30)		-	113,560
Total Highway Planning and Construction Cluster:				-	**1,723,246**
Highway Safety Cluster:					
Community Based Traffic Safety Enforcement and Education - FY 21 (b)	20.600	Z21THS102		-	8,362
Community Based Traffic Safety Enforcement and Education - FY 22 (b)	20.600	Z21THS106		-	23,127
Total Highway Safety Cluster				-	**31,489**
TOTAL U.S. DEPARTMENT OF TRANSPORTATION				**159,952**	**3,697,715**
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
CDBG - Entitlement Grants Cluster:					
CDBG	14.218	B-18-MC-47-0014		-	1,389
CDBG	14.218	B-19-MC-47-0014		-	38,957
CDBG	14.218	B-20-MW-47-0014		-	82,591
CDBG - CARES Act	14.218	B-20-MW-47-0014		-	184,369
Total CDBG - Entitlement Grants Cluster				-	**307,306**
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				-	**307,306**
U.S. DEPARTMENT OF THE TREASURY					
American Rescue Plan Act	21.027	N/A		-	1,539,013
TOTAL U.S. DEPARTMENT OF THE TREASURY				-	**1,539,013**
FEDERAL EMERGENCY MANAGEMENT AGENCY					
Hurricane Ida (LA) - Major Disaster Declaration (d)	97.036	2173-RSA-10700-1-1		-	24,534
Flood - March 2021 (WATER PLANT) - Major Disaster Declaration (d)	97.036	PA-04-TN-4601-PW-00121(1)		-	28,103
TOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY				-	**52,637**
LOANS					
ENVIRONMENTAL PROTECTION AGENCY					
State Revolving Fund SRF 2017-398-01 (c)	66.458	SRF 2017-398-01		-	9,769,764
TOTAL ENVIRONMENTAL PROTECTION AGENCY				-	**9,769,764**
Total Federal Assistance				**$ 159,952**	**$ 15,397,090**

(a) Passed through the TN Department of Transportation
(b) Passed through the TN Department of Safety and Homeland Security
(c) Passed through the TN Department of Enviornment and Conservation
(d) Passed through the TN Emergency Management Agency
(e) Passed through to Williamson County

See independent auditor's report

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Source/Grant Name	Grant Number	Pass-through Entity Number	Amount Pass-through to Subreceipients	Expenditures
GRANTS				
TENNESSEE DEPARTMENT OF TRANSPORTATION				
Transit Capital Grant-FY12 5307 Allocation	TN-90-X352-00		$ -	$ 5,947
Transit Capital Grant-FY12 5307 Allocation (Vanpool) (e)	TN-90-X352-00		1,733	1,733
5307 Capital and Operating Assistance	TN-2019-021-00		-	2,270
5307 Operating and Capital	TN-2020-008-00		-	5,615
FY16 5307 Allocation	TN-2017-020-00		-	3,134
Columbia Ave to Downs Blvd	121454.00 / 94LPLM-F0-076		-	4,437
FY 2022 Urban Operation Assistance Program	Z21-UROP09-01		-	281,400
Total Tennessee Department of Transportation			**1,733**	**304,536**
TENNESSEE DEPARTMENT OF FINANCE & ADMINISTRATION				
Harlinsdale Barn Restoration	2019 TN Approp. Act, Section 62, Item 56		-	9,906
2022 Local Government Direct Appropriation Grant	2021 TN Approp Act, Public Ch 454		-	924,150
Total Tennessee Department of Agriculture			**-**	**934,056**
Total State Financial Assistance			**$ 1,733**	**$ 1,238,592**

(e) Passed through to Williamson County

See independent auditor's report.

NOTE 1 - BASIS OF PRESENTATION

The Schedules of Expenditures of Federal Awards and State Financial Assistance includes the federal and state grant activity, respectively, of the City of Franklin, Tennessee and are presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*, *Cost Principles*, *and Audit Requirements for Federal Awards* (Uniform Guidance) and the State of Tennessee, respectively. Because these Schedules present only a selected portion of the operations of the City, they are not intended to and do not present the financial position or changes in financial position of the City.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The information reported in the Schedules is reported in accordance with accounting principles generally accepted in the United States of America, which is the same basis of accounting as the basic financial statements. The federal expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - DE MINIMIS INDIRECT COST RATE

The City has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance, when applicable.

NOTE 4 - STATE REVOLVING LOAN FUND

At June 30, 2022, there was an outstanding balance of $110,040,104 on loans obtained through the State Revolving Loan Fund. Payments during the current fiscal year totaled $2,843,147.

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF PRINCIPAL AND INTEREST REQUIREMENTS
GENERAL OBLIGATION DEBT
JUNE 30, 2022

	General Improvement Refunding Bonds Series 2010		General Improvement Refunding Bonds Series 2012		General Improvement Refunding Bonds Series 2013A		Pension Obligation Bonds Series 2013B		Public Improvement Bonds Series 2015	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	1,470,000	104,700	1,630,000	181,050	350,000	158,318	1,090,000	74,800	665,000	401,790
2024	1,530,000	45,900	1,665,000	146,331	355,000	149,567	1,125,000	39,375	700,000	368,540
2025	-	-	1,700,000	110,867	365,000	140,693	-	-	730,000	333,540
2026	-	-	1,735,000	74,656	375,000	131,203	-	-	760,000	304,340
2027	-	-	1,770,000	37,701	385,000	120,890	-	-	790,000	273,940
2028	-	-	-	-	400,000	107,800	-	-	815,000	250,240
2029	-	-	-	-	410,000	94,200	-	-	850,000	217,640
2030	-	-	-	-	425,000	80,260	-	-	880,000	183,640
2031	-	-	-	-	440,000	65,810	-	-	920,000	148,440
2032	-	-	-	-	455,000	50,850	-	-	945,000	120,840
2033	-	-	-	-	470,000	35,380	-	-	975,000	92,490
2034	-	-	-	-	485,000	19,400	-	-	1,005,000	63,240
2035	-	-	-	-	-	-	-	-	1,035,000	32,085
2036	-	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-	-
2044	-	-	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-	-	-
2046	-	-	-	-	-	-	-	-	-	-
2047	-	-	-	-	-	-	-	-	-	-
2048	-	-	-	-	-	-	-	-	-	-
2049	-	-	-	-	-	-	-	-	-	-
2050	-	-	-	-	-	-	-	-	-	-
2051	-	-	-	-	-	-	-	-	-	-
2052	-	-	-	-	-	-	-	-	-	-
2053	-	-	-	-	-	-	-	-	-	-
	$ 3,000,000	$ 150,600	$ 8,500,000	$ 550,605	$ 4,915,000	$ 1,154,371	$ 2,215,000	$ 114,175	$ 11,070,000	$ 2,790,765

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF PRINCIPAL AND INTEREST REQUIREMENTS (Cont.)
GENERAL OBLIGATION DEBT
JUNE 30, 2022

	Public Improvement Bonds Series 2017		Public Improvement Bonds Series 2019A		Public Improvement Refunding Bonds Series 2019B		Public Improvement Bonds Series 2019C		Public Improvement Refunding Bonds Series 2019D		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	915,000	813,400	1,525,000	1,151,100	2,095,000	849,750	425,000	1,391,150	375,000	39,403	10,540,000	5,165,461
2024	960,000	767,650	1,220,000	1,074,850	2,195,000	745,000	1,425,000	1,369,900	380,000	31,903	11,555,000	4,739,016
2025	980,000	748,450	1,275,000	1,013,850	2,305,000	635,250	3,040,000	1,298,650	385,000	24,303	10,780,000	4,305,603
2026	1,030,000	699,450	1,340,000	950,100	2,420,000	520,000	3,185,000	1,146,650	395,000	16,603	11,240,000	3,843,002
2027	1,080,000	647,950	1,405,000	883,100	2,535,000	399,000	3,370,000	987,400	405,000	8,502	11,740,000	3,358,486
2028	1,135,000	593,950	1,485,000	812,850	2,655,000	272,250	3,940,000	818,900	-	-	10,430,000	2,855,990
2029	1,190,000	537,200	1,555,000	738,600	2,790,000	139,500	4,130,000	621,900	-	-	10,925,000	2,349,040
2030	1,250,000	477,700	1,450,000	660,850	-	-	4,320,000	415,400	-	-	8,325,000	1,817,850
2031	1,315,000	415,200	1,520,000	588,350	-	-	2,450,000	199,400	-	-	6,645,000	1,417,200
2032	1,365,000	362,600	1,595,000	512,350	-	-	2,535,000	101,400	-	-	6,895,000	1,148,040
2033	1,420,000	308,000	1,675,000	432,600	-	-	-	-	-	-	4,540,000	868,470
2034	1,480,000	251,200	1,750,000	365,600	-	-	-	-	-	-	4,720,000	699,440
2035	1,535,000	192,000	1,365,000	295,600	-	-	-	-	-	-	3,935,000	519,685
2036	1,600,000	130,600	1,420,000	241,000	-	-	-	-	-	-	3,020,000	371,600
2037	1,665,000	66,600	1,475,000	184,200	-	-	-	-	-	-	3,140,000	250,800
2038	-	-	1,535,000	125,200	-	-	-	-	-	-	1,535,000	125,200
2039	-	-	1,595,000	63,800	-	-	-	-	-	-	1,595,000	63,800
2040	-	-	-	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-	-	-	-
2044	-	-	-	-	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-	-	-	-	-
2046	-	-	-	-	-	-	-	-	-	-	-	-
2047	-	-	-	-	-	-	-	-	-	-	-	-
2048	-	-	-	-	-	-	-	-	-	-	-	-
2049	-	-	-	-	-	-	-	-	-	-	-	-
2050	-	-	-	-	-	-	-	-	-	-	-	-
2051	-	-	-	-	-	-	-	-	-	-	-	-
2052	-	-	-	-	-	-	-	-	-	-	-	-
2053	-	-	-	-	-	-	-	-	-	-	-	-
	$ 18,920,000	$ 7,011,950	$ 25,185,000	$ 10,094,000	$ 16,995,000	$ 3,560,750	$ 28,820,000	$ 8,350,750	$ 1,940,000	$ 120,714	$ 121,560,000	$ 33,898,680

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF PRINCIPAL AND INTEREST REQUIREMENTS
PROPRIETARY FUND DEBT
JUNE 30, 2022

	Sewer & Water Revenue & Tax Refunding Bonds-Series 2005		Sewer & Water Refunding SunTrust Loan 2011		Drinking Water SRF & ARRA Loan		Clean Water SRF & ARRA Loan		Clean Water SRF (Scada-Revere)		Clean Water SRF (Scada-CDM)		Sewer & Water Water Plant Bonds-Series 2017	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	1,555,000	211,875	1,450,000	146,175	78,310	19,904	93,704	28,471	118,224	11,628	20,928	2,052	470,000	435,700
2024	1,450,000	134,125	1,485,000	110,143	80,546	17,666	96,257	25,919	119,280	10,572	21,108	1,872	495,000	412,200
2025	1,450,000	61,625	1,520,000	73,243	82,847	15,366	98,878	23,298	120,348	9,504	21,300	1,680	520,000	387,450
2026	-	-	1,560,000	35,464	85,215	12,998	101,570	20,605	121,428	8,424	21,492	1,488	545,000	361,450
2027	-	-	-	-	87,648	10,565	104,338	17,838	122,508	7,344	21,684	1,296	570,000	334,200
2028	-	-	-	-	90,153	8,060	107,178	14,998	123,612	6,240	21,876	1,104	600,000	305,700
2029	-	-	-	-	92,729	5,485	110,098	12,078	124,704	5,148	22,068	912	630,000	275,700
2030	-	-	-	-	95,377	2,836	113,097	9,079	125,820	4,032	22,272	708	665,000	244,200
2031	-	-	-	-	48,698	402	116,176	6,000	126,948	2,904	22,464	516	690,000	217,600
2032	-	-	-	-	-	-	119,340	2,836	128,088	1,764	22,668	312	715,000	190,000
2033	-	-	-	-	-	-	40,504	226	129,253	624	22,795	111	745,000	161,400
2034	-	-	-	-	-	-	-	-	-	-	-	-	775,000	131,600
2035	-	-	-	-	-	-	-	-	-	-	-	-	805,000	100,600
2036	-	-	-	-	-	-	-	-	-	-	-	-	840,000	68,400
2037	-	-	-	-	-	-	-	-	-	-	-	-	870,000	34,800
2038	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2044	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2046	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2047	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2048	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2049	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2050	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2051	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2052	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2053	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	$ 4,455,000	$ 407,625	$ 6,015,000	$ 365,025	$ 741,523	$ 93,282	$ 1,101,140	$ 161,348	$ 1,360,213	$ 68,184	$ 240,655	$ 12,051	$ 9,935,000	$ 3,661,000

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF PRINCIPAL AND INTEREST REQUIREMENTS (cont.)
PROPRIETARY FUND DEBT
JUNE 30, 2022

	SRF Loan CG5 17-375 (Wastewater Plant)		SRF Loan SRF 17-376 (Wastewater Plant)		SRF Loan SRF 17-398 (Wastewater Plant)		Sewer & Water Water Plant Bonds-Series 2021		SRF Loan SRF 17-398-01 (Wastewater Plant)		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	35,520	17,064	2,133,900	1,103,592	540,360	284,484	330,000	468,150	-	121,752	6,825,946	2,850,847
2024	36,048	16,536	2,165,484	1,072,008	548,352	276,492	350,000	451,650	269,112	123,492	7,116,187	2,652,675
2025	36,576	16,008	2,197,524	1,039,968	556,464	268,380	365,000	434,150	272,532	120,072	7,241,469	2,450,744
2026	37,116	15,468	2,230,044	1,007,448	564,696	260,148	385,000	415,900	276,000	116,604	5,927,561	2,255,997
2027	37,668	14,916	2,263,056	974,436	573,060	251,784	405,000	396,650	279,516	113,088	4,464,478	2,122,117
2028	38,220	14,364	2,296,548	940,944	581,544	243,300	425,000	376,400	283,092	109,512	4,567,223	2,020,622
2029	38,796	13,788	2,330,532	906,960	590,148	234,696	445,000	355,150	286,704	105,900	4,670,779	1,915,817
2030	39,360	13,224	2,365,020	872,472	598,884	225,960	465,000	332,900	290,364	102,240	4,780,194	1,807,651
2031	39,948	12,636	2,400,024	837,468	607,740	217,104	490,000	309,650	294,084	98,520	4,836,082	1,702,800
2032	40,536	12,048	2,435,544	801,948	616,740	208,104	515,000	285,150	297,840	94,764	4,890,756	1,596,926
2033	41,136	11,448	2,471,592	765,900	625,872	198,972	540,000	259,400	301,656	90,948	4,917,808	1,489,029
2034	41,748	10,836	2,508,168	729,324	635,124	189,720	560,000	237,800	305,532	87,072	4,825,572	1,386,352
2035	42,360	10,224	2,545,284	692,208	644,532	180,312	585,000	215,400	309,444	83,160	4,931,620	1,281,904
2036	42,996	9,588	2,582,952	654,540	654,072	170,772	610,000	192,000	313,416	79,188	5,043,436	1,174,488
2037	43,632	8,952	2,621,184	616,308	663,744	161,100	630,000	167,600	317,448	75,156	5,146,008	1,063,916
2038	44,268	8,316	2,659,968	577,524	673,572	151,272	655,000	142,400	321,528	71,076	4,354,336	950,588
2039	44,928	7,656	2,699,340	538,152	683,544	141,300	685,000	116,200	325,668	66,936	4,438,480	870,244
2040	45,600	6,984	2,739,288	498,204	693,660	131,184	710,000	88,800	329,868	62,736	4,518,416	787,908
2041	46,272	6,312	2,779,824	457,668	703,920	120,924	740,000	60,400	334,116	58,488	4,604,132	703,792
2042	46,956	5,628	2,820,972	416,520	714,336	110,508	770,000	30,800	338,424	54,180	4,690,688	617,636
2043	47,652	4,932	2,862,720	374,772	724,908	99,936	-	-	342,792	49,812	3,978,072	529,452
2044	48,348	4,236	2,905,080	332,412	735,636	89,208	-	-	347,220	45,384	4,036,284	471,240
2045	49,068	3,516	2,948,076	289,416	746,520	78,324	-	-	351,708	40,896	4,095,372	412,152
2046	49,800	2,784	2,991,708	245,784	757,572	67,272	-	-	356,256	36,348	4,155,336	352,188
2047	50,532	2,052	3,035,988	201,504	768,780	56,064	-	-	360,876	31,728	4,216,176	291,348
2048	51,276	1,308	3,080,916	156,576	780,168	44,676	-	-	365,544	27,060	4,277,904	229,620
2049	52,044	540	3,126,504	110,988	791,712	33,132	-	-	370,284	22,320	4,340,544	166,980
2050	8,744	16	3,172,776	64,716	803,424	21,420	-	-	375,084	17,520	4,360,028	103,672
2051	-	-	2,679,732	18,087	815,316	9,528	-	-	379,920	12,684	3,874,968	40,299
2052	-	-	-	-	205,493	504	-	-	384,444	8,160	589,937	8,664
2053	-	-	-	-	-	-	-	-	389,292	3,588	389,292	3,588
	$ 1,177,148	$ 251,380	$ 76,049,748	$ 17,297,847	$ 19,599,893	$ 4,526,580	$ 10,660,000	$ 5,336,550	$ 9,769,764	$ 2,130,384	$ 141,105,084	$ 34,311,256

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF CHANGES IN LONG-TERM DEBT BY INDIVIDUAL ISSUE
THE FISCAL YEAR ENDED JUNE 30, 2022

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7/1/2021	Issued During Period	Paid and/or Matured During Period	Outstanding 6/30/2022
Government Activities:								
BONDS PAYABLE								
Payable through Debt Service Fund								
2010 General Obligation Refunding Bonds	$ 16,590,000	2.000% to 4.000%	10/19/2010	3/1/2024	$ 4,410,000	$ -	$ 1,410,000	$ 3,000,000
2012 SunTrust Refunding Bond Agreement	22,500,000	2.130%	2/11/2012	5/1/2027	10,095,000	-	1,595,000	8,500,000
2013A General Obligation Public Improvement Bonds	7,405,000	2.000% to 4.000%	12/20/2013	3/1/2034	5,255,000	-	340,000	4,915,000
2013B General Obligation Pension Bonds (taxable)	10,000,000	1.000% to 3.500%	12/20/2013	3/1/2024	3,275,000	-	1,060,000	2,215,000
2015 General Obligation Public Improvement Bonds	15,000,000	3.000% to 5.000%	4/16/2015	4/1/2035	11,705,000	-	635,000	11,070,000
2017 General Obligation Public Improvement Bonds	23,120,000	2.000% to 5.000%	6/27/2017	4/1/2037	19,795,000	-	875,000	18,920,000
2019A General Obligation Public Improvement Bonds	29,585,000	4.000% to 5.000%	5/15/2019	3/1/2039	26,640,000	-	1,455,000	25,185,000
2019B General Obligation Public Improvement Bonds	22,940,000	5.000%	5/15/2019	3/1/2029	18,995,000	-	2,000,000	16,995,000
2019C General Obligation Refunding Bonds	29,245,000	4.000% to 5.000%	11/20/2019	6/1/2032	29,245,000	-	425,000	28,820,000
2019D General Obligation Refunding Bonds (taxable)	2,305,000	1.000% to 3.500%	11/20/2019	6/1/2027	2,305,000	-	365,000	1,940,000
Total Bonds Payable through Debt Service Fund					**131,720,000**	**-**	**10,160,000**	**121,560,000**
Business-type Activities:								
BONDS PAYABLE								
Payable through Water and Sewer Fund								
2005 Water and Sewer Refunding Bonds	$ 24,670,000	3.000% to 5.000%	3/30/2005	4/1/2025	$ 6,735,000	$ -	$ 2,280,000	$ 4,455,000
2011 SunTrust Loan Program	19,430,000	2.48%	9/29/2011	5/25/2026	7,430,000	-	1,415,000	6,015,000
2017A Water and Sewer Revenue Bonds	12,000,000	3.000% to 5.000%	2/16/2017	2/1/2037	10,385,000	-	450,000	9,935,000
2021 Water and Sewer Revenue Bonds	10,660,000	3.000% to 5.000%	2/1/2021	2/1/2042	10,660,000	-	-	10,660,000
Total Bonds Payable through Water and Sewer Fund					**35,210,000**	**-**	**4,145,000**	**31,065,000**
NOTES PAYABLE								
Payable through Water and Sewer Fund								
Drinking Water SRF Loan through ARRA	$ 1,500,000	2.820%	2/21/2018	12/20/2030	$ 817,659	$ -	$ 76,136	$ 741,523
Clean Water SRF Loan through ARRA	1,888,200	2.690%	1/1/2011	10/20/2032	1,192,361	-	91,221	1,101,140
State Revolving Fund Loan (CG2 2016-367)	1,822,741	.890%	6/1/2016	6/20/2033	1,477,393	-	117,180	1,360,213
State Revolving Fund Loan (SRF 2016-374)	1,677,259	.890%	6/1/2016	6/20/2033	261,391	-	20,736	240,655
State Revolving Fund Loan (CG5 2017-375)	1,275,000	1.470%	9/28/2017	8/20/2049	1,212,152	-	35,004	1,177,148
State Revolving Fund Loan (SRF 2017-376)	78,500,000	1.470%	9/28/2017	4/20/2051	78,152,531	-	2,102,783	76,049,748
State Revolving Fund Loan (SRF 2017-398)	20,000,000	1.470%	9/28/2017	9/20/2051	20,000,000	-	400,087	19,599,913
State Revolving Fund Loan (SRF 2017-398-01)	9,769,764	1.470%	9/28/2017	9/20/2053	-	9,769,764	-	9,769,764
Total Bonds Payable through Water and Sewer Fund					**103,113,487**	**9,769,764**	**2,843,147**	**110,040,104**
Total Bonds and Notes Payable through Water and Sewer Fund					**$ 138,323,487**	**$ 9,769,764**	**$ 6,988,147**	**$ 141,105,104**

See independent auditor's report.

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CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF CHANGES IN PROPERTY TAXES RECEIVABLE - BY LEVY YEAR
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Tax Year	Balance June 30, 2021	Taxes Levied	Adjustments and Collections	Balance June 30, 2022
2021	$ -	$ 23,026,943	$ (22,818,189)	$ 208,754
2020	198,781	-	(173,426)	25,355
2019	27,805	-	(9,819)	17,986
2018	14,849	-	(271)	14,578
2017	8,592	-	112	8,704
2016	6,144	-	(128)	6,016
2015	5,451	-	(42)	5,409
2014	4,391	-	(90)	4,301
2013	6,572	-	(9)	6,563
2012	8,552	-	(9)	8,543
	$ 281,137	$ 23,026,943	$ (23,001,871)	$ 306,209

The balance at June 30, 2022 is comprised of:	
Considered current revenue	$ 46,649
Allowance for uncollectible accounts: 2012-2021 levies	115,831
Unavailable revenue	143,729
	306,209
Balances not included in the schedule above are from the 2022 tax levy due October 1, 2022 (after the fiscal year). The levy is comprised of:	
Due to Industrial Development Board from TIF district	$ 1,212,617
Unavailable revenue	22,744,512
Allowance for uncollectible accounts	23,020
	23,980,149
Total property tax receivable (as shown on page 56)	$ 24,286,358

Note: Taxes become delinquent in March of the year following the tax year of levy. Delinquent taxes are turned over to the County Clerk and Master for collection proceedings.

See independent auditor's report.

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF UTILITY RATE STRUCTURE (Cont.)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED

Utility Customers

		Service		
Water	Sewer	Reclaimed	Sanitation	Stormwater
18,346	27,029	104	24,814	25,898

Water and Sewer Rates

The following rates were effective January 1, 2022. A minimum bill of 1,000 gallons per customer is levied.

Water Residential Rates: Gallons	Inside City Limits	Outside City Limits
First 1,000 Gallons	$ 16.32	$ 18.76
Next 9,000 Gallons	5.29	8.01
Next 15,000 Gallons	6.22	8.59
All Additional Gallons	7.15	9.17

Water Commercial Rates: Gallons	Inside City Limits	Outside City Limits
First 1,000 Gallons	$ 22.95	$ 26.67
Next 9,000 Gallons	5.27	7.93
Next 15,000 Gallons	6.20	8.51
All Additional Gallons	7.13	9.09

Sewer Residential Rates: Gallons	Inside City Limits	Outside City Limits
First 1,000 Gallons	$ 22.08	$ 27.16
Next 14,000 Gallons	6.41	9.80
All Additional Gallons	5.62	8.65

Sewer Commercial Rates: Gallons	Inside City Limits	Outside City Limits
First 1,000 Gallons	$ 47.51	$ 48.94
Next 14,000 Gallons	6.96	10.63
All Additional Gallons	5.97	8.74

Irrigation Residential Water Rates: Gallons	Inside City Limits	Outside City Limits
First 1,000 Gallons	$ 22.95	$ 26.67
Next 9,000 Gallons	5.27	7.93
Next 15,000 Gallons	6.20	8.51
All Additional Gallons	7.13	9.09

Reclaimed Water Rate: Gallons	Inside City Limits	Outside City Limits
For each 1,000 Gallons	$ 1.07	$ 1.07

For reclaimed, there are also rates determined by contract between the City and the customer.

Sanitation Rates

Collection Service	
First residential rollout container	$20.50 per month (one pickup per week)
Second and subsequent rollout container	$7.50 per month per container
First non-residential rollout container	$30.00 per month (one pickup per week)
Additional non-residential pickup service	$30.00 per pick-up

Stormwater Rates

Monthly Rates	
Equivalent residntial unit (ERU) rate-Nonresidential	$3.83 per month
ERU Rate for smaller residential units (less than or equal to 3,350 sq. ft.)	75% of ERU per month
ERU Rate for larger residential unitys (greater than 3,350 sq. ft.)	120% of ERU per month
ERU Rate for nonresidential properties	ERU Rate times actual sq. ft. of impervious surface divided by ERU Rate

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF UTILITY RATE STRUCTURE (Cont.)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED

Water and Sewer Rates Upcoming

The following rates are effective January 1, 2023. A minimum bill of 1,000 gallons per customer is levied.

Water Residential Rates: Gallons	Inside City Limits		Outside City Limits	
First 1,000 Gallons	$	18.04	$	20.48
Next 9,000 Gallons		5.29		8.01
Next 15,000 Gallons		6.22		8.59
All Additional Gallons		7.15		9.17

Water Commercial Rates: Gallons	Inside City Limits		Outside City Limits	
First 1,000 Gallons	$	24.67	$	28.39
Next 9,000 Gallons		5.27		7.93
Next 15,000 Gallons		6.20		8.51
All Additional Gallons		7.13		9.09

Sewer Residential Rates: Gallons	Inside City Limits		Outside City Limits	
First 1,000 Gallons	$	23.84	$	28.92
Next 14,000 Gallons		6.41		9.80
All Additional Gallons		5.62		8.65

Sewer Commercial Rates: Gallons	Inside City Limits		Outside City Limits	
First 1,000 Gallons	$	49.27	$	48.94
Next 14,000 Gallons		6.96		10.63
All Additional Gallons		5.97		8.74

Reclaimed Water Rate: Gallons	Inside City Limits		Outside City Limits	
For each 1,000 Gallons	$	1.17	$	1.17

For reclaimed, there are also rates determined by contract between the City and the customer.

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF UTILITY RATE STRUCTURE (Cont.)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED

Installation Fees:

Water Meter Size	Installation-Meter Only	Installation-Complete
3/4"	$ 315	$ 756
1"	374	897
1-1/2"	656	1,444
2"	1,362	2,223
3"	1,581	3,654
4"	2,668	5,492
6"	4,723	7,387
8"	10,293	14,110

Sewer Meter Size	Installation-Meter Only	Installation-Complete
3/4"	$ 263	$ 1,240
1"	263	1,240
1-1/2"	263	1,240
2"	263	1,240
3"	263	1,240
4"	263	1,240
6"	263	1,240
8"	263	1,240

Reclaimed Meter Size	Installation-Meter Only	Installation-Complete
3/4"	$ 500	$ 720
1"	500	854
1-1/2"	500	1,375
2"	500	2,117
3"	500	3,480
4"	500	5,230
6"	500	7,035
8"	500	13,438

Impact Fees*: Meter Size	Water Impact Fee	Sewer Impact Fee
3/4"	$ 2,089	$ 3,544
1"	8,358	14,175
1-1/2"	20,009	34,020
2"	26,745	45,360
3"	58,506	99,225
4"	83,580	141,750
6"	200,592	340,200
8"	250,740	425,250

Irrigation: Meter Size	Irrigation Meter	Reclaimed Disposal Fee
3/4"	$ 3,150	$ 450
1"	4,725	1,800
1-1/2"	6,300	4,320
2"	7,875	5,760
3"	9,450	12,600
4"	11,025	18,000
6"	12,600	43,200
8"	14,175	54,000

***Beginning in 2019, Access and SDF fees were combined for an Impact fee.**

CITY OF FRANKLIN, TENNESEE
SCHEDULE OF UTILITY MAJOR CUSTOMERS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED

The following table presents information on the ten largest customers of the System during the fiscal year ended June 30, 2022, ranked according to consumption and billings.

TOP TEN WATER CUSTOMERS

Customer	Gallons of Water Purchased (1,000)	% of Total Water Consumed	Revenue	% of Total Water Revenues
Franklin Estates (Residential)	33,445	2.24%	$ 227,622	1.95%
Williamson Medical (Hospital)	21,016	1.40%	$ 149,652	1.27%
Carrington Hills (Residential)	15,333	1.02%	$ 122,943	1.05%
Viera Holdings LLC (Residential)	12,786	0.87%	$ 128,210	1.09%
Prescott Place (Residential)	11,983	0.80%	$ 87,069	0.74%
Franklin Housing Authority (Residential)	10,245	0.69%	$ 68,160	0.58%
Apcom Inc. (Mfg)	9,587	0.64%	$ 68,160	0.58%
River Oaks Apartments (Residential)	7,307	0.49%	$ 61,856	0.53%
Residence Inn (Hotel)	7,282	0.49%	$ 51,722	0.44%
IMI Tennessee Inc (Mfg)	7,156	0.48%	$ 50,827	0.43%
TOTAL	136,140	9.12%	$ 1,016,221	8.66%

TOP TEN WASTEWATER CUSTOMERS

Customer	Gallons Billed (1,000)	% of Total Gallons Billed	Revenue	% of Total Sewer Revenues
Star Brentwood LLC (Residential)	35,217	1.32%	$ 198,237	0.86%
Franklin Estates (Residential)	33,445	1.25%	$ 275,783	1.21%
100 Gillespie Drive LLC (Residential)	27,545	1.03%	$ 165,095	0.72%
Williamson Medical Center (Hospital)	21,016	0.79%	$ 126,117	0.55%
Gateway Village (Residential)	18,368	0.69%	$ 110,958	0.49%
IMT Capital REIT IV LLC (Residential)	16,730	0.63%	$ 100,526	0.44%
PB One Aspen Grove LLC (Residential)	16,169	0.61%	$ 97,179	0.42%
KRG Cool Springs LLC (Business)	15,338	0.58%	$ 92,219	0.40%
Carrington Hills (Residential)	15,333	0.58%	$ 160,582	0.70%
Mid America Apartments LP (Residential)	14,876	0.56%	$ 89,457	0.39%
TOTAL	214,037	8.04%	$ 1,416,153	6.18%

TOP TEN RECLAIMED WATER CUSTOMERS

Customer	Gallons of Water Purchased (1,000)	% of Total Water Consumed	Revenue	% of Total Water Revenues
City of Franklin Parks	29,440	28.40%	$ 29,606	20.15%
Rural Plains Partnership (Business)	19,850	19.15%	$ 20,730	14.11%
John Deere Landscape (Business)	8,128	7.84%	$ 8,092	5.51%
Boyle Investment (Business/Res)	5,794	5.59%	$ 6,123	4.17%
Battle Ground Academy (School)	4,372	4.22%	$ 4,852	3.31%
Ramsey Solutions (Business)	3,477	3.35%	$ 18,270	12.43%
Southern Land Co (Business)	2,787	2.69%	$ 2,737	1.86%
Franklin 1st United Methodist (Church)	2,375	2.29%	$ 3,450	2.35%
Carlisle HOA (Residential)	2,260	2.18%	$ 2,209	1.50%
Williamson County Government	2,104	2.03%	$ 2,050	1.40%
TOTAL	80,587	77.74%	$ 98,119	66.79%

Note 1: For some customers with multiple meters, gallons purchased and revenue from all meters has been included in the lists shown above.

STATISTICAL SECTION

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FRANKLIN
TENNESSEE

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CITY OF FRANKLIN, TENNESSEE
STATISTICAL SECTION SUMMARY PAGE

STATISTICAL SECTION SUMMARY PAGE:

This part of the City of Franklin, Tennessee's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, the note disclosures, and the required supplementary information says about the City's overall financial health.

Contents:

Except where noted, the information in these schedules is derived from the City's Annual Comprehensive Financial Reports for the relevant years. The information has been restated, where applicable and feasible, for the adoption of new GASB pronouncements.

CITY OF FRANKLIN, TENNESSEE

Financial Trends Information -
Net Position By Component

(Prepared using the accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
Net investment in capital assets	$ 427,956,937	$ 473,270,481	$ 526,598,701	$ 531,232,432	$ 528,657,327	$ 528,661,334	$ 553,517,545	$ 581,817,963	$ 600,239,617	$ 623,690,227
Restricted for:										
Grant program use	23,545	23,717	20,212	85,185	86,263	89,691	100,451	113,066	114,745	118,477
State street aid	-	295,259	287,224	373,415	502,481	645,435	496,410	601,819	771,402	2,870,168
Sanitation use	-	-	-	767,350	610,969	1,160,474	1,922,723	1,000,240	1,992,796	1,957,699
Drug fund use	121,781	165,436	295,296	515,642	541,205	508,522	438,184	520,472	602,402	538,766
Other projects	-	-	-	-	3,488,072	4,804,517	39,890,216	38,165,088	30,019,751	23,700,256
Pensions	-	-	-	-	-	-	7,999	-	-	-
Unrestricted	42,077,735	14,450,363	25,106,842	35,391,194	46,798,463	74,003,922	39,950,296	42,976,500	63,722,583	88,903,544
Total net position	$ 470,179,998	$ 488,205,256	$ 552,308,275	$ 568,365,218	$ 580,684,780	$ 609,873,895	$ 636,323,824	$ 665,195,148	$ 697,463,296	$ 741,779,137
Business-type activities:										
Net investment in capital assets	$ 110,724,957	$ 119,141,240	$ 128,272,969	$ 139,229,139	$ 144,008,929	$ 160,464,694	$ 166,254,831	$ 176,897,094	$ 186,313,737	$ 195,995,094
Restricted for:										
Water & Sewer	8,150,100	13,391,806	13,452,592	8,916,035	9,757,361	10,665,267	10,180,317	10,882,442	10,784,987	11,288,887
Pensions	-	-	-	-	-	-	1,179	-	-	-
Unrestricted	15,923,139	13,545,686	15,771,418	25,339,325	30,877,222	25,591,650	32,220,082	34,170,434	33,856,599	34,148,733
Total net position	$ 134,798,196	$ 146,078,732	$ 157,496,979	$ 173,484,499	$ 184,643,512	$ 196,721,611	$ 208,656,409	$ 221,949,970	$ 230,955,323	$ 241,432,714
Primary government:										
Net investment in capital assets	$ 538,681,894	$ 592,411,721	$ 654,871,670	$ 670,461,571	$ 672,666,256	$ 689,126,028	$ 719,772,376	$ 758,715,057	$ 786,553,354	$ 819,685,321
Restricted for:										
Grant program use	23,545	23,717	20,212	85,185	86,263	89,691	100,451	113,066	114,745	118,477
State street aid	-	295,259	287,224	373,415	502,481	645,435	496,410	601,819	771,402	2,870,168
Sanitation use	-	-	-	767,350	610,969	1,160,474	1,922,723	1,000,240	1,992,796	1,957,699
Drug fund use	121,781	165,436	295,296	515,642	541,205	508,522	438,184	520,472	602,402	538,766
Other projects	-	-	-	-	3,488,072	4,804,517	39,890,216	38,165,088	30,019,751	23,700,256
Water & Sewer	8,150,100	13,391,806	13,452,592	8,916,035	9,757,361	10,665,267	10,180,317	10,882,442	10,784,987	11,288,887
Pensions	-	-	-	-	-	-	9,178	-	-	-
Unrestricted	58,000,874	27,996,049	40,878,260	60,730,519	76,975,737	99,595,572	72,170,378	77,146,934	97,579,182	123,052,277
Total net position	$ 604,978,194	$ 634,283,988	$ 709,805,254	$ 741,849,717	$ 764,628,344	$ 806,595,506	$ 844,980,233	$ 887,145,118	$ 928,418,619	$ 983,211,851

CITY OF FRANKLIN, TENNESSEE

Financial Trends Information -
Changes in Net Position

(Prepared using the accrual basis of accounting)

Governmental activities:	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Revenues:										
Program revenues:										
Charges for services-Communications	$ -	$ -	$ -	$ 3,600	$ 2,500	$ 2,900	$ 2,000	$ 2,696	$ 2,700	$ 3,400
Charges for services-Human resources	-	-	-	-	49	6	-	-	-	-
Charges for services-IT	-	-	-	2,752	3,682	1,234	4,020	3,560	1,620	7,422
Charges for services-Administration	-	-	-	-	-	-	-	-	15	558
Charges for services-BNS	1,878,490	2,332,672	2,005,472	2,921,320	2,999,288	3,169,678	2,369,851	2,482,131	2,574,191	2,447,117
Charges for services-Planning	-	-	-	172,185	161,101	227,186	197,199	191,527	212,771	170,314
Charges for services-Engineering	-	-	-	50	1,650	1,500	1,850	3,700	4,700	150
Charges for services-Gen Govt	580,724	608,111	487,716	121,946	158,340	256,860	326,081	134,014	-296,265	417,040
Charges for services-Police	1,146,251	784,561	782,681	814,774	703,245	374,937	498,781	583,248	470,956	726,477
Charges for services-Streets	7,160	7,400	10,780	18,040	21,200	302,720	17,555	18,800	21,280	21,640
Charges for services-Sanitation	6,855,652	6,084,125	7,384,798	8,346,213	7,709,098	8,359,191	9,341,314	9,479,172	10,198,236	10,680,204
Charges for services-Stormwater	2,363,177	2,328,343	2,658,906	2,461,914	2,565,543	2,531,201	2,590,324	2,572,632	2,692,893	2,730,653
Charges for services-Transit	87,069	94,314	94,072	88,460	104,649	112,418	84,945	63,426	33,080	68,173
Operating grants & contributions	4,489,556	4,317,671	4,130,790	4,863,442	2,729,040	4,333,905	3,193,791	3,810,803	6,733,287	6,237,167
Capital grants & contributions	24,640,622	32,121,297	65,527,923	13,545,685	11,071,103	16,204,360	25,749,867	26,519,429	27,390,120	23,282,517
General revenues:										
Property taxes	11,659,973	11,878,892	13,278,605	13,679,737	18,023,515	18,621,275	19,031,452	20,084,308	20,586,971	21,108,237
Sales taxes	25,995,733	27,254,742	28,943,994	31,309,367	32,694,269	34,151,972	36,168,178	35,453,379	41,999,727	57,745,532
Other taxes and fees	24,254,006	30,286,052	29,044,718	42,283,630	37,168,655	46,850,308	40,728,490	48,662,128	39,216,217	45,511,383
Other	4,630,117	(790,266)	(668,516)	(1,956,347)	2,059,244	1,757,971	2,217,556	-	-	-
Transfers	-	-	200,000	200,000	1,125,000	825,000	200,000	(365,000)	200,000	200,000
Total revenues	108,588,530	117,307,914	153,881,939	118,876,768	119,301,171	138,084,622	142,723,254	149,699,953	152,042,499	171,357,984
Expenses:										
General government:										
Elected officials	183,406	297,496	275,250	343,182	282,123	332,480	290,502	358,690	297,949	341,197
Administration	492,554	456,302	489,702	499,029	561,385	1,231,613	1,074,343	1,313,132	1,279,793	1,644,962
Human resources	787,765	951,829	965,080	1,093,125	1,193,032	1,101,869	1,292,914	1,373,293	1,271,113	1,446,907
Legal	293,197	466,434	349,276	354,340	491,048	455,753	770,499	560,168	587,620	658,117
Communications	304,243	319,154	314,956	363,446	452,958	366,611	404,136	373,353	401,782	443,266
Capital investment planning	162,049	184,077	179,584	87,490	-	-	-	-	-	-
Project & facilities management	710,947	802,988	1,161,760	1,176,182	1,109,682	1,170,752	1,210,030	1,201,740	1,348,841	1,668,975
Revenue management	176,518	304,303	227,607	205,230	273,544	219,961	233,289	164,454	196,001	217,796
Finance	700,548	717,444	802,805	836,283	863,803	804,287	931,609	953,767	946,786	1,146,951
Information technology	4,756,627	4,213,881	4,520,824	4,104,824	4,465,981	4,931,812	4,952,583	4,553,022	4,187,327	4,921,237
Purchasing	141,705	165,711	176,188	177,659	207,506	213,132	227,691	269,962	243,065	323,840
Court	220,481	214,427	199,857	228,932	388,088	244,404	213,302	287,357	323,406	235,550
Building & neighborhood services	2,164,831	2,351,310	2,335,652	2,427,771	2,737,738	2,959,894	3,037,683	3,154,457	2,943,051	3,083,707
Planning	1,235,714	1,425,121	1,383,565	1,680,480	1,567,652	1,405,791	1,549,808	1,429,692	1,498,484	1,767,713
Engineering	648,601	696,853	763,790	806,847	1,013,726	1,169,263	1,344,905	1,507,041	1,448,597	1,721,884
Traffic operations center	658,063	723,312	828,506	862,274	1,128,998	1,074,055	922,142	1,085,967	762,937	863,542
General government	2,442,032	1,949,294	4,370,952	12,305,479	3,728,463	(700,908)	6,353,001	6,392,927	4,644,218	2,663,427
Public safety:										
Police	14,363,457	14,538,599	14,418,465	15,009,053	15,715,821	17,012,348	17,637,337	18,484,182	18,322,992	21,267,686
Fire	13,540,246	13,939,150	14,864,908	15,873,431	17,431,159	18,887,397	19,239,506	20,499,375	21,150,380	23,479,105
Parks	3,866,135	4,244,661	4,435,890	4,709,152	5,497,455	6,026,047	6,137,924	6,906,698	6,037,842	6,667,437
Streets-maintenance	16,431,675	18,426,769	19,867,157	22,605,118	29,466,122	31,268,410	28,407,101	29,036,523	29,742,109	29,746,153
Street-fleet	601,240	902,173	1,017,846	881,735	875,366	875,834	849,701	931,275	775,178	870,020
Sanitation	7,837,722	7,279,885	7,593,469	8,388,763	7,972,577	8,496,222	9,040,276	10,211,325	10,622,594	11,508,683
Stormwater	1,622,743	2,016,390	1,776,125	2,105,446	2,361,491	2,521,031	2,465,549	2,728,992	2,988,541	3,023,268
Transit	1,623,600	1,736,112	2,372,642	1,705,932	2,035,623	2,240,269	2,405,778	2,566,793	2,839,032	2,934,034
Interest expense on long-term debt	3,679,511	3,742,163	4,087,064	3,988,622	4,074,621	4,587,179	5,281,715	4,484,444	4,914,713	4,396,686
Total expenses	79,645,610	83,065,838	89,778,920	102,819,825	105,895,962	108,895,506	116,273,324	120,828,629	119,774,351	127,042,143
Change in net position	$ 28,942,920	$ 34,242,076	$ 64,103,019	$ 16,056,943	$ 13,405,209	$ 29,189,115	$ 26,449,929	$ 28,871,324	$ 32,268,148	$ 44,315,841
Business-Type activities:										
Revenues:										
Program revenues:										
Charges for services	$ 22,116,747	$ 23,099,351	$ 25,283,748	$ 27,749,661	$ 28,803,497	$ 30,650,210	$ 31,626,191	$ 32,254,195	$ 35,209,857	$ 36,950,009
Capital/Operating grants & contributions	6,728,662	11,263,738	9,517,652	12,429,719	9,382,488	11,005,568	9,269,803	9,027,798	7,527,829	7,353,158
General revenues:										
Other sources	140,371	113,591	170,074	253,837	287,640	424,211	1,085,029	1,349,411	143,935	(1,089,669)
Transfers	-	-	(200,000)	(200,000)	(1,125,000)	(825,000)	(200,000)	365,000	(200,000)	(200,000)
Total revenues	28,985,780	34,476,680	34,771,474	40,233,217	37,348,625	41,254,989	41,781,023	42,996,404	42,681,621	43,013,498
Expenses:										
Water & sewer	21,973,257	22,694,995	23,353,227	24,245,697	26,189,612	28,476,942	29,846,225	29,702,843	33,760,377	32,536,107
Change in net position	$ 7,012,523	$ 11,781,685	$ 11,418,247	$ 15,987,520	$ 11,159,013	$ 12,778,047	$ 11,934,798	$ 13,293,561	$ 8,921,244	$ 10,477,391
Total change in net position	$ 35,955,443	$ 46,023,761	$ 75,521,266	$ 32,044,463	$ 24,564,222	$ 41,967,162	$ 38,384,727	$ 42,164,885	$ 41,189,392	$ 54,793,232

CITY OF FRANKLIN, TENNESSEE

Financial Trends Information -
Fund Balances - Governmental Funds

(Prepared using the modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Non-Spendable	$ 1,741,675	$ 1,141,340	$ 1,712,291	$ 1,879,610	$ 2,223,101	$ 2,061,344	$ 1,719,567	$ 1,624,813	$ 1,484,303	$ 1,297,773
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	27,148,443	31,573,111	33,757,157	37,369,976	41,060,041	47,398,627	51,482,407	51,591,473	63,997,207	73,135,433
Total General Fund	28,890,118	32,714,451	35,469,448	39,249,586	43,283,142	49,459,971	53,201,974	53,216,286	65,481,510	74,433,206
All Other Governmental Funds										
Capital Projects Fund										
Non-Spendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	15,508,919	6,212,614	35,931,258	34,491,104	25,520,920	19,323,125
Committed	382,419	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	(18,878,175)	(10,104,657)	(7,887,886)	-	-	-	-	-	-
Total Capital Projects Fund	382,419	(18,878,175)	(10,104,657)	(7,887,886)	15,508,919	6,212,614	35,931,258	34,491,104	25,520,920	19,323,125
Road Impact Fee Fund*										
Non-Spendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	22,442,977	25,741,274	32,202,321
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Road Impact Fee Fund	-	-	-	-	-	-	-	22,442,977	25,741,274	32,202,321
Debt Service Fund										
Non-Spendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	84,729	195,118	709	5,000	90,197	106,587	372,887	804,607	937,169	1,161,978
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Debt Service Fund	84,729	195,118	709	5,000	90,197	106,587	372,887	804,607	937,169	1,161,978
Special Revenue Funds										
Non-Spendable	-	46,013	32,553	57,121	76,130	65,380	34,840	65,841	64,332	70,890
Restricted	145,326	484,412	602,732	1,685,971	5,228,990	7,143,259	6,916,726	5,909,581	7,980,176	9,862,241
Committed	8,762,925	12,524,477	12,674,316	17,243,117	24,451,333	33,796,210	38,800,441	18,008,344	17,488,810	30,537,322
Assigned	1,124,507	1,971,048	5,243,672	7,060,075	5,353,767	8,806,157	13,175,194	11,940,200	10,764,432	2,813,242
Unassigned	(854,829)	-	-	-	-	-	-	-	-	-
Total Special Revenue Funds	9,177,929	15,025,950	18,553,273	26,046,284	35,110,220	49,811,006	58,927,201	35,923,966	36,297,750	43,283,695
Total All Other Governmental Funds	9,645,077	(3,657,107)	8,449,325	18,163,398	50,709,336	56,130,207	95,231,346	93,662,654	88,497,113	95,971,119
Total Governmental Funds	$ 38,535,195	$ 29,057,344	$ 43,918,773	$ 57,412,984	$ 93,992,478	$ 105,590,178	$ 148,433,320	$ 146,878,940	$ 153,978,623	$ 170,404,325

*Prior to FY2020, Road Impact Fee Fund was included in Special Revenue Funds

CITY OF FRANKLIN, TENNESSEE

Financial Trends Information -
Changes in Fund Balances - Governmental Funds
(Prepared using the modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	$ 45,969,516	$ 49,228,473	$ 51,595,489	$ 57,346,463	$ 63,339,011	$ 66,814,751	$ 67,064,451	$ 67,215,946	$ 74,080,393	$ 93,225,387
Licenses and permits	7,603,115	11,397,587	8,714,516	14,855,454	12,704,411	19,574,405	14,187,525	18,877,383	13,058,315	17,279,054
Fines and fees	824,280	829,485	758,369	845,422	753,497	583,048	511,864	560,779	442,069	511,375
Intergovernmental	15,973,111	16,290,803	19,789,750	23,052,657	19,626,633	21,724,493	21,846,542	21,286,228	24,302,340	26,794,243
Charges for services	9,264,390	8,557,376	10,194,368	10,952,510	10,518,112	11,109,359	12,099,847	12,166,255	12,971,447	13,696,560
Use of money and property	816,950	622,019	792,690	979,599	686,672	874,412	4,101,263	4,087,802	435,541	(1,877,948)
Miscellaneous	1,513,225	648,436	3,301	2,489,638	1,155,394	262,053	797,299	2,809,455	1,099,418	2,203,693
Total revenues	81,964,587	87,574,179	91,848,483	110,521,743	108,783,730	120,942,521	120,608,791	127,003,848	126,389,523	151,832,364
Expenditures										
Elected officials	183,406	297,496	275,250	343,182	282,124	332,480	290,502	358,690	297,949	341,197
Administration	478,456	445,982	483,622	492,182	535,330	1,064,210	1,043,428	1,261,084	1,208,674	1,592,032
Human resources	823,598	910,719	1,121,520	1,211,867	1,165,049	987,380	1,151,251	1,270,498	1,148,280	1,433,482
Legal	283,786	463,730	342,493	333,265	498,133	453,393	758,081	548,969	553,316	661,898
Communications	300,211	317,233	313,200	352,429	489,797	362,973	395,004	377,977	390,120	440,809
Capital investment planning	159,152	183,594	176,967	162,466	-	-	-	-	-	-
Project & facilities management	634,151	729,970	1,093,598	1,111,055	1,069,858	1,118,898	1,160,709	1,154,390	1,281,459	1,606,736
Revenue management	166,427	359,289	210,378	192,958	261,826	211,611	241,134	135,472	206,308	186,763
Public safety:										
Police	13,703,100	13,977,946	13,747,102	14,701,228	15,484,361	16,561,112	16,568,363	16,724,525	16,656,682	19,205,182
Fire	12,817,855	13,268,813	14,129,713	15,753,191	17,003,425	18,106,943	18,067,915	19,251,818	19,436,763	21,782,760
Finance	687,679	716,542	787,545	824,104	940,697	818,603	917,289	931,572	916,947	1,131,025
Information and technology	3,953,288	3,676,541	4,074,719	3,727,271	4,186,105	4,349,878	4,307,123	3,835,596	3,419,835	4,048,985
Purchasing	134,412	162,559	173,490	176,129	191,513	222,261	224,772	260,486	232,342	317,318
Court	217,568	239,857	201,815	319,159	444,685	317,866	212,987	276,896	314,530	249,763
Building & neighborhood services	2,101,158	2,321,624	2,356,810	2,423,538	2,750,384	2,909,042	2,982,913	3,145,299	2,840,548	3,129,237
Planning	1,216,935	1,419,450	1,406,527	1,637,525	1,560,527	1,471,756	1,557,636	1,395,702	1,467,393	1,771,006
Engineering	631,300	687,014	759,768	802,701	991,964	1,123,694	1,292,986	1,449,218	1,377,052	1,649,818
Traffic operations center	459,315	396,044	484,244	498,106	777,609	736,150	704,590	846,202	546,114	649,475
Economic Development	46,313	52,811	32,811	67,277	53,592	67,518	78,327	90,844	71,261	-
Parks	2,682,797	3,024,341	3,239,260	3,538,547	4,214,304	4,697,744	4,638,144	5,384,004	4,500,115	4,904,967
Streets-maintenance	6,367,667	6,008,306	6,500,001	8,221,079	14,290,794	15,781,502	12,641,002	12,314,445	13,399,834	12,630,515
Streets-traffic	790,995	1,280,969	1,198,941	1,360,638	1,508,872	1,377,220	1,484,099	1,731,460	1,407,195	1,578,069
Streets-fleet	596,448	874,303	1,073,512	945,575	940,286	836,861	808,172	942,337	741,051	848,020
General government	1,277,170	11,184,017	1,314,706	3,680,359	672,243	(1,363,747)	1,959,699	(679,827)	653,290	1,815,297
Appropriations	411,674	429,849	513,599	473,706	964,936	464,073	466,424	486,738	446,247	598,194
Sanitation	7,025,547	6,446,791	7,490,571	8,308,687	7,834,537	7,958,336	8,202,439	9,217,636	9,368,226	10,013,407
Stormwater	1,517,703	1,918,130	1,638,451	2,112,676	2,314,747	2,554,078	2,282,043	2,555,688	2,408,374	2,737,653
Transit	1,381,776	1,553,237	2,243,080	1,574,974	1,890,367	2,086,098	2,277,206	2,446,053	2,693,184	2,781,702
Debt service:										
Principal	6,469,000	6,670,000	7,449,000	7,783,000	7,992,000	8,118,000	7,945,000	9,520,000	9,385,000	10,160,000
Interest	4,277,301	4,298,262	4,644,723	4,973,106	4,886,022	5,514,705	5,544,524	5,720,563	5,932,143	5,572,934
Other charges	199,479	28,317	151,263	16,838	18,726	7,976	142,027	2,804,902	2,665	4,514
Capital outlay - capital	16,944,065	32,567,975	16,081,875	12,344,902	5,663,429	11,727,276	11,937,017	22,747,397	16,186,944	21,763,903
Total expenditures	88,939,732	116,911,711	95,710,554	100,463,720	101,878,242	110,975,890	112,282,806	128,506,634	119,489,841	135,606,661
Excess (deficiency) of revenues over (under) expenditures	(6,975,145)	(29,337,532)	(3,862,071)	10,058,023	6,905,488	9,966,631	8,325,985	(1,502,786)	6,899,682	16,225,703
Other financing sources (uses):										
Proceeds from issuance of long-term debt	23,975,694	19,859,681	17,196,020	3,236,188	25,008,840	806,069	52,525,000	31,550,000	-	-
Prremiums from issuance of long-term debt	-	-	-	-	-	-	8,462,517	7,080,224	-	-
Transfer to bond escrow agent	(22,500,000)	-	1,327,480	-	3,540,166	-	(26,670,360)	(35,725,000)	-	-
Operating transfers in	6,740,323	7,767,550	9,242,452	9,303,969	15,285,099	10,496,177	10,265,312	14,168,841	11,051,877	20,250,030
Operating transfers out	(6,740,323)	(7,767,550)	(9,042,452)	(9,103,969)	(14,160,099)	(9,671,177)	(10,065,312)	(17,125,659)	(10,851,876)	(20,050,031)
Total other financing sources (uses)	1,475,694	19,859,681	18,723,500	3,436,188	29,674,006	1,631,069	34,517,157	(51,594)	200,001	199,999
Net changes in fund balances	$ (5,499,451)	$ (9,477,851)	$ 14,861,429	$ 13,494,211	$ 36,579,494	$ 11,597,700	$ 42,843,142	$ (1,554,380)	$ 7,099,683	$ 16,425,702
Debt service as a % of noncapital expenditures	14.93%	13.00%	15.19%	14.48%	13.38%	13.74%	13.44%	14.41%	14.83%	13.82%

CITY OF FRANKLIN, TENNESSEE

Revenue Capacity Information
Local Sales Tax Collections

FISCAL YEAR	Estimate of Taxable Sales to Local Sales Tax (a)	Local Sales Tax Rate (City & Williamson County)	Total Local Sales Tax Collected	Less: County Portion (1/2 of tax) (b)	Less: County Admin Fee (1% of City's 1/2 of tax) (c)	Less: County School Debt Service (d)	Local Sales Tax Received by City	Percent of General Fund Revenue
2022	$ 4,242,096,003	2.75%	$ 116,657,640	$ (58,328,820)	$ (583,288)	$ -	$ 57,745,532	60.4%
2021	3,771,019,289	2.75%	84,847,934	(42,423,967)	(424,240)	(6,298,283)	41,999,727	52.1%
2020	3,183,243,914	2.75%	71,622,988	(35,811,494)	(358,115)	(7,430,205)	35,453,379	50.7%
2019	3,247,423,397	2.75%	73,067,026	(36,533,513)	(365,335)	(7,052,013)	36,168,178	49.7%
2018	3,066,394,800	2.75%	68,993,883	(34,496,941)	(344,969)	(1,692,308)	34,151,972	49.4%
2017	2,935,512,368	2.25%	66,049,028	(33,024,514)	(330,245)	-	32,694,269	49.1%
2016	2,811,166,510	2.25%	63,251,246	(31,625,623)	(316,256)	-	31,309,367	49.3%
2015	2,598,787,340	2.25%	58,472,715	(29,236,358)	(292,364)	-	28,943,994	50.4%
2014	2,447,114,882	2.25%	55,060,085	(27,530,042)	(275,300)	-	27,254,742	47.9%
2013	2,334,072,548	2.25%	52,516,632	(26,258,316)	(262,583)	-	25,995,733	49.4%

(a) Tennessee Code Annotated Section 67-6-702 authorizes the levy of a local option sales tax. The tax is applied only to the first $1,600 of any single article of personal property.

(b) These taxes are split between the County and the City. The Tennessee Department of Revenue sends a monthly report to Williamson County totaling the collections for the month. The County retains 50%.

(c) The County charges the City 1% of the City's 1/2 share as an administrative fee.

(d) In February 2018, the voters of Williamson County approved by referendum an increase in the local option sales tax rate from 2.25% to 2.75%, which is the maximum rate authorized by state law. The new rate became effective April 1, 2018. For a three year period,, from April 2018 through March 2021, the City's portion of additional revenues, generated under the new tax rate (0.50%) remained with the County for the purposes of funding County School debt service. Beginning April 2021, the City began receiving its portion of the additional revenue.

CITY OF FRANKLIN, TENNESSEE

Revenue Capacity Information - Assessed Value and Estimated Actual Value of Taxable Property

	Real Property Assessment		Personal Property Assessment		Public Utility Assessment					
FISCAL YEAR	Residential & Farm Property	Industrial & Commercial Property	Industrial & Commercial Property	Intangible Property	State Assessment	Local Assessment	Total Taxable Assessed Value	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Estimated Actual Value	Total Direct Rate
2022	$ 3,268,413,100	$ 3,508,052,500	$ 282,058,611	$ 2,760,000	$ 84,915,601	$ -	7,146,199,812	$ 22,985,416,480	31.09%	0.3261
2021	2,457,984,895	2,721,802,980	212,141,723	2,400,000	64,423,153	-	5,458,752,751	21,190,144,675	25.76%	0.4176
2020	2,383,570,565	2,611,168,485	195,053,443	106,128	64,804,129	-	5,254,702,750	18,920,390,435	27.77%	0.4176
2019	2,307,323,295	2,485,463,471	190,862,365	110,259	64,399,468	-	5,048,158,858	18,208,229,470	27.72%	0.4176
2018	2,225,948,965	2,394,850,296	196,029,038	127,836	66,131,091	-	4,883,087,226	15,696,174,389	31.11%	0.4176
2017	2,124,725,620	2,290,475,081	164,777,885	115,036	68,350,538	-	4,648,444,160	14,931,225,106	31.13%	0.4176
2016	1,686,264,015	1,675,073,222	157,978,412	84,526	57,576,973	-	3,576,977,148	11,591,451,146	30.86%	0.4065
2015	1,628,904,915	1,586,857,868	163,708,520	53,322	60,066,953	471,130	3,440,062,708	11,413,859,405	30.14%	0.4065
2014	1,572,195,410	1,549,098,572	156,642,888	69,209	55,553,796	-	3,333,559,875	11,065,624,425	30.13%	0.3765
2013	1,523,744,360	1,487,649,998	148,889,463	1,275,280	56,228,260	-	3,217,787,361	10,442,405,019	30.81%	0.3765

Source: Tax Aggregate Report of Tennessee

Note: Property of the City is reappraised periodically. Tax rates are per $100 of assessed value.

CITY OF FRANKLIN, TENNESSEE

Revenue Capacity Information -
Property Tax Rates - Direct and Overlapping Governments (a)

	Direct Rate					Overlapping Rate	
	City of Franklin (a)					Williamson County (b)	Total Direct
Fiscal Year	General Fund	Debt Service Fund	Street Aid Fund	Capital Projects Fund	Total Direct Rate	Total Overlapping Rate	and Overlapping
2022	$ 0.1464	$ 0.1647	$ 0.0150	---	$ 0.3261	$ 2.3951	$ 2.7212
2021 (c)	0.2002	0.2024	0.0150	---	0.4176	2.8090	3.2266
2020 (d)	0.1916	0.2110	0.0150	---	0.4176	2.8090	3.2266
2019 (e)	0.2290	0.1736	0.0150	---	0.4176	2.7390	3.1566
2018 (f)	0.2137	0.1889	0.0150	---	0.4176	2.6890	3.1066
2017 (g)	0.2262	0.1614	0.0150	0.0150	0.4176	2.6790	3.0966
2016	0.1517	0.2248	0.0150	0.0150	0.4065	3.0541	3.4606
2015	0.1716	0.2049	0.0150	0.0150	0.4065	2.9775	3.3840
2014	0.1979	0.1786	---	---	0.3765	2.9775	3.3540
2013	0.2149	0.1616	---	---	0.3765	2.9510	3.3275

From fiscal years 2011-2014. the direct rate was separated between the General Fund and the Debt Services Fund. From fiscal year 2015-2017, the direct rate was separated btween the General Fund, the Debt Service Fund, the Street Aid Fund, and the Capital Projects Fund. Beginning in fiscal year 2019, the direct rate was separated between the General Fund, the Debt Service Fund, and the Street Aid Fund.

(a) Per $100 of assessed valuation
(b) Levied on County property within the City. Rate is applicable to City property located in the special school district; substantially all of the City's assessed property is in the special school district. County rates for City of Franklin property not in the special school district are as follows:

2022	1.8300
2021	2.1600
2020	2.1600
2019	2.0900
2018	2.0700
2017	2.0400
2016	2.2000
2015	2.2000
2014	2.2000
2013	2.2000

(c) FY2021 County-wide reappraisal year.
(d) FY2020 General Fund rate is inclusive of $.1918 for General Fund operations.
(e) FY2019 General Fund rate is inclusive of $.1918 for General Fund operations and $.0372 for the General Fund Capital Funding account.
(f) FY2018 General Fund rate is inclusive of $.1751 for General Fund operations and $.0386 for the General Fund Capital Funding account.
(g) FY2017 General Fund rate is inclusive of $.1562 for General Fund operations and $.0700 for the General Fund Capital Funding account.

CITY OF FRANKLIN, TENNESSEE

Revenue Capacity Information - Principal Property Taxpayers, Current Year and Nine Years Ago

Taxpayer	2013 Assessed Valuation	2013 Percent of Assessed Valuation	2022 Assessed Valuation	2022 Percent of Assessed Valuation
Real and Personal Property Tax				
Northwood Investors			$ 156,067,800	2.18%
Highwood Properties			146,158,800	2.05%
Boyle Investments			143,300,840	2.01%
IMT			128,743,000	1.80%
Galleria Associates (CBL Assoc.)	$ 59,953,120	1.86%	98,775,680	1.38%
Stock Bridge Capital			69,263,000	0.97%
Chartwell Hospitality			56,979,000	0.80%
PBONE Aspen Grove LLC			50,317,000	0.70%
STAR Brentwood LLC			48,959,320	0.69%
LCFRE Nashville Carothers			46,830,920	0.66%
HRLP Cool Springs LLC	36,540,840	1.14%		
Carothers Office ACQ LLC	29,792,480	0.93%		
Landings F C LP	24,381,720	0.76%		
Wyndchase, LLC	24,208,600	0.75%		
Farms Apartments Associate	19,126,880	0.59%		
Lightman Cool Springs	18,110,880	0.56%		
Boyle Cool Springs Joint Venture	18,131,240	0.56%		
Franklin Realco LLC	16,834,200	0.52%		
Alara Franklin Corp	15,710,680	0.49%		
Franklin Cool Springs Corp	15,669,347	0.49%		
AGL/SLC McEwen No 1 LLC	15,176,080	0.47%		
United Dominion Realty LP	14,421,957	0.45%		
Weaks Realty	13,555,760	0.42%		
AGL/SLC McEwen No 2 LLC	13,177,520	0.41%		
Totals	$ 334,791,304	10.40%	$ 945,395,360	13.23%

* Total assessed valuation in 2013 (tax year 2012) was $3,217,787,361.
** Total assessed valuation in 2022 (tax year 2021) is $7,146,199,812.

CITY OF FRANKLIN, TENNESSEE

Revenue Capacity Information - Property Tax Levies and Collections

Fiscal Year	Total Tax Levy	Collected Within One Year of Levy	Percent Collected	Collections in Subsequent Years	Total Collections	Total Collections as Percent of Total Levy	Outstanding Delinquent Taxes
2022	$ 23,026,943	$ 22,818,189	99.1%	$ -	$ 22,818,189	99.1%	$ 208,754
2021	22,527,506	22,328,725	99.1%	173,426	22,502,151	99.9%	25,355
2020	21,688,376	21,436,320	98.8%	234,070	21,670,390	99.9%	17,986
2019	20,834,771	20,584,843	98.8%	235,350	20,820,193	99.9%	14,578
2018	20,126,690	19,895,443	98.9%	222,543	20,117,986	100.0%	8,704
2017	19,203,126	19,013,067	99.0%	184,043	19,197,110	100.0%	6,016
2016	14,306,693	14,114,206	98.7%	187,078	14,301,284	100.0%	5,409
2015	13,742,347	13,551,648	98.6%	186,398	13,738,046	100.0%	4,301
2014	12,342,702	12,146,687	98.4%	189,452	12,336,139	99.9%	6,563
2013	11,902,186	11,724,940	98.5%	168,703	11,893,643	99.9%	8,543

CITY OF FRANKLIN, TENNESSEE

Debt Capacity Information - Ratios of Outstanding Debt by Type

	Governmental Activities		Business-type Activities						
Fiscal Year	General Obligation Bonds (a)	Leases	Water & Sewer Revenue & Tax Bonds (a)	Leases	Total Outstanding Debt	Personal Income (b)	Percentage of Personal Income	Population (c)	Debt Per Capita
2022	$ 138,875,636	$ -	$ 144,669,081		$ 283,544,717	$ 7,907,099,592	3.6%	83,454	3,398
2021	150,034,179	-	129,005,230	-	279,039,409	7,932,553,062	3.5%	83,454	3,344
2020	160,358,676	-	85,275,963	-	245,634,639	6,727,183,776	3.7%	70,908	3,464
2019	167,912,949	-	49,621,380	-	217,534,329	6,727,183,776	3.2%	70,908	3,068
2018	141,697,493	884,974	42,926,581	17,187	185,526,235	6,727,183,776	2.8%	70,908	2,616
2017	150,159,179	2,170,299	45,705,483	30,737	198,065,698	6,452,698,908	3.1%	70,908	2,793
2016	131,675,830	3,428,930	35,463,236	-	170,567,996	6,149,445,980	2.8%	66,370	2,405
2015	139,649,696	3,188,492	38,987,696	-	181,825,884	6,090,575,790	3.0%	66,370	2,564
2014	130,913,402	3,284,692	42,458,312	-	176,656,406	5,614,570,150	3.1%	66,370	2,662
2013	120,136,535	2,357,012	45,875,189	-	168,368,736	4,975,089,966	3.4%	62,487	2,694

(a) This amount includes unamortized premiums
(b) Personal income is disclosed on page 134. (Values are updated to match income table updates.)
(c) Tennessee Certified Populations reports

Note: Resources used in the calculation above are not externally restricted for repayment of debt principal.

CITY OF FRANKLIN, TENNESSEE

Debt Capacity Information - Ratios of General Bonded Debt Outstanding

FISCAL YEAR	General Obligation Debt (a)	Appraised Value (b)	Ratio of General Obligation Debt to Appraised Value	Population (c)	General Obligation Debt Per Capita
2022	$ 138,875,636	$ 22,985,416,480	0.6%	83,454	$ 1,664
2021	150,034,179	21,190,144,675	0.7%	83,454	1,798
2020	160,358,676	18,920,390,435	0.8%	70,908	2,262
2019	167,912,949	18,208,229,470	0.9%	70,908	2,368
2018	141,697,493	15,696,174,389	0.9%	70,908	1,998
2017	150,159,179	14,931,225,106	1.0%	70,908	2,118
2016	131,675,830	11,591,451,146	1.1%	66,370	1,984
2015	139,649,696	11,413,859,405	1.2%	66,370	2,104
2014	130,913,402	11,065,624,425	1.2%	66,370	1,972
2013	120,136,535	10,442,405,019	1.1%	62,487	1,923

(a) This amount includes unamortized premiums
(b) State of TN Comptroller Division of Property Assessment
(c) Tennessee Certified Populations

CITY OF FRANKLIN, TENNESSEE

Debt Capacity Information - Direct and Overlapping Governmental Activities Debt June 30, 2022

Jurisdiction	Debt Outstanding	Percentage Applicable to City	Estimated Share of Overlapping Debt
Williamson County	$ 917,740,000	40.25% (a)	$ 369,390,350
Franklin Special School District	68,053,034	100.00% (b)	68,053,034
Subtotal, overlapping debt			437,443,384
City of Franklin direct debt of governmental			138,875,636 (c)
Total direct and overlapping debt			$ 576,319,020

(a) Based upon Assessed Value of Property in:

County	$ 17,755,261,594
City	$ 7,146,199,812

(b) All of the Special School District is located within the City of Franklin. Amount shown includes a bond total of $67,590,000 and a Note Payable total of $463,034.

(c) This amount includes total governmental debt of $121,560,000 and governmental unamortized premiums of $17,315,636.

CITY OF FRANKLIN, TENNESSEE

Debt Capacity Information -
Legal Debt Margin Information

Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Assessed Value	$ 3,217,787,361	$ 3,333,559,875	$ 3,440,062,708	$ 3,576,977,148	$ 4,648,444,160	$ 4,883,087,226	$ 5,048,158,858	$ 5,254,702,750	$ 5,458,752,751	$ 7,146,199,812
General Obligation Debt (a)	$ 120,136,535	$ 130,913,402	$ 139,649,696	$ 131,675,830	$ 150,159,179	$ 141,697,493	$ 167,912,949	$ 160,358,676	$ 150,034,179	$ 138,875,636
Debt as % of Assessed Value	3.7%	3.9%	4.1%	3.7%	3.2%	2.9%	3.3%	3.1%	2.7%	1.9%

Note - The City has no legal debt limit.

(a) This amount includes unamortized premiums.

CITY OF FRANKLIN, TENNESSEE

Debt Capacity Information - Water & Sewer Fund Pledged-Revenue Coverage

					Debt Service Requirements (d)			
Fiscal Year	Gross Revenues (a)	Contributions, Taps, & Access Fees (b)	Direct Operating Expense (c)	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
2022	$ 35,860,340	$ -	$ 23,923,117	$ 11,937,223	$ 6,988,144	$ 1,144,734	8,132,878	1.47
2021	35,366,074	-	22,620,728	12,745,346	4,746,471	1,132,600	5,879,071	2.17
2020	33,603,606	9,027,798	21,979,783	20,651,621	4,357,931	1,295,795	5,653,726	3.65
2019	32,899,703	9,269,803	21,337,078	20,832,428	4,303,193	1,472,058	5,775,251	3.61
2018	31,074,421	11,005,568	21,519,614	20,560,375	3,949,947	1,597,882	5,547,829	3.71
2017	29,091,137	9,382,488	20,123,220	18,350,405	3,510,885	1,224,102	4,734,987	3.88
2016	28,003,498	12,429,719	17,477,139	22,956,078	3,411,934	1,354,570	4,766,504	4.82
2015	25,453,822	9,517,652	16,467,456	18,504,018	3,358,090	1,484,732	4,842,822	3.82
2014	23,212,942	11,263,738	15,635,777	18,840,903	3,304,351	1,613,256	4,917,607	3.83
2013	22,257,118	6,728,662	14,880,678	14,105,102	3,748,879	1,731,357	5,480,236	2.57

(a) Includes interest income and gain on sale of assets.
(b) Not included in 2021 and forward to match pledged revenue on bonds and State Revolving Fund (SRF) loans.
(c) Excludes depreciation, interest expense, and loss on sale of assets. Includes transfers out.
(d) Includes bonds and loans. Principal and Interest is from Proprietary Fund Statement of Cash Flows.

CITY OF FRANKLIN, TENNESSEE

Demographic and Economic Information -
Demographic and Economic Statistics, Last Ten Fiscal Years

Year	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Education Level in Years of Schooling (d)	School Enrollment (e)	Unemployment Rate (f)
2022	83,454	$ 7,907,099,592	$ 94,748	15.1	16,353	2.7%
2021	83,454	7,907,099,592	94,748	15.1	16,353	3.0%
2020	70,908	6,718,391,184	94,748	14.8	17,185	7.0%
2019	70,908	6,773,132,160	95,520	15.0	18,869	2.7%
2018	70,908	6,683,149,908	94,251	14.8	18,516	2.8%
2017	70,908	6,591,820,404	92,963	14.8	18,065	2.9%
2016	70,908	6,649,184,976	93,772	14.8	17,509	3.7%
2015	70,908	6,599,620,284	93,073	14.7	17,126	4.3%
2014	66,370	5,685,984,270	85,671	14.7	15,935	4.8%
2013	62,487	5,061,821,922	81,006	14.6	14,931	5.4%

(a) Tennessee Certified Population reports
(b) Personal Income is calculation of Population times Per Capita Personal Income. (Values are updated to match per capita personal income updates.)
(c) U.S. Bureau of Economic Analysis (BEA) for Williamson County: Per Capita Personal Income. (Values are updated to match table CAINC1 updates.)
(d) U.S. Census. Educational Attainment for Adults Age 25 or Older for Franklin.
(e) Tennessee Department of Education Annual Reports. Population of Franklin is compared to County's to estimate the enrollment from Franklin. (Values are updated to match school enrollment updates.)
(f) U.S. Bureau of Labor Statistics, rate for June of each year, not seasonally adjusted.

CITY OF FRANKLIN, TENNESSEE

Demographic and Economic Information - Principal Employers, Current Year and Nine Years Ago

	2013			2022(a)		
Employer	Employees (a)	Rank	Percentage of Total County Employment	Employees (b)	Rank	Percentage of Total City Employment
Williamson Medical Center	1,412	4	4.20%	1,900	1	3.78%
Community Health Systems	2,800	2	8.32%	1,621	2	3.22%
Lee Company	700	10	2.08%	1,616	3	3.21%
Nissan North America	1,600	3	4.75%	1,550	4	3.08%
Cigna Healthcare				1,500	5	2.98%
Schneider Electric				1,080	6	2.15%
Ramsey Solutions				1,054	7	2.10%
Mars Petcare	750	8	2.23%	1,000	8	1.99%
eviCore Healthcare				653	9	1.30%
Jackson National Life Insurance Co.				634	10	1.26%
United Health Group	750	8	2.23%			
Ford Motor Credit	800	7	2.38%			
Verizon Wireless	1,300	6	3.86%			
HCA Healthcare, Inc.	1,400	5	4.16%			
Vanderbilt Medical Group	3,600	1	10.70%			
Total	15,112		44.91%	12,608		25.07%

(a) Number of employees (job counts) were provided by Williamson, Inc. and were based on information available at the time of data capture.

CITY OF FRANKLIN, TENNESSEE

Operating Information -
Authorized Full Time Employees by Function

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Administration	5	6	6	6	6	9	10	11	11	13
Building and Neighborhood Services	30	31	32	33	35	36	36	36	36	37
Capital Investment Planning	1	2	2	2	0	0	0	0	0	0
Communications	3	3	3	4	4	4	4	4	4	4
Court	2	2	2	3	3	2	3	3	3	2
Engineering	10	11	12	12	13	13	14	15	16	16
Finance	9	10	10	10	10	9	9	9	9	9
Fire	160	161	171	171	171	172	172	172	172	172
HR	11	11	11	11	11	12	12	12	12	12
IT	19	18	20	20	21	22	23	24	25	25
Law	4	5	4	4	5	5	5	5	5	5
Parks	33	34	31	37	39	41	44	46	46	51
Planning and Sustainability	15	17	16	16	16	15	15	15	15	15
Police	175	176	156	157	142	143	142	145	145	146
Projects and Facilities Management	6	7	7	7	5	6	6	6	6	6
Purchasing	3	3	3	3	3	3	3	4	4	4
Revenue Management	15	14	13	13	13	14	14	14	14	14
Solid Waste	49	48	49	49	45	45	45	45	45	46
Stormwater	16	17	18	19	20	21	22	22	22	22
Streets	49	52	53	53	54	58	59	60	60	61
Traffic Operations Center	4	3	4	3	3	4	4	4	4	4
Water & Wastewater	84	84	85	86	92	94	96	96	96	100
TOTAL	703	715	708	719	711	728	738	748	750	764

Note 1: The City's 9 elected officials (Mayor and 8 Aldermen) and City Judge are not included in the numbers above.
Note 2: An asterisk (*) indicates the department had not been created in the year shown.
Note 3: Beginning in 2015 authorized, vacant, but unfunded positions are not reflected in the counts.

CITY OF FRANKLIN, TENNESSEE

Operating Information -
Operating Indicators by Function

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Calls for service	77,964	80,205	77,818	67,533	57,154 (a)	68,966 (b)	60,201	59,138	53,075	71,086
Fire										
Number of alarms	6,115	6,501	6,790	7,039	7,856	9,058	8,879	8,695	8,537	10,297
Sanitation										
Landfill usage	54,190	65,116	81,651	95,393	81,137	87,536	86,120	94,043	101,496	100,333
Recycling (tons)	6,781	8,605	7,897	7,904	8,726	7,875	6,623	4,862 (d)	2472 (d)	2,787
Codes										
Single family permits	485	519	480	691	636	495	358	348	342	292
Water										
Average daily usage	5,805,912	5,690,082	5,636,146	5,755,000	5,737,000	5,770,000 (c)	6,314,000	6,994,000	7,426,000	6,327,000
Water storage capacity (gallons)	12,000,000	11,500,000	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	11,500,000

Source: City of Franklin departments

(a) The November 2016 transition of dispatch services from the Franklin Police Department to the Williamson County Emergency Communications Center resulted in data collection differences. 100% of possible calls are not represented.

(b) The Franklin Fire Department and Police department continue to track the calls and alarms. For consistency with prior year reporting, we will be using these figures to represent the calls and alarms above.

(c) The calculation of this figure includes Water plant staff estimates of the lowest usage months as a result of a plant shut down.

(d) FY20: As a result of COVID-19, recycling service was stopped from 3/17/2020-6/24/2020 causing a reduction. In FY21, the switch to Blue Bins caused an initial drop of recycling. Recent trends show recycling increasing. In part due to Covid-19 and the recycling changes, landfill usage increased year over year.

CITY OF FRANKLIN, TENNESSEE

Operating Information -
Capital Asset Statistics by Function

Function/Program		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police											
	Police stations	1	1	1	1	1	1	1	1	1	1
	Police vehicles (radio equipped)	156	136	139	136	150	140	128 (c)	136	142	138
Fire											
	Fire stations	6	6	7	7	8	8	8	8	8 (d)	8
	Fire response vehicles	22	22	22	22	22	22	23	26	26	26
	Fire hydrants	3,325 (a)	3,326 (a)	3,416 (a)	3,576 (a)	3,675 (a)	3,810 (a)	3,921 (a)	3,930	3983	4501
Street											
	Streets (miles)	293	304	317	325	347	339 (b)	344	351	357	367
Parks	Number of parks	16	16	16	16	16	16	17	17	17 (e)	17
Water											
	Water lines (miles)	285	288	293	296	301	302	303	306	308	308
	Sewer lines (miles)	354	360	371	387	393	408	415	419	421	426
	Reclaimed lines (miles)	--	--	--	--	--	28	28	28	29	30

Source: City of Franklin departments

(a) Provided by City of Franklin Fire Department (for hydrants within City limits or outside limits but within the 400' buffer & inspected by FFD)
(b) FY18: Improvements in the GIS street layer process removed centerline segments, which caused a street mileage reduction
(c) FY19: Switch to 700mghz radios. Pool cars and special use vehicles were not assigned the new radios (portables are being used in those vehicles).
(d) FY21:The City added 3 to 4 satellite fire stations for a period of 9 months due to the COVID-19 response.
(e) FY21& FY22: Southeast Municipal Complex and Robinson Lake are in the construction process and are not included in this total.

INTERNAL CONTROL AND COMPLIANCE SECTION

HISTORIC
FRANKLIN
TENNESSEE

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF HISTORICAL UTILITY SYSTEM GROWTH
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED

WATER PRODUCTION

Year	Average Daily Production (MGD)	Maximum Daily Production (MGD)
2015	1.60	2.66
2016	1.21	2.35
2017	0.68	1.90
2018	2.04	3.41
2019	2.40	3.00
2020	2.69	3.69
2021	2.64	5.56

WATER SYSTEM USAGE

Year	Gallons Sold (000)	Total Revenues
2015	1,548,809	$ 9,543,369
2016	1,573,538	$ 10,252,017
2017	1,634,058	$ 10,556,568
2018	1,605,061	$ 11,034,782
2019	1,541,561	$ 11,692,199
2020	1,578,277	$ 11,360,773
2021	1,630,799	$ 12,086,608

WASTEWATER SYSTEM USAGE

Year	Gallons Sold (000)	Total Revenues
2015	2,356,667	$ 14,557,438
2016	2,449,963	$ 16,215,570
2017	2,572,765	$ 17,022,240
2018	2,492,648	$ 18,430,468
2019	2,558,374	$ 18,790,102
2020	2,528,764	$ 20,204,854
2021	2,610,451	$ 21,550,196

RECLAIMED WATER USAGE

Year	Gallons Sold (000)	Total Revenues
2015	88,916	$ 80,505
2016	124,230	$ 123,806
2017	133,039	$ 133,598
2018	133,708	$ 135,473
2019	111,427	$ 128,937
2020	95,765	$ 119,023
2021	124,196	$ 155,186

Notes : The reclaimed water revenue decline in 2015 was due to the end of one customer's multi-year contract and subsequent renewal at a lower monthly minimum usage. For all years reported, the average daily production and maximum daily production figures are based on a calendar year.

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF DEBT
JUNE 30, 2022

General Obligation Bonded Debt

Total Bonded Debt [1]	$ 132,030,000
Less: Self Supporting Debt	(10,470,000)
Net Bonded Debt	$ 121,560,000
Overlapping Bonded Debt [2]	$ 437,443,384
Less: Self Supporting Bonded Debt	(56,396,288)
Net Overlapping Bonded Debt	$ 381,047,096

	City of Franklin	City and Overlapping
Bonded Debt Per Capita	$ 1,582	$ 6,824
Net Direct Bonded Debt Per Capita	$ 1,457	$ 6,023
Bonded Debt / Assessed Value	1.85%	7.97%
Net Bonded Debt / Assessed Value	1.70%	7.03%
Bonded Debt / Actual Value	0.57%	2.48%
Net Bonded Debt / Actual Value	0.53%	2.19%

	Franklin	Williamson County
2022 Population [3]	83,454	247,726
FY 2022 Assessed Value	$ 7,146,199,812	$ 17,755,261,594
FY 2022 Appraised Value	$ 22,985,416,480	$ 62,650,130,483

Williamson County's Bonded Debt as of June 30, 2022 [4]

Bonded Debt	$ 917,740,000
Self Supporting Bonded Debt	(140,115,000)
Net Bonded Debt	$ 777,625,000

Franklin's Assessed Value as a Percentage of Williamson County's Assessed Value: 40.25%

Franklin Special School District Bonded Debt as of June 30, 2022 [5]

Bonded Debt $ 68,053,034

Franklin's Assessed Value as a Percentage of Franklin Special School District's Assessed Value:
100%

Notes:
(1) Includes self-supporting tax-backed water and sewer revenue and tax bonds.
Excludes revenue bonds and loans without GO backing. Excludes unamortized premiums.
(2) Source: Overlapping debt is for Williamson County and Franklin Special School District
(3) Source: Tennessee Certified Population, 2021
(4) Source: Williamson County
(5) Source: Franklin Special School District

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF BOND AND NOTE INDEBTEDNESS - WATER AND SEWER FUND
JUNE 30, 2022

Amount Issued	Purpose	Due Date	Interest Rate	Outstanding as of 6/30/2022
$ 24,670,000	Revenue & Tax Bonds: Series 2005 - Sewer and Water Revenue and Tax Refunding (1) (2)	April 2025	Fixed	$ 4,455,000
19,430,000	Revenue & Tax Bonds: Series 2011 - Truist (formally SunTrust) Loan Program (1) (2)	May 2026	Fixed	6,015,000
12,000,000	Revenue Bonds: Series 2017 - Water and Sewer Revenue	February 2037	Fixed	9,935,000
10,660,000	Revenue Bonds: Series 2021 - Water and Sewer Revenue	February 2042	Fixed	10,660,000
1,500,000	Notes Payable: 2009 - Drinking Water SRF Loan through ARRA (1) (3)	December 2030	Fixed	741,523
1,888,200	Notes Payable: 2009 - Clean Water SRF Loan through ARRA (1) (3)	October 2032	Fixed	1,101,140
1,822,741	Notes Payable: 2016 - SCADA SRF Loan through ARRA (1)	2031	Fixed	1,360,213
1,677,259	Notes Payable: 2016 - SCADA SRF Loan through ARRA (1)	2031	Fixed	240,655
1,275,000	Notes Payable: 2017 - Wastewater Plant SRF Loan	August 2049	Fixed	1,177,148
78,500,000	Notes Payable: 2017 - Wastewater Plant SRF Loan	30 years	Fixed	76,049,748
20,000,000	Notes Payable: 2017 - Wastewater Plant SRF Loan	30 years	Fixed	19,599,913
9,769,764	Notes Payable: 2017 - Wastewater Plant SRF Loan	30 years	Fixed	9,769,764
$ 183,192,964	**Total Bonded Debt**			$ 141,105,104

Notes:
(1) Indebtedness payable from and secured by water and sewer system revenues and a general obligation pledge of the City. SRF loans also secured by state-shared taxes. All indebtedness is anticipated to be paid from water and sewer system revenues.
(2) Prior Lien Obligation.
(3) Outstanding Parity Obligation.

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF GENERAL OBLIGATION DEBT
JUNE 30, 2022

	Amount of Indebtedness	Per Capita [1]	Percentage Of Assessed Valuation [2]	Percentage Of Full Valuation [3]
Gross Direct Indebtedness	$ 132,030,000	$ 1,582	1.85%	0.57%
Net Direct Indebtedness	$ 121,560,000	$ 1,457	1.70%	0.53%
Gross Direct and Gross Overlapping Indebtedness [4 5]	$ 437,443,384	$ 5,242	6.12%	1.90%
Net Direct and Net Overlapping Indebtedness [4 5]	$ 381,047,096	$ 4,566	5.33%	1.66%

Notes:

(1) The City's certified population as of June 30, 2022 is 83,454.
(2) The City's assessed valuation of taxable property as of June 30, 2022 is $7,146,199,812.
(3) The City's estimated full valuation of taxable property as of June 30, 2022 is $22,985,416,480.
(4) The County's debt outstanding is $917,740,000 as of June 30, 2022. The City's share is $369,390,350. (40.25%)
Of the County's debt outstanding, $140,115,000 is self-supporting. The City's share is $56,396,288. (40.25%)
(5) The Franklin Special School District's debt outstanding is $68,053,034 as of June 30, 2022. The City's share is $68,053,034 (100%)

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF INDEBTEDNESS AND DEBT RATIOS
JUNE 30, 2022

INDEBTEDNESS	For Fiscal Year Ending June 30					
	2017	**2018**	**2019**	**2020**	**2021**	**2022**
TAX SUPPORTED						
General Obligation Bonds [1]	$ 144,618,000	$ 136,500,000	$ 154,800,000	$ 141,105,000	$ 131,720,000	$ 121,560,000
TOTAL TAX SUPPORTED	$ 144,618,000	$ 136,500,000	$ 154,800,000	$ 141,105,000	$ 131,720,000	$ 121,560,000
REVENUE SUPPORTED						
Water & Sewer Bonds with General Obligation backing	$ 28,345,000	$ 24,915,000	$ 21,385,000	$ 17,800,000	$ 14,165,000	$ 10,470,000
Water & Sewer Bonds without General Obligation backing	$ 12,000,000	$ 11,630,000	$ 11,230,000	$ 10,815,000	$ 10,385,000	$ 20,595,000
Water & Sewer Loans without General Obligation backing	$ 3,329,957	$ 4,523,251	$ 15,320,246	$ 55,147,025	$ 103,113,487	$ 110,040,104
TOTAL REVENUE SUPPORTED	$ 43,674,957	$ 41,068,251	$ 47,935,246	$ 83,762,025	$ 127,663,487	$ 141,105,104
TOTAL DEBT	$ 188,292,957	$ 177,568,251	$ 202,735,246	$ 224,867,025	$ 259,383,487	$ 262,665,104
Less: Revenue Supported Debt	$(15,329,957)	$(16,153,251)	$(26,550,246)	$(65,962,025)	$(113,498,487)	$(130,635,104)
Less: Debt Service Fund Balance	(90,197)	(106,587)	(372,887)	(804,607)	(937,169)	(1,161,978)
NET DIRECT DEBT	$ 172,872,803	$ 161,308,413	$ 175,812,113	$ 158,100,393	$ 144,947,831	$ 130,868,022
OVERLAPPING DEBT [2]	$ 218,868,646	$ 304,236,383	$ 352,174,546	$ 375,250,215	$ 400,488,727	$ 437,443,384
NET DIRECT & OVERLAPPING DEBT	$ 391,741,449	$ 465,544,796	$ 527,986,659	$ 533,350,608	$ 545,436,558	$ 568,311,406
PROPERTY TAX BASE [3]						
Actual Value	14,931,255,106	15,696,174,389	18,208,229,470	18,920,390,435	21,190,144,675	22,985,416,480
Assessed Value	4,648,444,160	4,883,087,226	5,008,158,858	5,254,702,750	5,458,752,751	7,146,199,812

Notes:
(1) Does not include leases.
(2) Overlapping Debt includes the City's portion of Williamson County's debt and of the Franklin Special School District
(3) Actual and Assessed Values are from Tennessee Tax Aggregate Report

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF INDEBTEDNESS AND DEBT RATIOS (Cont.)
JUNE 30, 2022

DEBT RATIOS	2017	2018	2019	2020	2021	2022
TOTAL DEBT to Actual Value	1.26%	1.13%	1.11%	1.19%	1.22%	1.14%
TOTAL DEBT to Assessed Value	4.05%	3.64%	4.05%	4.28%	4.75%	3.68%
NET DIRECT DEBT to Actual Value	1.16%	1.03%	0.97%	0.84%	0.68%	0.57%
NET DIRECT DEBT to Assessed Value	3.72%	3.30%	3.51%	3.01%	2.66%	1.83%
OVERLAPPING DEBT to Actual Value	1.47%	1.94%	1.93%	1.98%	1.89%	1.90%
OVERLAPPING DEBT to Assessed Value	4.71%	6.23%	7.03%	7.14%	7.34%	6.12%
NET DIRECT & OVERLAPPING DEBT to Actual Value	2.62%	2.97%	2.90%	2.82%	2.57%	2.47%
NET DIRECT & OVERLAPPING DEBT to Assessed Value	8.43%	9.53%	10.54%	10.15%	9.99%	7.95%
PER CAPITA RATIOS						
POPULATION [1]	70,908	70,908	70,908	70,908	83,454	83,454
PER CAPITA PERSONAL INCOME [2]	95,339	94,251	95,520	94,748	94,748	94,748
Actual Value to POPULATION	$ 210,572	$ 221,360	$ 256,787	$ 266,830	$ 253,914	$ 275,426
Assessed Value to POPULATION	$ 65,556	$ 68,865	$ 70,629	$ 74,106	$ 65,410	$ 85,630
Total Debt to POPULATION	$ 2,655	$ 2,504	$ 2,859	$ 3,171	$ 3,108	$ 3,147
Net Direct Debt to POPULATION	$ 2,438	$ 2,275	$ 2,479	$ 2,230	$ 1,737	$ 1,568
Overlapping Debt to POPULATION	$ 3,087	$ 4,291	$ 4,967	$ 5,292	$ 4,799	$ 5,242
Net Direct Debt & Overlaping Debt to POPULATION	$ 5,525	$ 6,565	$ 7,446	$ 7,522	$ 6,536	$ 6,810
Total Debt Per Capita as a percent of PER CAPITA PERSONAL INCOME	2.79%	2.66%	2.99%	3.35%	3.28%	3.32%
Net Direct Debt Per Capita as a percent of PER CAPITA PERSONAL INCOME	2.56%	2.41%	2.60%	2.35%	1.83%	1.66%
Overlapping Debt Per Capita as a percent of PER CAPITA PERSONAL INCOME	3.24%	4.55%	5.20%	5.59%	5.06%	5.53%
Net Direct & Overlapping Debt Per Capita as a percent of PER CAPITA PERSONAL INCOME	5.79%	6.97%	7.80%	7.94%	6.90%	7.19%

Notes:
(1) Per Capita computations are based on Tennessee certified population
(2) Per Capita Personal Income in based on data from the Bureau of Economic Analysis for Williamson County

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CROSSLIN
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Mayor and Alderman
City of Franklin, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Franklin, Tennessee (the "City"), as of and for the year ended June 30, 2022 (except for the Fiduciary Pension Find, which was as of and for the year ended December 31, 2021), and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated December 31, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Nashville, Tennessee
December 13, 2022

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CROSSLIN
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Mayor and Alderman
City of Franklin, Tennessee

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Franklin, Tennessee's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-00. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Nashville, Tennessee
December 13, 2022

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COST
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	___yes	x no
Significant deficiency(ies) identified?	___yes	x none reported
Noncompliance material to financial statements noted?	___yes	x no

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	___yes	x no
Significant deficiency(ies) identified?	___yes	x none reported
Type of auditor's report issued on compliance for major programs	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	x yes	__ no

Identification of major programs:

Federal Transit Cluster – ALN 20.507 and 20.526
American Rescue Plan Act - ALN 21.027

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000	
Auditee qualified as low-risk auditee?	x yes	___ no

SECTION II - FINANCIAL STATEMENT FINDINGS

None Reported.

SECTION III - FEDERAL AUDIT FINDINGS AND QUESTIONED COSTS

ITEM #2022-001 FRANKLIN TRANSIT AUTHORITY PROGRAM REVIEW

Federal Transit Cluster
Assistance Listing No. 20.507, 20.500
U.S. Department of Transportation

Criteria

The Federal Transit Cluster requires the City (specifically the Franklin Transit Authority as recipient of the grants) to properly report and monitor subrecipients, maintain internal controls over expenditures charged to the program, and properly report awards and subawards in the Federal registry in accordance with the Federal Funding Accountability and Transparency Act (FFATA).

Condition and Context

The Federal Transit Authority conducted a Full Scope Systems Review of the Franklin Transit Authority (a special revenue fund of the City) in fiscal year 2021 and issued their final report in April 2022. In their report, instances of noncompliance were noted over the Federal Transit Cluster, including:

- Reporting and monitoring of subrecipients: the City improperly reported the TMA Group as a subrecipient in the Schedule of Expenditures of Federal Awards (SEFA). The TMA Group is a contracted management company hired by the City to manage the Franklin Transit Authority. The TMA Group meets the criteria of a contractor, and therefore should not have been reported as a subrecipient in the City's SEFA. The City also did not report Williamson County as a subrecipient of portions of the grant program in the City's SEFA, and was not properly monitoring Williamson County as a subrecipient.
- Maintain internal controls over expenditures charged to the program: the City has documented and implemented internal controls over federal expenditures, however it was noted the City did not document approvals on all of the payroll registers containing salaries charged to the Federal Transit program.
- Reporting awards and subawards in the Federal registry in accordance with the FFATA: it appeared the City was not reporting awards and subawards in accordance with FFATA for the Federal Transit program.

Questioned Cost

None

Cause

The City did not have proper controls in place over the grant program to ensure compliance with certain requirements noted above.

Effect

The City was not in compliance with certain requirements of the Federal Transit Cluster.

Recommendation

The City has developed and began implementation of a plan to better monitor internal controls and compliance requirements over the daily functions of the Franklin Transit Authority and the Federal Transit program. We recommend the City continue to follow and fully implement their plan.

Views of Responsible Officials and Planned Corrective Action

City officials have corrected deficiencies in the report through the following corrective action plan.

CITY OF FRANKLIN, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COST - Continued
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SECTION IV - FINDINGS AND QUESTIONED COSTS REQUIRED BY THE STATE OF TENNESSEE AUDIT MANUAL

None Reported.

SECTION V - SUMMARY OF PRIOR AUDIT FINDINGS

Prior Year Finding Number	Finding Title	Current Year Status
2021-001	City of Franklin Fire Chief	Resolved

ADMINISTRATION

Dr. Ken Moore
Mayor

Eric S. Stuckey
City Administrator

HISTORIC
FRANKLIN
TENNESSEE

MANAGEMENT'S CORRECTIVE ACTION PLAN

The City of Franklin respectfully submits the following corrective action plan for the year ended June 30, 2022.

Contact Person/Persons Responsible for Implementing Corrective Action:

Eric Stuckey, City Administrator, 615-791-3217

2022-001: Franklin Transit Authority Program Review

Action Taken/Planned:

As recommended, the City of Franklin and the Authority have clarified the federal grant organization as follows:

For transit services, the organization is as follows:

(1)	Recipient:	Franklin Transit Authority
(2)	Contractor (current):	The TMA Group

For the regional vanpool program, the organization is as follows:

(1)	Recipient:	Franklin Transit Authority
(2)	Sub-Recipient:	Regional Transportation/Williamson County
(3)	Contractor (current):	The TMA Group

The Authority has previously and will continue to be reported as part of the City of Franklin in a special revenue fund and includes the Authority's grants in its single audit. For the fiscal year 2022 audit, the City and the Contractor have coordinated to ensure federal grants for transit services and vanpool services are excluded from the Contractor audit.

For fiscal year 2023, the City and the Contractor developed backup needed for oversight of each payment to the Contractor for contracted transit services and grant-related contracted vanpool services. Monthly reporting will clarify financial activities of the recipient (Franklin Transit), subrecipient (Regional Transportation Authority/Williamson County), and contractor (The TMA Group). For capital expenditures that the City and the Authority have ownership, the City will continue to pay the vendor directly.

The City of Franklin and the Authority have developed a job description, issued a job posting, and conducted interviews for a part-time Contract Compliance Monitor. The position, the Authority's only employee, will monitor the activities of the Contractor (currently The TMA Group) and the subrecipient (Williamson County) to ensure that the awards are used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the contract or subaward. Based on the amount and level of work required, the position is under direction of the Authority. The monitor essentially functions in a control/compliance role. The position is anticipated to be paid through the City's payroll process from the Authority fund.

Anticipated Completion Date/Date Completed: January 2023

Sincerely,

Eric S. Stuckey

Eric Stuckey
City Administrator

109 3rd Ave S.
Franklin, TN 37064
(615) 791-3217

File #: 21-03859

DATE: November 14, 2022

TO: Budget & Finance Committee

FROM: Eric Stuckey, City Administrator
Kristine Brock, Asst. City Administrator/CFO
Mike Lowe, Comptroller
Margaret Wilson, Financial Analyst

SUBJECT:

Report Of The City's External Auditor, Crosslin, PLLC, And Presentation Of The Fiscal Year 2022 Annual Comprehensive Financial Report For Cool Springs Conference Center

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Budget and Finance Committee and the Board of Mayor and Aldermen (BOMA) concerning the financial condition of the Cool Springs Conference Center on June 30, 2021.

BACKGROUND/STAFF COMMENTS:

Each year, the Conference Center is required by State law to provide an annual financial report to the State of Tennessee. Jointly owned by the City and Williamson County, the City has been designated to provide for periodic financial reports for the Conference Center.

The report for Fiscal Year 2022 will be delivered at the December 1st meeting of the Budget & Finance Committee, which is designated as the Audit Committee by the Board of Mayor & Aldermen. Representatives of our CPA firm, Crosslin & Associates, will be present to make a verbal report.

The final version of the FY 2022 Annual Comprehensive Financial Report (ACFR) for the Conference Center will be provided to the Board of Mayor and Aldermen prior to the December 13th meeting of the Board of Mayor and Aldermen.

FINANCIAL IMPACT:

The delivery of the financial report for the Conference Center is for reporting purposes only. There is no financial impact.

RECOMMENDATION:

Staff recommends acknowledgment by the Board of Mayor and Aldermen of the FY 2022 ACFR for the Cool Springs Conference Center.

CONFERENCE CENTER AT COOL SPRINGS

(A JOINT VENTURE BETWEEN THE CITY OF FRANKLIN, TENNESSEE AND WILLIAMSON COUNTY, TENNESSEE)

FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2022

Table of Contents

CONFERENCE CENTER AT COOL SPRINGS
INTRODUCTION
JUNE 30, 2022

The Conference Center at Cool Springs (the "Conference Center") is pleased to present its Annual Financial Report for the years ended June 30, 2022 and 2021.

Responsibility and Controls

The Conference Center has prepared and is responsible for the financial statements and related information included in this report. A system of internal accounting controls is maintained to provide reasonable assurance that assets are safeguarded and that the books and records reflect only authorized transactions. Limitations exist in any system of internal controls. However, based on recognition that the cost of the system should not exceed its benefits, management believes its system of internal accounting controls maintains an appropriate cost/benefit relationship.

The Conference Center's system of internal accounting controls is evaluated on an ongoing basis by the Conference Center's internal financial staff. Crosslin, PLLC, the Conference Center's external auditors, also consider certain elements of the internal control system in order to determine their auditing procedures for the purpose of expressing an opinion on the financial statements. However, no audit opinion is expressed on internal controls.

Management believes that its policies and procedures provide guidance and reasonable assurance that the Conference Center's operations are conducted according to management's intentions and to a high standard of business ethics. In management's opinion, the financial statements present fairly, in all material respects, the financial position of the Conference Center as of June 30, 2022 and 2021, and the changes in its financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Management and Those Charged with Governance

The Conference Center is owned jointly by the City of Franklin, Tennessee and Williamson County, Tennessee. The Conference Center is managed under a contract with Chartwell Hospitality.

Matthew Lahiff	Chartwell Hospitality General Manager - Franklin Marriott Cool Springs

CONFERENCE CENTER AT COOL SPRINGS
INTRODUCTION
JUNE 30, 2022

City of Franklin, Tennessee:	
Eric Stuckey	City Administrator
Board of Mayor and Alderman:	
Ken Moore	Mayor
Ann Petersen	At Large
Clyde Barnhill	At Large
Brandy Blanton	At Large
Gabrielle Hanson	At Large
Beverly Burger	Ward 1
Matt Brown	Ward 2
Jason Potts	Ward 3
Patrick Baggett	Ward 4
Williamson County, Tennessee:	
Rogers Anderson	County Mayor
County Commission:	
Dwight Jones	District 1
Ricky D. Jones	District 1
Elizabeth C. "Betsy" Hester	District 2
Judy Herbert	District 2
Jennifer Mason	District 3
Keith Hudson	District 3
Chad Story	District 4
Gregg Lawrence	District 4
Beth Lothers	District 5
Thomas W. "Tommy" Little	District 5
Erin Nations	District 6
Paul Webb	District 6
Bert Chalfant	District 7
Tom Tunnicliffe	District 7
Jerry W. Rainey	District 8
Barb Sturgeon	District 8
Chas Morton	District 9
Matt Williams	District 9
Meghan Guffee	District 10
David Landrum	District 10
Brian Beathard	District 11
Sean R. Aiello	District 11
Steve Smith	District 12
Dana Ausbrooks	District 12

INDEPENDENT AUDITOR'S REPORT

To the Owners of the
Conference Center at Cool Springs
Franklin, Tennessee

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Conference Center at Cool Springs (the "Conference Center"), a Joint Venture between the City of Franklin, Tennessee and Williamson County, Tennessee, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Conference Center's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Conference Center at Cool Springs as of June 30, 2022 and 2021, and the respective changes in financial position, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Conference Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Conference Center's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Conference Center's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Conference Center's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 12 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introduction and the supplementary schedule but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December xx, 2022, on our consideration of the Conference Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Conference Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Conference Center's internal control over financial reporting and compliance.

Nashville, Tennessee
December XX, 2022

CONFERENCE CENTER AT COOL SPRINGS
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

The Management of the Cool Springs Conference Center, on behalf of its joint owners, the City of Franklin, Tennessee and Williamson County, Tennessee, provide the following discussion and analysis of the financial performance of the Conference Center's activities for the fiscal years ended June 30, 2022 and 2021 with comparisons to 2021 and 2020, respectively.

Financial Highlights

- The assets of the Conference Center exceeded its liabilities at the close of the most recent fiscal year by $10,333,782 compared to $10,486,788 in 2021. This represents a decrease of $153,006 in net position from the preceding year. In comparison, net position decreased by $369,009 from $10,486,788 in 2021 to $10,855,797 in 2020.

- The Conference Center's cash increased by $260,781 to $835,050 at the close of fiscal year 2022, primarily due to the increase in business levels as Covid restrictions loosened. This was particularly true from February through June 2022. The cash flow was also boosted by the collection of $231,700 in cancellation and forfeiture income. Reserves are being maintained for future renovation projects. The Conference Center's cash decreased by $164,708 from fiscal year 2020 to 2021, totaling $574,269 at June 30, 2021. A portion of cash is restricted, by agreement, for capital expenditures. During the pandemic, Marriott granted a waiver on all future capital projects that were required by the Property Improvement Plan (PIP) at the time of sale in 2018. These projects were originally due in November of 2020 however they were extended to November of 2022. These projects are approximately 90% complete and all PIP items will be completed by the due date.

- The Conference Center's capital assets (net of accumulated depreciation) were $9,481,207 at June 30, 2022, as compared to $9,827,365 and $10,157,898 at June 30, 2021 and 2020, respectively. Additions to capital assets during fiscal year 2020 were $180,520. During fiscal years 2022 and 2021, additions totaled $130,360 and $137,864, respectively, and related to the completion of several planned 2021 capital projects that were completed in the 2022 fiscal year. This consisted of replacement of original laundry equipment and parking lot repairs and upgrades. There were also emergency capital expenditures for salon 6 airwall refurbishment, as well as for a new washer that could not be repaired. The FF&E for the bathroom renovation was purchased in fiscal 2022 and construction is currently under way. The work will be completed in the next sixty days. Capital asset balances were reduced by depreciation expense in each year.

- Operating revenues increased to $6,233,106 in fiscal year 2022, representing a 238% increase from 2021. The increase in operating revenue was primarily a result of an increased demand in group travel coming out of the pandemic. In addition, several events that were contracted pre-pandemic and scheduled to take place in 2020 and 2021 shifted to 2022. Operating revenues decreased to $1,844,535 in fiscal year 2021, representing a 67% decrease from 2020.

- Operating expenses totaled $5,788,098 for 2022, which represents a increase of 96% from 2021. The increase in operating expense is due to several factors. First, we are simply busier and this results in higher expenses. Second, due to supply chain issues, continued staffing challenges and inflation, there has been a decrease in overall margins. The cost of goods including food and supplies have increased exponentially over the last fiscal year. Wages continue to increase in order to not only keep existing staff but also to attract new staff members. Several management positions that were eliminated during the pandemic were reinstated during fiscal 2022. These positions were brought back not only to support the increased volume of business we currently have but also to increase the sales efforts to secure business for future years. Operating expenses totaled $2,949,669 for 2021, which represents a decrease of 48% from 2020.

- The Conference Center's net distributions to the City and County governments amounted to $829,714 in 2022 as compared to net contributions from the City and County governments of $593,334 in 2021. The net distributions in 2022 was direct result of the increase in business volumes that occurred throughout the year. In addition, the conference center collected $231,700 in cancellation income in 2022. A good portion of this was a result of 2020 events that had given deposits pre-pandemic, deferred their event to future years and ultimately decided not to return. The remainder was due to groups that either were not able to meet their minimum revenue requirements or from short term cancellations. Net distributions to the City and County governments amounted to $267,115 in 2020.

Overview of the Financial Statements

This annual report consists of three parts: Management's Discussion and Analysis, Financial Statements and Supplementary Information. The Financial Statements also include notes that explain in more detail some of the information in the financial statements.

Required financial statements:

The financial statements of the Conference Center use accounting methods similar to private-sector businesses. These statements offer short and long-term financial information about its activities. The Statement of Net Position includes all of the Conference Center's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and obligation to creditors (liabilities). The Center had no deferred outflows or deferred inflows of resources at June 30, 2022 or 2021. The statement also provides the basis for computing rate of return, evaluating the capital structure, and assessing the liquidity and financial flexibility of the Conference Center.

Net position presents information on all of the Conference Center's assets and liabilities, with the difference reported as net position. Over periods of time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Conference Center is improving or deteriorating.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the Conference Center's operations over the past year and can be used to determine whether the Conference Center has successfully recovered all its costs through its user fees and other charges, profitability, and credit worthiness.

The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Conference Center's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and capital and non-capital financing activities and provides answers to such questions as "from where did cash come?" "for what was cash used?" and "what was the change in cash balance during the reporting period?"

Notes to financial statements:

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found beginning on page 16 of this report. Information regarding the Center's capital assets can be found specifically in Note C.

Financial Analysis of the Conference Center as a Business-type Activity

One of the most important questions asked about the Conference Center's finances is "Is the Conference Center as a whole, better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the Conference Center's activities in a way that will help answer this question. These two statements report the net position of the Conference Center and changes therein. Therefore, the Conference Center's net position - the difference between assets and liabilities - could be considered as one way to measure financial health.

Over time, increases or decreases in the Conference Center's net position is one indicator of whether its financial health is improving or deteriorating. However, the reader will need to also consider other non-financial factors such as changes in economic conditions, population growth, competition and new or changed environmental regulations.

TABLE 1: FINANCIAL POSITION

	2022	2021	Difference	2020	Difference
CURRENT ASSETS					
Cash and cash equivalents					
Restricted for capital expenditure	$ 621,837	$ 442,865	$ 178,972	$ 484,717	$ (41,852)
Unrestricted	213,213	131,404	81,809	254,260	(122,856)
Total cash and cash equivalents	835,050	574,269	260,781	738,977	(164,708)
Due from hotel operator	172,682	58,787	113,895	-	58,787
Due from City/County	-	84,824	(84,824)	26,408	58,416
Prepaid expenses and other	1,010	3,864	(2,854)	3,356	508
Total current assets	1,008,742	721,744	286,998	768,741	(46,997)
NON-CURRENT ASSET					
Capital assets	17,591,609	17,461,249	130,360	17,323,385	137,864
Less accumulated depreciation	(8,110,402)	(7,633,884)	(476,518)	(7,165,487)	(468,397)
Capital assets, net	9,481,207	9,827,365	(346,158)	10,157,898	(330,533)
Total assets	10,489,949	10,549,109	(59,160)	10,926,639	(377,530)
CURRENT LIABILITIES					
Accounts payable and accrued expenses	77,030	30,446	46,584	21,290	9,156
Deferred revenue	20,625	31,875	(11,250)	45,938	(14,063)
Due to hotel operator	-	-	-	3,614	(3,614)
Due to City/County	58,512	-	58,512	-	-
Total liabilities	156,167	62,321	93,846	70,842	(8,521)
NET POSITION					
Investment in capital assets	9,481,207	9,827,365	(346,158)	10,157,898	(330,533)
Restricted	621,837	442,865	178,972	484,717	(41,852)
Unrestricted	230,738	216,558	14,180	213,182	3,376
TOTAL NET POSITION	$ 10,333,782	$ 10,486,788	$ (153,006)	$ 10,855,797	$ (369,009)

Changes in the Conference Center's net position can be determined by reviewing the details of Revenue, Expenses and Changes in Net Position for the years below.

TABLE 2: CHANGES IN NET POSITION

	2022	2021	Difference	2020	Difference
OPERATING REVENUE					
Banquet and catering	$ 6,233,106	$ 1,844,535	$ 4,388,571	$ 5,533,770	$ (3,689,235)
OPERATING EXPENSES					
Banquet and catering expenses	3,076,624	1,080,759	1,995,865	2,900,866	(1,820,107)
Administrative and general	339,782	183,907	155,875	420,650	(236,743)
Sales and marketing	905,103	452,291	452,812	986,617	(534,326)
Utilities	308,811	203,419	105,392	244,826	(41,407)
Repairs and maintenance	210,345	103,545	106,800	194,744	(91,199)
Catering management fee	233,280	226,488	6,792	219,887	6,601
Management fees	229,931	223,234	6,697	216,732	6,502
Insurance and other fixed costs	7,704	7,629	75	7,274	355
Depreciation	476,518	468,397	8,121	466,714	1,683
Total operating expenses	5,788,098	2,949,669	2,838,429	5,658,310	(2,708,641)
Operating income (loss)	445,008	(1,105,134)	1,550,142	(124,540)	(980,594)
OTHER INCOME	231,700	142,791	88,909	212,195	(69,404)
NET DISTRIBUTIONS TO LOCAL GOVERNMENTS	(829,714)	593,334	(1,423,048)	(267,115)	860,449
Change in net position	(153,006)	(369,009)	216,003	(179,460)	(189,549)
NET POSITION, beginning of year	10,486,788	10,855,797	(369,009)	11,035,257	(179,460)
NET POSITION, end of year	$ 10,333,782	$ 10,486,788	$ (153,006)	$ 10,855,797	$ (369,009)

The Conference Center's net position decreased by $153,006 during the current fiscal year. Our analysis below focuses on the Conference Center's net position (Table 1) and changes in net position (Table 2) from 2021 to 2022 and from 2020 to 2021.

Conference Center assets exceeded liabilities by $10,333,782 at the close of the most recent fiscal year. By far, the largest portion of the Conference Center's net position (92%) reflects its investment in capital assets (e.g., land, building, and equipment). The land and building and certain improvements were initially constructed by the City of Franklin and Williamson County and contributed for use as a conference center facility. The Conference Center uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Financial Statement Discussion and Economic Factors:

The Conference Center continues to be one of the premier banquet and meeting facilities in Middle Tennessee. The Conference Center, like other facilities of this type, was opened with the intent in mind for it to be used as a vehicle to bring additional visitors into Franklin and Williamson County. We have been successful in attaining that goal. The Conference Center has continued to evolve as a successful economic catalyst for local businesses. It also continues to exceed the initial expectations for revenue actualization from its opening performance. While the economic uncertainty of the recent past has continued to impact the Conference Center's overall revenues and profits, the road to recovery has begun. Both group and transient guests are returning and revenues are increasing. With the rebound in the U.S. economy, and particularly the strength of the Franklin and Williamson County economy, the Conference Center has seen increased competition over the past several years. While competition has increased, we have aggressively attacked the local catering market and continue to secure the business of many specialized events and functions. The relationships that the sales team has built within the group segment are strong and hold a solid base for future events.

Finding qualified applicants remains a challenge for staffing. Due to these challenges, the hotel and conference center will have to continue to utilize contract labor for kitchen, housekeeping, and conference set-up. This allows the operation to have the depth needed within our staff to accommodate many short-term bookings that we are continuing to experience. We will continue to utilize and manage our energy conservation program in order to maintain the always-rising utility costs associated with operating a successful conference center.

The current level of guest satisfaction remains in the upper echelon of all Marriott hotels and conference centers. The Marriott "Red Coat" program continues to be an excellent tool to provide exemplary customer service. This program has proven to be an excellent guest satisfaction tool and will allow us to continue the high level of service above the competition. With the continuation of increasing supply offering newer venues, customer satisfaction will continue to be the deciding factor for many repeat groups and will help us secure the business before they have the option of shopping elsewhere.

Conference Center revenues are expected to return to pre-pandemic levels in fiscal 2023. There is pent up demand for events from current as well as new clients in both group and local catering. While this is great news, we anticipate that we will continue to face many challenges moving forward. As always, staffing is a concern as it is throughout the country and across every type of business. Wages for all employees have and likely will continue to increase in order to be competitive with other hotels and restaurants as well as other industries such as local retail, online retailers, construction, landscaping, etc.

In addition to staffing related issues, we will also continue to see supply chain issues along with inflation that has resulted in an increased costs for goods. It is anticipated that this will continue for the foreseeable future. We will continue to be aggressive with cost controls and take advantage of contingencies and efficiencies that have been successful in past years.

Additional Information:

This financial report is designed to provide citizens, customers, and creditors with a general overview of the Conference Center's finances and to demonstrate the Conference Center's accountability for the money it receives. If you have any questions concerning any of the information provided in this report or need additional information, contact the Conference Center General Manager at:

Marriott Hotel and Conference Center
700 Cool Springs Blvd.
Franklin, Tennessee 37067

CONFERENCE CENTER AT COOL SPRINGS
STATEMENTS OF NET POSITION

ASSETS

	June 30, 2022	June 30, 2021
CURRENT ASSETS		
Cash and cash equivalents		
Restricted for capital expenditure	$ 621,837	$ 442,865
Unrestricted	213,213	131,404
Total cash and cash equivalents	835,050	574,269
Receivables		
Due from hotel operator	172,682	58,787
Due from City/County	-	84,824
Prepaid expenses and other	1,010	3,864
Total current assets	1,008,742	721,744
CAPITAL ASSETS, NET	9,481,207	9,827,365
Total assets	10,489,949	10,549,109

LIABILITIES AND NET POSITION

	2022	2021
CURRENT LIABILITIES		
Accounts payable and accrued expenses	77,030	30,446
Deferred revenue	20,625	31,875
Due to City/County	58,512	-
Total liabilities	156,167	62,321
NET POSITION		
Investment in capital assets	9,481,207	9,827,365
Restricted	621,837	442,865
Unrestricted	230,738	216,558
Total net position	$ 10,333,782	$ 10,486,788

See accompanying notes to financial statements.

CONFERENCE CENTER AT COOL SPRINGS
STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION

	Year Ended June 30, 2022	Year Ended June 30, 2021
OPERATING REVENUE		
Food and beverage:		
Banquet and catering	$ 6,233,106	$ 1,844,535
OPERATING EXPENSES		
Banquet and catering expenses	3,076,624	1,080,759
Administrative and general	339,782	183,907
Sales and marketing	905,103	452,291
Utilities	308,811	203,419
Repairs and maintenance	210,345	103,545
Catering management fee	233,280	226,488
Management fees	229,931	223,234
Insurance and other fixed costs	7,704	7,629
Depreciation	476,518	468,397
Total operating expenses	5,788,098	2,949,669
Operating income (loss)	445,008	(1,105,134)
NON-OPERATING REVENUE AND EXPENSE		
Other income	231,700	142,791
Income (loss) before distributions	676,708	(962,343)
(DISTRIBUTIONS) CONTRIBUTIONS (TO) FROM LOCAL GOVERNMENTS	(829,714)	593,334
Decrease in net position	(153,006)	(369,009)
NET POSITION, AT BEGINNING OF YEAR	10,486,788	10,855,797
NET POSITION, AT END OF YEAR	$ 10,333,782	$ 10,486,788

See accompanying notes to financial statements.

CONFERENCE CENTER AT COOL SPRINGS
STATEMENTS OF CASH FLOWS

	Year Ended June 30, 2022	Year Ended June 30, 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$ 6,119,211	$ 1,782,134
Cash paid to and on behalf of employees	(1,854,729)	(846,692)
Cash paid to suppliers	(3,418,663)	(1,639,995)
Other	231,700	142,791
Net cash provided by (used in) operating activities	1,077,519	(561,762)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Contributions from City of Franklin and Williamson County	184,895	680,636
Distributions to City of Franklin and Williamson County	(871,273)	(145,718)
Net cash (used in) provided by non-capital financing activities	(686,378)	534,918
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(130,360)	(137,864)
Net cash used in capital and related financing activities	(130,360)	(137,864)
NET CHANGE IN CASH AND CASH EQUIVALENTS	260,781	(164,708)
CASH AND CASH EQUIVALENTS:		
BEGINNING OF YEAR	574,269	738,977
END OF YEAR	$ 835,050	$ 574,269

RECONCILIATION OF OPERATING LOSS
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES

	2022	2021
Operating income (loss)	$ 445,008	$ (1,105,134)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Other	231,700	142,791
Depreciation	476,518	468,397
(Increase) decrease in:		
Receivable from hotel operator, net	(113,895)	(62,401)
Prepaid expenses and other	2,854	(508)
Increase (decrease) in:		
Accounts payable and accrued expenses	46,584	9,156
Deferred revenue	(11,250)	(14,063)
Net cash provided by (used in) operating activities	$ 1,077,519	$ (561,762)

See accompanying notes to financial statements.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations

The Conference Center at Cool Springs (the "Conference Center") is a meeting and banquet facility consisting of approximately 55,000 square feet of space, including a grand ballroom and meeting rooms, which adjoins the Franklin Marriott Hotel (the "Hotel") in Franklin, Tennessee. The Conference Center is a joint venture between the City of Franklin, Tennessee (the "City") and Williamson County, Tennessee (the "County", and collectively the "Parties"). An Interlocal Agreement executed between the City and County provides for equal ownership by each of the Parties of a one-half undivided interest in the Conference Center and further specifies that each of the Parties shall be entitled to one-half of the net revenue and shall be responsible for one-half of all costs and expenses of the operation and maintenance of the Conference Center.

The Conference Center facility was developed to attract conventioneers, business travelers, tourists, vacationers, and other visitors, to provide meeting space for residents and groups in the area, and to promote the economic development of the City of Franklin and Williamson County.

The Hotel is owned by a non-related, third party, and is operated under a management agreement with Chartwell Hospitality (the "Hotel Operator"), which commenced on November 1, 2018. Prior to that date, the management agreement was with Davidson Hotel and Resorts. The Conference Center is also managed by the Hotel operator under agreements (See Note D). These agreements were assigned from Davidson Hotel and Resorts to Chartwell Hospitality as of November 1, 2018.

Measurement Focus and Basis of Accounting

The accounting policies of the Conference Center conform to U.S. generally accepted accounting principles applicable to governmental units. The Conference Center is reported as a special-purpose government engaged in only business-type activities. The financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the useful lives and valuation of property and equipment, the valuation of accounts receivable, and the appropriateness of the allocations of joint Conference Center and Hotel expenses (see Note E). Actual results could differ from those estimates.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Operating and Non-Operating Revenue and Expense

The Conference Center distinguishes operating revenues and expenses from non-operating items. Operating revenue and expenses generally result from providing services in connection with the principal ongoing operations. Operating expenses include: cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenue and expenses.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit with financial institutions. The Conference Center considers all highly liquid financial instruments with an original maturity of three months or less to be cash equivalents for purposes of the statement of cash flows.

Capital Assets

Capital assets, which include property and equipment, are reported in the accompanying financial statements at historical cost. Capitalized cost of property and equipment includes improvements that significantly add to utility or extend useful lives. Costs of maintenance and repairs are charged to expense as incurred. The Conference Center generally capitalizes items with a cost greater than $1,000 and an economic life greater than one year. Depreciation has been provided over estimated useful lives using the straight-line method.

The estimated useful lives of capital assets are as follows:

Building and improvements	20 - 50 years
Equipment	10 - 20 years
Furniture and fixtures	5 - 10 years

Net Position

The Conference Center's net position classifications are as follows:

- Investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation. When applicable, this component would be reported net of any outstanding balances of bonds, mortgages, notes, capital lease obligations or other borrowings that are attributable to the acquisition, construction, or improvement of capital assets; there were no such items at June 30, 2022 or 2021.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

- Restricted net position - This component consists of net position restricted by grantors, contributors, or laws and regulations of other governments and restrictions imposed by law or through constitutional provisions or enabling legislation.

- Unrestricted net position - This component consists of net position that do not meet the definition of "restricted" or "investment in capital assets."

The Conference Center's policy is to expend any available restricted resources prior to expending unrestricted resources.

B. CASH AND CASH EQUIVALENTS

The Conference Center is authorized to invest funds in, among other things, Federal treasury bills and notes and financial institution demand deposit accounts. During fiscal years 2022 and 2021, the Conference Center invested funds that were not immediately needed in demand deposits and interest bearing accounts of financial institutions.

At June 30, 2022, the bank balances and recorded balances of cash and cash equivalents were $835,050. At June 30, 2021, the bank balances and recorded balances of cash and cash equivalents were $583,061 and $574,269, respectively, with the difference due primarily to outstanding checks.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Conference Center deposits may not be returned or the Conference Center will not be able to recover collateral securities in the possession of an outside party. Consistent with State law, the Conference Center's policy requires that deposits be either (i) secured and collaterized by the institutions at 105% of the value of the deposits placed in the institution, less the amount protected by federal depository insurance or (ii) that deposits be placed in financial institutions that participate in the bank collateral pool administered by the Treasurer of the State of Tennessee. Institutions participating in the collateral pool determine the aggregate balance of their public fund accounts. The amount of collateral required to secure these public deposits must be at least 105% of the average daily balance of public deposits held. At June 30, 2022 and 2021, the Conference Center's cash deposits were covered by federal depository insurance or held by financial institutions that participate in the State Bank Collateral Pool.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Conference Center policy provides that to the extent practicable, investments are matched with anticipated cash flows.

B. CASH AND CASH EQUIVALENTS - Continued

At June 30, 2022 and 2021, the Conference Center has cash restricted for capital expenditure totaling $621,837 and $442,865, respectively. This amount is presented in current assets as the Conference Center expects current use of these funds for renovations and other capital expenditures. During fiscal years 2022 and 2021, the restricted funds were utilized for equipment replacement as needed (See Note C).

C. CAPITAL ASSETS

A summary of changes in capital assets for fiscal years 2022 and 2021 is as follows:

	Balance June 30, 2021	Additions	Deletions/ Reclassifications	Balance June 30, 2022
Cost:				
Land	$ 892,108	$ -	$ -	$ 892,108
Building	12,328,510	-	-	12,328,510
Equipment, furniture and fixtures, and improvements	4,210,839	66,871	8,792	4,286,502
Renovations (in progress)	29,792	63,489	(8,792)	84,489
	17,461,249	130,360	-	17,591,609
Accumulated Depreciation:				
Building	5,054,707	246,570	-	5,301,277
Equipment, furniture and fixtures, and improvements	2,579,177	229,948	-	2,809,125
	7,633,884	476,518	-	8,110,402
Capital assets, net	$ 9,827,365	$(346,158)	$ -	$ 9,481,207

C. CAPITAL ASSETS - Continued

	Balance June 30, 2020	Additions	Deletions/ Reclassifications	Balance June 30, 2021
Cost:				
Land	$ 892,108	$ -	$ -	$ 892,108
Building	12,328,510	-	-	12,328,510
Equipment, furniture and fixtures, and improvements	4,096,530	114,309	-	4,210,839
Renovations (in progress)	6,237	23,555	-	29,792
	17,323,385	137,864	-	17,461,249
Accumulated Depreciation:				
Building	4,808,137	246,570	-	5,054,707
Equipment, furniture and fixtures, and improvements	2,357,350	221,827	-	2,579,177
	7,165,487	468,397	-	7,633,884
Capital assets, net	$10,157,898	$(330,533)	$ -	$9,827,365

Depreciation expense amounted to $476,518 and $468,397 for 2022 and 2021, respectively.

D. CONTRACTUAL COMMITMENTS

Franchise Agreement

The Conference Center is operated under a franchise agreement between the Hotel owner and Marriott International, Inc. The term of the franchise agreement is 25 years, unless otherwise extended or terminated. The agreement provides for the Conference Center to pay Marriott International, Inc. a franchise fee equal to $35,000 per year for the first 60 months of operations and $75,000 per each additional year that the Conference Center is in operation. The franchise fee for each of the years ended June 30, 2022 and 2021 was $75,000.

D. CONTRACTUAL COMMITMENTS - Continued

Operating Agreement

The City and County entered into a 15-year operating agreement for the Conference Center with the Hotel Operator to manage the facility. Under the operating agreement, the Conference Center will pay the Hotel Operator a specified annual management fee. The annual base fee of $125,000 shall escalate on a fiscal year basis at a rate generally equal to the greater of three percent per year or the Consumer Price Index increase with respect to the prior fiscal year. The management fee for the years ended June 30, 2022 and 2021 was $229,931 and $223,234, respectively.

Catering Agreement

The City and County entered into a catering agreement with the Hotel Operator to provide all food and beverage catering services to the Conference Center. The term of this agreement is contemporaneous with the Conference Center operating agreement between the City and County and the Hotel Operator. Under the catering agreement, the Conference Center will pay the Hotel Operator a catering fee of $10,000 per month during the term of the agreement. This fee will escalate annually at a rate generally equal to the greater of three percent per year or the Consumer Price Index increase with respect to the preceding calendar year. The catering fee for the years ended June 30, 2022 and 2021 was $233,280 and $226,488, respectively.

E. RELATED PARTY TRANSACTIONS

Because the Hotel and the Conference Center are operated together, the Hotel allocates certain expenses to the Conference Center, as follows:

Food costs are allocated to the Conference Center based on the ratio of the Conference Center food revenue to total food revenue for the Hotel and Conference Center on a monthly basis. Beverage cost of goods sold expenses are allocated to the Conference Center based on the ratio of the Conference Center beverage revenue to total beverage revenue for the Hotel and Conference Center, plus the cost of the catering liquor license.

General and administrative and repair and maintenance expenses are allocated to the Conference Center based on the ratio of total Conference Center revenue to total combined revenue for the Conference Center and the Hotel on a monthly basis.

Advertising and sales expenses are allocated to the Conference Center based on a fixed 50% allocation for each period.

The Conference Center had a balance due from the Hotel of $172,682 and $58,787 at June 30, 2022 and 2021, respectively. These amounts represent primarily revenues and allocated joint costs of the Conference Center, which will be reimbursed in the subsequent month.

E. RELATED PARTY TRANSACTIONS - Continued

As described above, the Hotel allocates certain joint expenses to the Conference Center. These joint expenses are subject to audit and adjustment at the Hotel level, which could cause additional amounts to be allocated to the Conference Center. In the opinion of management, all allocations have been appropriately made during fiscal years 2022 and 2021, and the result of any adjustments would not be material to the financial position or results of operations of the Conference Center.

Under terms of the operating agreement, the City and County are to share equally in the Conference Center "cash flows," as defined in the agreement. As a result, aggregate operating surpluses were distributed to the local governments in the amount of $829,714 during 2022 and operating deficits contributed by local governments in the amounts of $593,334 were made during 2021. Details of these distributions are as follows:

	2022	2021
Operating assistance contributed from local governments	$ 100,073	$ 680,636
Operating surpluses distributed to local governments	(929,787)	(87,302)
Net distributions (to) from local governments	$(829,714)	$ 593,334

At June 30, 2022, the Conference Center owed $29,256 to both Williamson County and the City of Franklin. At June 30, 2021, the Conference Center was owed $42,412 from both Williamson County and the City of Franklin.

F. RISK MANAGEMENT

The Conference Center is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets, errors and omissions, personal injuries and natural disasters. Responsibility for risk management is included in the contract operator agreement; each party buys insurance to cover its share of any losses. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Conference Center. Annual reviews of the various exposures are made to keep coverage up to date. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus (the "COVID-19 outbreak"). In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in global exposure.

F. RISK MANAGEMENT - Continued

The full impact of the pandemic continues to evolve as of the date of this report and has significantly affected the Conference Center's operational and financial performance due to the impact on its customers, employees, and vendors, which is the result of various restrictions put in place to curtail the spread of the coronavirus.

While expected to be temporary, the Conference Center cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time. The Conference Center has unrestricted net position and available reserves, and has implemented cost cutting measures to partially mitigate the impact of the pandemic; however, if the pandemic continues, it will have an adverse effect on the Conference Center's results of future operations, financial position, and liquidity in fiscal year 2023.

SUPPLEMENTARY INFORMATION

CONFERENCE CENTER AT COOL SPRINGS
SUPPLEMENTARY INFORMATION

Schedule of Insurance Coverage - Unaudited
June 30, 2022

The Conference Center was insured under the following policies of Chartwell Hospitality, the Hotel Operator. The following information is provided by representatives of Chartwell Hospitality:

Insurance	Limited
Commercial general liability, occurrence basis	$1,000,000
Umbrella / excess liability	$105,000,000

The City of Franklin and Williamson County, Tennessee provide the following policies for their own protection:

Property:	
Building and contents	$8,550,000
Contents	$1,000,000

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Owners of the
Conference Center at Cool Springs
Franklin, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Conference Center at Cool Springs (the "Conference Center"), a Joint Venture between the City of Franklin, Tennessee and Williamson County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Conference Center's basic financial statements, and have issued our report thereon dated December XX, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Conference Center's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Conference Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Conference Center's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Conference Center's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Conference Center's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Conference Center's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Nashville, Tennessee
December XX, 2022

CONFERENCE CENTER AT COOL SPRINGS
SUMMARY OF PRIOR AUDIT FINDINGS
JUNE 30, 2022

Conference Center at Cool Springs had no audit findings for the year ended June 30, 2021.

City of Franklin

109 3rd Ave S.
Franklin, TN 37064
(615) 791-3217

File #: 21-03862

DATE: November 14, 2022

TO: Budget & Finance Committee

FROM: Kristine Brock, Asst. City Administrator/CFO
Mike Lowe, Comptroller

SUBJECT:

Report On State's Standardized Chart Of Accounts For Municipalities For Fiscal Year 2023

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning the State's Standardized Chart of Accounts for Municipalities.

BACKGROUND/STAFF COMMENTS:

In presentations to TML on August 15, 2022 and TGFOA on September 21, 2022, Comptroller Mumpower explained a new Uniform Chart of Accounts requirement for cities. He emphasized that the State Comptroller's Office is not requiring cities to change their financial software. It is implementing this program by requiring contract auditors to transfer our audited results into a state-built software system that “crosswalks” between audited financial reports and a uniform chart of accounts . Eventually, the data is going to be available online to local governments, the Census Bureau, and the public. The program becomes effective with the FY 2023 audit.

FINANCIAL IMPACT:

The new requirement may increase audit fees for the additional work to be done by the contract auditors.

RECOMMENDATION:

This report is for information purposes.

STATE OF TENNESSEE
MUNICIPAL CHART OF ACCOUNTS
CLASSIFICATION BY FUND, FUNCTION, & OBJECT

UPDATED: March 2022

NEW #
NEW # COVID 19
NEW # FEDERAL AMERICAN RESCUE PLAN ACT

FUNDS	FUND CLASSIFICATION LISTING		
100			**GENERAL AND SPECIAL REVENUE FUNDS**
	110		GENERAL FUND
	120		SPECIAL REVENUE FUNDS
		121	STATE STREET AID FUND
		122	GRANTS MANAGEMENT FUND
		123	COMMUNITY DEVELOPMENT FUND
		124	INDUSTRIAL/ECONOMIC DEVELOPMENT FUND
		125	LIBRARY FUND
		126	PARKS AND RECREATION FUND
		127	DRUG FUND
		128	AMBULANCE SERVICE FUND
		129	BEAUTIFICATION FUND
		130	SENIOR CITIZENS FUND
	130		SPECIAL REVENUE FUNDS (CONTINUED)
		131	SOLID WASTE MANAGEMENT FUND
		132	SOLID WASTE COLLECTION FUND
		133	SOLID WASTE DISPOSAL FUND
		134	SOLID WASTE COLLECTION & DISPOSAL FUND
		141	GENERAL PURPOSE SCHOOL FUND
		142	SCHOOL FEDERAL PROJECTS FUND
		143	SCHOOL CENTRAL CAFETERIA FUND
		144	SCHOOL TRANSPORTATION FUND
		145	OTHER EDUCATION FUND
		146	EXTENDED SCHOOL PROGRAM
		147	SCHOOLWIDE CONSOLIDATION
		148	OTHER EDUCATION FUND
		149	SCHOOL INTERNAL ACTIVITY FUND
		150	SPECIAL ASSESSMENT FUND
		151	ADEQUATE FACILITIES/DEVELOPMENT TAX
		152	HOTEL/MOTEL TAX FUND
		153	TOURISM FUND
		154 - 199	OTHER SPECIAL REVENUE FUNDS
200			**DEBT SERVICE FUNDS**
		210	GENERAL DEBT SERVICE FUND
		220	SPECIAL DEBT SERVICE FUND
		230	TENNESSEE MUNICIPAL BOND FUND
		240	EDUCATION DEBT SERVICE FUND
		241	SCHOOL BOND TRUST FUND
		242 - 299	Other Debt Service Funds
300			**CAPITAL PROJECTS FUNDS**
	310		CAPITAL PROJECTS FUNDS
		311	CAPITAL PROJECT FUND #1
		312	CAPITAL PROJECT FUND #2
	320		CAPITAL PROJECTS FUNDS (CONTINUED)
400			**ENTERPRISE FUNDS**
	410		UTILITY FUNDS
		411	WATER FUND
		412	SEWER FUND
		413	WATER & SEWER FUND
		415	NATURAL GAS FUND
		416	STORM WATER UTILITY FUND
	420		OTHER ENTERPRISE FUNDS (CONTINUED)
		421	SOLID WASTE MANAGEMENT FUND
		422	SOLID WASTE COLLECTION FUND
		423	SOLID WASTE DISPOSAL FUND
		424	SOLID WASTE COLLECTION & DISPOSAL FUND
	430		OTHER ENTERPRISE FUNDS (CONTINUED)
		431	AIRPORT FUND
		432	HOSPITAL FUND

433 PUBLIC TRANSIT FUND
434 ELECTRIC UTILITY FUND
435 CABLE/BROADBAND FUND
436 GOLF COURSE FUND
437 EMERGENCY COMMUNICATIONS DISTRICT FUND
438-499 OTHER ENTERPRISE FUNDS

500 **INTERNAL SERVICE FUNDS**

510 CENTRAL MAINTENANCE/GARAGE FUND
511 CENTRAL SUPPLY FUND
512 SELF-INSURANCE FUND
513 WORKERS' COMPENSATION FUND
514 UNEMPLOYMENT COMPENSATION FUND
515 - 599 Other Internal Service Funds

600 **TRUST AND CUSTODIAL FUNDS**

TRUST FUNDS:

611 PENSION TRUST FUND
612 OPEB TRUTRUST & AGENCY FUND #1
613 PRIVATE ITRUST & AGENCY FUND #2
614 OTHER PETRUST & AGENCY FUND #3
615 OPEB TRUDRUG ENFORCEMENT FUND
616 PRIVATE PURPOSE TRUST FUND #2
619 DRUG ENFORCEMENT FUND
620 CEMETARY CARE FUND
620 - 650 Other Trust Funds

CUSTODIAL FUNDS:

651 PENSION FUND
652 OPEB FUND
653 DEFERRED COMPENSATION FUND
654 LITIGANTS, HEIRS, AND OTHERS FUND
655 CEMETARY CARE FUND
656 SEIZED ASSETS FUND
657 - 699 Other Custodial Funds

700 **PERMANENT FUNDS**

701 ENDOWMENT
702 - 799 OTHER PERMANENT FUNDS

800 **GENERAL FIXED ASSETS**

900 **GENERAL LONG-TERM DEBT**

FUNCTIONS **ASSET FUNCTION ACCOUNT LISTING**

10000 **ASSETS**

11000 **CASH**

11100 CASH ON HAND

11200 CASH IN BANK

11210 CASH IN BANK-CHECKING
11211 REGULAR CHECKING
11212 CHECKING ACCOUNT #2
11213 CHECKING ACCOUNT #3
11214 CHECKING ACCOUNT #4
11215 CHECKING ACCOUNT #5
11216 CHECKING ACCOUNT #6
11217 CHECKING ACCOUNT #7
11218 CHECKING ACCOUNT #8
11219 CHECKING ACCOUNT #9

11220 CASH IN BANK-SAVINGS
11221 SAVING ACCOUNT #1
11222 SAVING ACCOUNT #2
11223 SAVING ACCOUNT #3
11224 SAVING ACCOUNT #4
11225 SAVING ACCOUNT #5
11226 SAVING ACCOUNT #6

			11227	SAVING ACCOUNT #7
			11228	SAVING ACCOUNT #8
			11229	SAVING ACCOUNT #9
		11230		CASH IN BANK - SAVINGS (CONTINUED)
		11240		CASH IN BANK - MONEY MARKET ACCOUNTS
			11241	CASH IN BANK - MONEY MARKET ACCOUNT #2
			11242	CASH IN BANK - MONEY MARKET ACCOUNT #3
			11243	CASH IN BANK - MONEY MARKET ACCOUNT #4
			11244	CASH IN BANK - MONEY MARKET ACCOUNT #5
		11250		STATE INVESTMENT POOL
			11251	STATE INVESTMENT POOL #2
			11252	STATE INVESTMENT POOL #2
	11300			CASH IN BANK (RESTRICTED)
		11310		CASH IN BANK - RESTRICTED CHECKING FEDERAL FUNDS
			11311	RESTRICTED CHECKING - ARPA
			11312	RESTRICTED FEDERAL CHECKING #2
			11313	RESTRICTED FEDERAL CHECKING #2
		11320		CASH IN BANK - RESTRICTED CHECKING (CONTINUED)
			11321	CASH IN BANK - RESTRICTED CHECKING
			11322	CASH IN BANK - RESTRICTED CHECKING
			11323	CASH IN BANK - RESTRICTED CHECKING
		11330		CASH IN BANK - RESTRICTED SAVINGS
			11331	RESTRICTED SAVINGS #1
			11332	RESTRICTED SAVINGS #2
		11340		CASH IN BANK - RESTRICTED SAVINGS (CONTINUED)
	11400			PETTY CASH
		11410		PETTY CASH ACCOUNTS
		11420		PETTY CASH ACCOUNT (CONTINUED)
	11500			CASH WITH FISCAL AGENTS
		11510		CASH WITH FISCAL/PAYING AGENT
	11900			OTHER CASH ITEMS
		11910		CASH OVER AND SHORT
		11920		PROPERTY TAX VOUCHERS
		11930		CASH EQUIVALENTS
		11990		MISCELLANEOUS CASH ITEMS
12000				**INVESTMENTS**
	12100			SECURITIES
		12110		CERTIFICATE OF DEPOSITS
		12120		US TREASURY NOTES
		12130		US TREASURY BILLS
		12140		STOCKS AND BONDS
		12141		INVESTMENT IN JOINT VENTURE
		12142		MAJORITY EQUITY INTERESTS
		12190		OTHER INVESTMENTS
13000				**RECEIVABLE**
	13100			PROPERTY TAXES RECEIVABLE
		13110		PROPERTY TAXES RECEIVABLE - CURRENT
			13111	TAXES RECEIVABLE - CURRENT
			13113	EST DISCOUNT ON CURRENT TAXES (CR)
			13119	EST UNCOLL CURRENT TAX (CR)
		13120		PROPERTY TAXES RECEIVABLE - PRIOR YEARS
			13121	TAXES RECEIVABLE - FIRST PRIOR YEAR
			13122	TAXES RECEIVABLE - SECOND PRIOR YEAR
			13123	TAXES RECEIVABLE - THIRD PRIOR YEAR
			13124	TAXES RECEIVABLE - FOURTH PRIOR YEAR
			13125	TAXES RECEIVABLE - FIFTH PRIOR YEAR
			13126	TAXES RECEIVABLE - SIXTH PRIOR YEAR
			13129	EST UNCOLL PRIOR YEAR PROPERTY TAXES (CR)
		13130		INTEREST AND PENALTIES - PROPERTY TAXES RECEIVABLE
			13131	INTEREST & PENALTIES REC ON TAXES
			13139	EST UNCOLL INT & PEN ON PROPERTY TAXES (CR)
		13140		TAX LIENS RECEIVABLE
			13141	TAX LIENS RECEIVABLE
			13149	EST UNCOLL TAX LIENS RECEIVABLE (CR)
		13150		OTHER TAXES RECEIVABLE
			13151	PROPERTY TAX VOUCHERS RECEIVABLE
			13152	OTHER TAXES RECEIVABLE
			13159	EST UNCOLL OTHER TAXES RECEIVABLE (CR)
	13200			ACCOUNTS RECEIVABLE
		13210		ACCOUNTS RECEIVABLE REGULAR
			13211	ACCOUNTS RECEIVABLE REGULAR
			13219	EST UNCOLL A/R REGULAR (CR)
		13220		ACCOUNT RECEIVABLE - CUSTOMERS
			13221	ACCOUNTS RECEIVABLE - CUSTOMERS
			13227	ACCOUNT S RECEIVABLE - CUSTOMERS - INACTIVE
			13229	EST UNCOLL A/R - CUSTOMERS (CR)
		13230		UNBILLED ACCOUNTS RECEIVABLE

	13250		FINES AND COSTS RECEIVABLE
		13251	CITY COURT FINES AND COSTS RECEIVABLE
		13259	ALLOW FOR UNCOLL FINES & COSTS (CR)
	13260		RETURNED CHECKS RECEIVABLE
	13290		OTHER ACCOUNTS RECEIVABLE
		13291	OTHER ACCOUNTS RECEIVABLE
		13299	ALL FOR UNCOLL ACCTS REC (CR)
13300			SPECIAL ASSESSMENTS RECEIVABLE
	13310		SPECIAL ASSESSMENTS RECEIVABLE - CURRENT
		13311	SPECIAL ASSESSMENTS RECEIVABLE - CURRENT
		13319	EST UNCOLL SPECIAL ASSESSMENT REC (CR)
	13320		SPECIAL ASSESSMENTS RECEIVABLE - PRIOR YEARS
		13321	SPECIAL ASSESSMENTS RECEIVABLE - PRIOR YEARS
		13329	EST UNCOLL SPECIAL ASSESSMENT REC (CR)
	13330		SPECIAL ASSESSMENTS RECEIVABLE - DEFERRED
		13331	SPECIAL ASSESSMENTS RECEIVABLE - DEFERRED
		13339	EST UNCOLL DEFERRED SPECIAL ASSMT … REC (CR)
	13340		SPECIAL ASSESSMENTS LIEN RECEIVABLE
		13341	SPECIAL ASSESSMENTS LIEN RECEIVABLE
		13349	EST UNCOLL SPECIAL ASSMT LIEN REC (CR)
	13350		SPECIAL ASSESSMENTS RECEIVABLE - INTEREST
		13351	SPECIAL ASSESSMENTS RECEIVABLE - INTEREST
		13359	EST UNCOLL SPECIAL ASSMT IN REC
13400			NOTES RECEIVABLE
	13410		NOTES RECEIVABLE - REGULAR
		13411	NOTES RECEIVABLE - REGULAR
		13419	EST UNCOLLECTIBLE NOTES RECEIVABLE (CR)
	13420		OTHER NOTES RECEIVABLE
		13421	NOTES RECEIVABLE - OTHER
		13429	EST UNCOLLECTIBLE - OTHER NOTE REC (CR)
	13430		NOTES RECEIVABLE - GRANTS
		13431	NOTES RECEIVABLE - GRANTS
		13439	EST UNCOLL NOTES RECEIVABLE - GRANTS
13500			LOANS RECEIVABLE
	13510		SALARY ADVANCES
	13520		TRAVEL ADVANCES
13600			DUE FROM OTHER FUNDS
	13610		DUE FROM GENERAL AND SPEC REVENUE FUNDS
		13611	DUE FROM GENERAL FUND
		13612	DUE FROM STATE STREET AID FUND
		13613	DUE FROM SPECIAL REVENUE FUND 2
		13614	DUE FROM SPECIAL REVENUE FUND 3
		13615	DUE FROM SPECIAL REVENUE FUND 4
		13616	DUE FROM SPECIAL REVENUE FUND 5
		13617	DUE FROM SANITATION FUND
		13618	DUE FROM SPECIAL REVENUE FUND 7
		13619	DUE FROM SPECIAL REVENUE FUND 8
	13620		DUE FROM DEBT SERVICE FUNDS
	13630		DUE FROM CAPITAL PROJECTS FUNDS
	13640		DUE FROM ENTERPRISE FUNDS
		13641	DUE FROM WATER FUND
		13642	DUE FROM SEWER FUND
		13643	DUE FROM WATER AND SEWER FUND
		13645	DUE FROM NATURAL GAS FUND
		13647	DUE FROM SANITATION /LANDFILL FUND
		13648	DUE FROM AIRPORT FUND
	13650		DUE FROM INTERNAL SERVICE FUNDS
	13660		DUE FROM TRUST AND AGENCY FUNDS
	13670		DUE FROM SPECIAL ASSESSMENT FUNDS
13700			DUE FROM OTHER GOVERNMENTS
	13710		DUE FROM FEDERAL GOVERNMENT
	13730		DUE FROM STATE OF TENN - STATE GRANTS
		13731	DUE FROM STATE - LAW ENFORCEMENT GRANT
		13732	DUE FROM STATE - PARKS/RECREATION GRANT
		13739	DUE FROM STATE - OTHER GRANTS
	13740		DUE FROM STATE OF TENN - STATE REV ALLOCATION
		13741	DUE FROM STATE - SALES TAX
		13742	DUE FROM STATE - INCOME TAX
		13743	DUE FROM STATE - BEER TAX
		13744	DUE FROM STATE - ALCOHOLIC BEVERAGE TAX
		13745	DUE FROM STATE - GAS AND MOTOR FUEL TAX
		13746	DUE FROM STATE - CITY STREETS AND TRANSP FUNDS
		13747	DUE FROM STATE - SANITARY LANDFILL FUNDS
		13749	DUE FROM STATE - OTHER SHARED REVENUES
	13750		DUE FROM STATE OF TENN - OTHER REVENUE ALLOCATION
	13760		DUE FROM COUNTY GOVERNMENT - SHARED REVENUE
	13770		DUE FROM OTHER LOCAL GOVT.
13800			ADVANCE TO OTHER FUNDS
	13810		ADVANCE TO GENERAL AND SPECIAL REVENUE FUNS

			13811	ADVANCE TO GENERAL FUND
			13812	ADVANCE TO STATE STREET AID FUND
			13813	ADVANCE TO SPECIAL REVENUE FUND 2
			13814	ADVANCE TO SPECIAL REVENUE FUND 3
			13815	ADVANCE TO SANITATION FUND
		13820		ADVANCE TO DEBT SERVICE FUNDS
		13830		ADVANCE TO CAPITAL PROJECTS FUNDS
		13840		ADVANCE TO ENTERPRISE FUNDS
			13841	ADVANCE TO WATER FUND
			13842	ADVANCE TO SEWER FUND
			13843	ADVANCE TO WATER AND SEWER FUND
			13845	ADVANCE TO GAS FUND
			13846	ADVANCE TO AIRPORT FUND
		13850		ADVANCE TO OTHER ENTERPRISE FUNDS
			13851	ADVANCE TO SOLID WASTE MGT FUND
			13852	ADVANCE TO SOLID WASTE COLLECTION FUND
			13853	ADVANCE TO SOLID WASTE DISPOSAL FUND
			13854	ADVANCE TO SOLID WASTE COL & DISP FUND
		13860		ADVANCE TO INTERNAL SERVICE FUNDS
		13870		ADVANCE TO TRUST AND AGENCY FUND
		13880		ADVANCE TO SPECIAL ASSESSMENT FUNDS
	13900			INTEREST RECEIVABLE
		13910		INTEREST RECEIVABLE ON INVESTMENTS
		13920		ACCRUED INTEREST ON INVESTMENT
14000				**INVENTORIES**
	14100			INVENTORY OF SUPPLIES
		14110		INVENTORY OF GASOLINE
		14120		INVENTORY OF DIESEL
		14130		INVENTORY OF MATERIALS
		14190		INVENTORY OF OTHER ITEMS
	14200			INVENTORY OF STORES FOR RESALE
	14300			INVENTORY OF MATERIALS
	14900			INVENTORY OF CAPITAL ASSETS FOR RESALE
		14910		LAND
		14920		BUILDINGS
		14930		IMPROVEMENTS OTHER THAN BUILDINGS
		14940		MACHINERY & EQUIPMENT
		14950		LAND AND IMPROVEMENTS
		14990		OTHER INVENTORY ITEMS FOR RESALE
15000				**PREPAID EXPENSES & OTHER DEBITS**
	15100			PREPAID EXPENSES
		15110		PREPAID INSURANCE
		15190		OTHER PREPAID EXPENSES
	15200			DEPOSITS
		15210		METER DEPOSITS
		15220		RIGHT-OF-WAY DEPOSITS
		15230		DEVELOPMENT DEPOSITS
		15290		OTHER DEPOSITS
	15300			PREPAID CHARGES
		15310		PREPAID ENGINEERING DEVELOPMENT EXPENSE
		15390		OTHER PREPAID DEVELOPMENT EXPENSE
	15400			OTHER DEBITS
		15410		UNAMORTIZED DISCOUNTS ON BONDS SOLD
		15420		UNAMORTIZED PREMIUMS ON INVESTMENTS
		15480		OTHER LEASE RECEIVABLE
		15490		OTHER DEBITS
	15500			NET PENSION ASSETS
16000				**CAPITAL ASSETS**
	16100			LAND
	16200			BUILDINGS
		16290		ALLOW FOR DEPRECIATION - BUILDINGS (CR)
	16300			IMPROVEMENTS OTHER THAN BUILDINGS
		16390		ALLOW FOR DEPREC - IMPR OTHER THAN BUILDINGS
	16400			EQUIPMENT
			16411	GENERAL PURPOSE EQUIPMENT
			16412	VEHICLES
			16419	ALL FOR DEPREC - GENERAL PURPOSE EQUIPMENT
			16421	OPERATING EQUIPMENT
			16429	ALL FOR DEPRECIATION - OPERATING EQUIPMENT
			16431	ROLLING STOCK
			16439	ALL FOR DEPRECIATION - ROLLING STOCK
			16441	OFFICE FURNITURE & EQUIPMENT
			16449	ALL FOR DEPRECIATION - OFFICE FURNITURE (CR)
		16490		ALLOWANCE FOR DEPRECIATION - EQUIPMENT
	16500			CONSTRUCTION IN PROGRESS
		16510		CONSTRUCTION IN PROGRESS
	16600			UTILITY PLANT IN OPERATION
		16610		WATER PLANT IN OPERATION

			16619	ALLOWANCE FOR DEPRECIATION - WATER PLANT
		16620		SEWER PLANT IN OPERATION
			16629	ALLOWANCE FOR DEPRECIATION - SEWER PLANT
		16630		WATER & SEWER PLANT IN OPERATION
			16639	ALLOWANCE FOR DEPRECIATION - WATER/SEWER PLANT
		16650		NATURAL GAS PLANT IN OPERATION
			16659	ALLOWANCE FOR DEPRECIATION - NATURAL GAS PLANT
17000				**OTHER DEBITS**
	17100			ESTIMATED REVENUES
	17200			EXPENDITURE CONTROL
		17210		EXPENDITURE CONTROL (CURRENT YEAR)
		17220		EXP CHARGED TO RESERVE FOR PRIOR YRS ENC
	17300			BONDS AUTHORIZED -UNISSUED
	17400			IMPROVEMENTS AUTHORIZED
	17500			AMOUNT DESIGNATED FOR BOND AND NOTE RETIREMENT
		17510		AMT AVAIL FOR FUTURE BOND RETIREMENT
		17520		AMT AVAIL IN DEBT SERVICE FUND -BOND INT
		17530		AMT AVAILABLE IN DEBT SERVICE FUND -NOTE
		17540		AMT AVAIL IN DEBT SERVICE FUND -NOTE INT
	17600			AMT TO BE PROVIDED FOR PAYMENT OF DEBT
		17610		AMT TO BE PROVIDED - FUTURE BONDS PAYMENT
		17620		AMT TO BE PROVIDED - FUTURE NOTE PAYMENT
		17630		AMT TO BE PROVIDED - FUTURE BOND INT
		17640		AMT TO BE PROVIDED - FUTURE OF NOTE INT
18000				**WATER,SEWER,AND NATURAL GAS-PLANT ACCTS**
	18100			WATER-PLANT ACCOUNTS
		18110		WATER-SOURCE OF SUPPLY PLANT
			18111	WATER RIGHTS
			18112	RESERVOIR LAND
			18113	OTHER SOURCES OF WATER SUPPLY LAND
			18114	STRUCTURES AND IMPROVEMENTS
			18115	COLLECTING AND IMPOUNDING RESERVOIR
			18116	LAKE, RIVER, AND OTHER INTAKES
			18117	WELLS AND SPRINGS
			18118	INFILTRATION GALLERIES AND TUNNELS
			18119	SUPPLY MAINS
		18120		WATER SOURCE OF SUPPLY PLANT ACCOUNT (CONT)
			18121	OTHER WATER SOURCE PLANT
		18130		WATER--PUMPING PLANT
			18131	LAND
			18132	LAND RIGHTS
			18133	STRUCTURES AND IMPROVEMENTS
			18134	OTHER POWER PRODUCTION EQUIPMENT
			18135	ELECTRIC PUMPING EQUIPMENT
			18136	DIESEL PUMPING EQUIPMENT
			18137	HYDRAULIC PUMPING EQUIPMENT
			18138	OTHER PUMPING EQUIPMENT
		18140		WATER TREATMENT PLANT
			18141	LAND
			18142	LAND RIGHTS
			18143	STRUCTURES AND IMPROVEMENTS
			18144	EQUIPMENT CHEMICAL TREATING PLANT
			18145	EQUIPMENT FILTER PLANT
			18146	EQUIPMENT MIXING CHAMBERS
			18147	EQUIPMENT SEDIMENTATION OR COAGULATION B
		18150		WATER-TRANSMISSION & DISTRIBUTION PLANT
			18151	TRANSMISSION LAND
			18152	TRANSMISSION LAND RIGHTS
			18153	DISTRIBUTION RESERVOIR & STANDPIPE LAND
			18154	DISTRIBUTION RESERVOIR & STANDPIPE LAND
			18155	OTHER DISTRIBUTION LAND
			18156	OTHER DISTRIBUTION LAND RIGHTS
			18157	STRUCTURES AND IMPROVEMENTS-REGULAR
			18158	STRUCTURES AND IMPROVEMENTS-ROADS
			18159	DISTRIBUTION RESERVOIRS AND STANDPIPES
		18160		WATER--TRANSMISSION & DIST. PLANT
			18161	TRANSMISSION MAINS
			18162	DISTRIBUTION MAINS
			18163	FIRE MAINS
			18164	SERVICES
			18165	METERS
			18166	METER INSTALLATIONS
			18167	HYDRANTS
			18168	OTHER TRANSMISSION & DISTRIBUTION PLANT
		18170		GENERAL PLANT
			18171	OVERHEADS
			18172	OFFICE LAND
			18173	STORES,SHOP,AND GARAGE LAND
			18174	MISCELLANEOUS LAND,STRUCTURES,& IMPROVEM

		18175 OFFICE BUILDINGS
		18176 STORES,SHOP,AND GARAGE BUILDINGS
		18177 MISCELLANEOUS STRUCTURES & IMPROVEMENTS
		18178 OFFICE FURNITURE & EQUIPMENT
		18179 AUTOS AND TRUCKS ONLY
	18180	GENERAL PLANT
		18181 TRAILERS ONLY
		18182 STORES EQUIPMENT,TOOLS,SHOP,&GARAGE EQUIP
		18183 SHOP EQUIPMENT
		18184 TOOLS AND WORK EQUIPMENT
		18185 LABORATORY EQUIPMENT
		18186 POWER OPERATED EQUIPMENT
		18187 COMMUNICATION EQUIPMENT
		18188 MISCELLANEOUS EQUIPMENT
		18189 OTHER TANGIBLE PROPERTY
	18190	ALLOWANCE FOR DEPRECIATION-WATER PLANT A
		18191 ALLOWANCE FOR DEPRECIATION-SOURCE OF SUP
		18193 ALLOWANCE FOR DEPRECIATION-PUMPING PLANT
		18194 ALLOWANCE FOR DEPRECIATION-WATER TREATME
		18195 ALLOWANCE FOR DEPRECIATION-TRANSMISSION
		18197 ALLOWANCE FOR DEPRECIATION-GENERAL PLANT
18200		SEWER SYSTEM
	18210	SEWER COLLECTIONS
		18211 LAND FOR COLLECTIONS SYSTEMS
		18212 LAND RIGHTS FOR COLLECTION SYSTEMS
		18215 OTHER LAND FOR COLLECTION
		18216 OTHER LAND RIGHT FOR COLLECTION
		18217 STRUCTURE & IMPROVEMENTS-REGULAR
		18218 STRUCTURE & IMPROVEMENTS-ROADS
	18220	SEWER COLLECTIONS (CONTINUED)
		18221 TRUNK LINE
		18222 COLLECTION LINES
		18223 SERVICE LINES
		18224 SAMPLING DEVICES
		18225 METERS
		18226 METER & SAMPLING DEVICE INSTALLATIONS
		18229 OTHER SEWER COLLECTIONS
	18230	SEWER LIFT STATIONS
		18231 LAND FOR LIFT STATIONS
		18232 LAND RIGHTS FOR LIFT STATION
		18233 STRUCTURES & IMPROVEMENT
		18234 PUMPS & EQUIPMENT
		18239 OTHER LIFT STATION EQUIPMENT
	18240	SEWER TREATMENT & DISPOSAL
		18241 LAND
		18242 LAND RIGHTS
		18243 STRUCTURE & IMPROVEMENT
		18244 EQUIPMENT-CHEMICAL
		18245 EQUIPMENT-OTHER MECHANICAL & ELECTRICAL
		18249 OTHER SEWER TREATMENT & DISPOSAL
	18250	SLUDGE TREATMENT & DISPOSAL
		18251 LAND FOR SLUDGE DISPOSAL
		18252 LAND RIGHTS FOR SLUDGE DISPOSAL
		18253 STRUCTURE & IMPROVEMENT FOR SLUDGE T & D
		18254 SLUDGE PREPARATION & TREATMENT EQUIPMENT
		18258 SLUDGE HANDLING & TRANSPORTATION EQUIPMENT
		18259 OTHER SLUDGE RELATED EQUIPMENT
	18270	GENERAL PLANT
		18272 OFFICE LAND
		18273 STORES, SHOPS & GARAGE LAND
		18274 MISCELLANEOUS LAND, STRUCTURES, & IMPROV
		18275 OFFICE BUILDINGS
		18276 STORE, SHOP AND GARAGE BUILDINGS
		18277 MISCELLANEOUS STRUCTURES & IMPROVEMENTS
		18278 OFFICE FURNITURE & EQUIPMENT
		18279 AUTO & TRUCKS
	18280	GENERAL PLANT (CONTINUED)
		18281 TRAILERS
		18282 STORE EQUIP,TOOLS,SHOP, & GARAGE EQUIP
		18283 SHOP EQUIPMENT
		18284 TOOLS & WORK EQUIPMENT
		18285 LABORATORY EQUIPMENT
		18286 POWER OPERATED EQUIPMENT
		18287 COMMUNICATIONS EQUIPMENT
		18289 OTHER EQUIPMENT
	18290	ALLOWANCE FOR DEPRECIATION-SEWER PLANT A
		18291 ALLOWANCE FOR DEPRECIATION-SEWER COLLECT
		18292 ALLOWANCE FOR DEPRECIATION-SEWER LIFT ST
		18294 ALLOWANCE FOR DEPRECIATION-SEWER TREATME

		18295	ALLOW FOR DEP. SLUDGE TREATMENT (CR)
		18297	ALLOWANCE FOR DEPRECIATION-GENERAL PLANT
18300			NATURAL GAS-PLANT ACCOUNTS
	18310		GAS-PRODUCTION
	18330		GAS-DISTRIBUTION PLANT
		18331	LAND
		18332	LAND RIGHTS
		18333	STRUCTURES AND IMPROVEMENTS-REGULAR
		18335	MAINS
		18336	COMPRESSOR STATION EQUIPMENT
		18337	MEASURING & REGULATING STA EQUIP GENERAL
	18340		GAS-DISTRIBUTION PLANT
		18341	METERS
		18345	INDUSTRIAL MEASURING & REGULATING STA EQ
		18346	OTHER PROPERTY ON CUSTOMERS' PREMISES
		18349	OTHER EQUIPMENT
	18350		GAS-GENERAL PLANT
		18351	LAND
		18352	LAND RIGHTS
		18353	STRUCTURES AND IMPROVEMENTS
		18354	OFFICE FURNITURE AND EQUIPMENT
		18355	AUTOS AND TRUCKS ONLY
		18356	TRAILERS ONLY
		18357	STORES EQUIPMENT
		18358	SHOP EQUIPMENT
		18359	CONSTRUCTION TOOLS AND EQUIPMENT
	18360		GAS-GENERAL PLANT
		18361	GARAGE TOOLS AND EQUIPMENT
		18362	LABORATORY EQUIPMENT
		18363	POWER OPERATED EQUIPMENT
		18364	COMMUNICATION EQUIPMENT
		18369	OTHER GENERAL PLANT ITEMS
	18390		ALLOWANCE FOR DEPRECIATION-PLANT ACCOUNT
		18391	ALLOWANCE FOR DEPRECIATION-PRODUCTION
		18393	ALLOWANCE FOR DEPRECIATION-DISTRIBUTION
		18396	ALLOWANCE FOR DEPRECIATION-GENERAL PLANT
18400			SOLID WASTE FACILITIES AND DEVELOPMENT
	18410		LAND
	18420		BUILDING AND IMPROVEMENTS
		18421	BUILDING AND IMPROVEMENTS
		18429	ACCUMULATED DEPR BLDG & IMPROVEMENTS (CR)
	18430		PLANT AND PLANT EQUIPMENT
		18431	PLANT AND PLANT EQUIPMENT
		18439	ACCUMULATED DEPREC - PLANT & PLANT EQUIPMENT
	18440		OFFICE FURNITURE & EQUIPMENT
		18441	OFFICE FURNITURE & EQUIPMENT
		18449	ACCUM DEPREC-OFFICE FURNITURE & EQUIPMENT
	18450		OTHER MACHINERY & EQUIPMENT
		18451	OTHER MACHINERY & EQUIPMENT
		18459	ACCUM DEPREC-OTHER MACHINERY & EQUIPMENT
	18460		LANDFILL DEVELOPMENT
		18461	LANDFILL DEVELOPMENT
		18469	ACCUM DEPREC-LANDFILL DEVELOPMENT (CR)
	18470		OTHER FIXED ASSETS
		18471	OTHER FIXED ASSETS
		18479	ACCUM DEPREC-OTHER FIXED ASSETS (CR)
	18480		SOLID WASTE CONSTRUCTION PROJECTS

19000 ***DEFERRED OUTFLOWS***

19100		DEFERRED OUTFLOWS OF RESOURCES - PENSIONS
	19110	PENSION CHANGES IN EXPERIENCE
	19120	PENSION CHANGES IN ASSUMPTIONS
	19130	PENSION CHANGES IN INVESTMENT EARNINGS
	19140	PENSION CHANGES IN PROPORTION
	19150	PENSION CONTRIBUTIONS AFTER MEASUREMENT DATE
	19160	PENSION OTHER DEFERRALS
19200		DEFERRED OUTFLOWS OF RESOURCES -OPEB
	19210	OPEB CHANGES IN EXPERIENCE
	19220	OPEB CHANGES IN ASSUMPTIONS
	19230	OPEB CHANGES IN INVESTMENT EARNINGS
	19240	OPEB CHANGES IN PROPORTION
	19250	OPEB CONTRIBUTIONS AFTER MEASUREMENTS DATE
	19260	OPEB OTHER DEFERRALS

20000 **LIABILITIES, RESERVES &FUND BALANCES**

21000 **SHORT-TERM LIABILITIES**

21100			PAYABLES
	21110		VOUCHERS PAYABLE
	21120		ACCOUNTS PAYABLE
	21130		A/P GRANT
	21140		PURCHASE ORDERS PAYABLE
	21150		ANNUITIES PAYABLE
	21160		DUE TO PROPERTY OWNERS
	21170		PAYROLLS PAYABLE
	21190		OTHER PAYABLES
		21191	WARRANTS PAYABLE
21200			PAYROLL DEDUCTIONS PAYABLE
	21210		EMPLOYEE PAYROLL TAXES PAYABLE
		21211	SOCIAL SECURITY TAXES PAYABLE
		21212	WITHHOLDING TAXES PAYABLE
		21213	STATE SALES TAX PAYABLE
		21214	MEDICARE TAXES PAYABLE
	21220		EMPLOYEE INSURANCE DEDUCTIONS PAYABLE
	21230		STATE OF TENN - TLDA
	21240		RETIREMENT SYSTEMS
		21241	DUE TO STATE RETIREMENT SYSTEM
		21242	DUE TO PRIVATE RET SYSTEM (INSURANCE CO)
		21243	DUE TO CITY RET SYSTEM (SELF-ADMINISTER)
	21250		PROFESSIONAL DUES PAYABLE
	21260		UNION DUES PAYABLE
	21270		GARNISHMENT PAYABLE
	21280		CREDIT UNION PAYABLE
	21290		OTHER PAYROLL DEDUCTIONS PAYABLE
		21291	CHRISTMAS SAVING FUND
		21292	FLOWER FUND
		21293	UNIFORMS
		21299	MISCELLANEOUS PAYROLL DEDUCTION
21300			CONTRACTS PAYABLE
	21310		INTEREST PAYABLE
	21320		CONTRACTS PAYABLE RETAINED PERCENTAGE
21400			DUE TO OTHER FUNDS
	21410		DUE TO GENERAL AND SPECIAL REVENUE FUNDS
		21411	DUE TO GENERAL FUND
		21412	DUE TO STATE STREET AID FUND
		21413	DUE TO GENERAL FUND - SANITATION
		21414	DUE TO SPECIAL REVENUE FUND NO.-3
		21415	DUE TO SPECIAL REVENUE FUND NO.-4
		21416	DUE TO SPECIAL REVENUE FUND NO.-5
		21417	DUE TO SPECIAL REVENUE FUND NO. 6
		21418	DUE TO SPECIAL REVENUE FUND NO. 7
	21420		DUE TO DEBT SERVICE FUNDS
	21430		DUE TO CAPITAL PROJECTS FUNDS
		21431	DUE TO CAPITAL PROJECTS FUND NO.-1
		21432	DUE TO CAPITAL PROJECTS FUND NO.-2
		21433	DUE TO CAPITAL PROJECTS FUND NO.-3
		21434	DUE TO CAPITAL PROJECTS FUND NO.-4
		21435	DUE TO CAPITAL PROJECTS FUND NO.-5
	21440		DUE TO ENTERPRISE FUNDS
		21441	DUE TO WATER FUND
		21442	DUE TO SEWER FUND
		21443	DUE TO WATER AND SEWER FUND
		21444	DUE TO ELECTRIC FUND
		21445	DUE TO GAS FUND
		21446	DUE TO AIRPORT FUND
		21447	DUE TO ENTERPRISE FUND NO. -7
	21450		DUE TO INTERNAL SERVICE FUNDS
	21460		DUE TO TRUST AND AGENCY FUNDS
	21470		DUE TO SPECIAL ASSESSMENT FUNDS
21500			DUE TO OTHERS
	21510		DUE TO FEDERAL GOVERNMENT
	21520		DUE TO STATE OF TENNESSEE
		21521	DUE TO STATE DEPT OF REV - SALES TAXES
		21522	DUE TO ST DEPT OF REV -BUS TAX(GR REC)
		21523	DUE TO ST DEPT OF REV -MOV TRAF VIOLATION
		21524	DUE TO STATE DEPT OF SAFETY -STATE FINES
		21525	DUE STATE OF TENN. - SEWER USER FEE
	21530		DUE TO COUNTY GOVERNMENT
	21540		DUE TO UTILITY DISTRICTS & BOARDS
	21550		DUE TO OTHERS, APPEARANCE BOND
21600			BONDS AND INTEREST PAYABLE
	21610		MATURED BONDS PAYABLE
	21620		MATURED BOND INTEREST PAYABLE
	21630		BONDS PAYABLE (NEXT YEAR REQUIREMENTS)
21700			NOTES AND INTEREST PAYABLE
	21710		MATURED NOTES PAYABLE

		21720	MATURED NOTE INTEREST PAYABLE
		21730	NOTES PAYABLE (NEXT YEAR REQUIREMENTS)
	21800		ACCRUED PAYABLES
		21820	ACCRUED WAGES PAYABLE
		21830	ACCRUED TAXES PAYABLE
		21840	ACCRUED SICK LEAVE
		21850	ACCRUED VACATION LEAVE
		21890	OTHER ACCRUED PAYABLES
	21900		OTHER SHORT-TERM LIABILITIES
		21910	CUSTOMER DEPOSITS
		21920	DUE TO FISCAL AGENT
		21930	DEVELOPMENT DEPOSITS
		21970	LEASE PAYABLE
22000			**OTHER LIABILITIES**
		22100	UNEARNED/UNAVAILABLE REVENUE
	22100	22110	TAXES - UNEARNED/UNAVAILABLE
		22111	UNEARNED FEDERAL GRANT FUNDS - AMERICAN RESCUE PLAN ACT
		22120	OTHER REVENUE COLLECTED IN ADVANCE - UNEARNED
		22200	UNAMORTIZED PREMIUMS
	22200	22210	UNAMORTIZED PREMIUMS ON BONDS SOLD
		22220	UNAMORTIZED DISCOUNTS ON BONDS (DEBIT)
23000			**LONG-TERM LIABILITIES**
	23100		BONDS PAYABLE
		23110	G.O. SERIAL BONDS PAYABLE
		23120	G.O. TERM BONDS PAYABLE
		23130	REVENUE BONDS PAYABLE
		23150	LOSS ON BOND DEFEASANCE
	23200		NOTES PAYABLE
		23210	BOND ANTICIPATION NOTES PAYABLE
		23220	CAPITAL OUTLAY NOTES PAYABLE
		23230	REVENUE ANTICIPATION NOTES PAYABLE
		23240	STATE LOAN PAYABLE
	23300		INTEREST REQUIREMENTS (PAYABLE)
		23310	INT REQUIREMENTS PAYABLE G.O. SERIAL BON
		23320	INT REQUIREMENTS PAYABLE G.O. TERM BONDS
		23330	INT REQUIREMENTS PAYABLE REVENUE BONDS
		23340	INT REQUIREMENTS PAYABLE BOND ANTICIPAT
		23350	INT REQUIRE PAYABLE CAPITAL OUTLAY NOTE
		23360	INT REQUIRE PAYABLE - STATE LOAN
	23900		OTHER LONG TERM LIABILITIES
		23910	GRANTS PAYABLE
		23915	NET PENSION LIABILITY
		23916	NET OPEB LIABILITY
		23917	UNAMORTIZED PREMIUMS
		23918	UNAMORTIZED PREMIUMS ON BONDS SOLD
		23919	UNAMORTIZED DISCOUNTS ON BONDS (DEBIT)
24000			**OTHER CREDITS**
	24100		APPROPRIATIONS
	24200		EXPENDITURES (DEBIT)
	24300		ENCUMBRANCES
	24400		RESERVE FOR INVENTORY SUPPLIES
		24410	RESERVE FOR GASOLINE INVENTORY ADJUSTMENT
		24420	RESERVE FOR DIESEL INVENTORY ADJUSTMENT
		24430	RESERVE FOR MATERIALS INVENTORY ADJ
		24490	RESERVE FOR OTHER SUPPLIES INVENTORY ADJ
	24500		RESERVE FOR ENCUMBRANCES - CURRENT YEAR
25000			**DUE TO SANITATION FUND**
	25100		CONTRIBUTION FROM GOVERNMENTAL UNIT
		25101	STATE GRANT PROCEEDS
	25200		CONTRIBUTION FROM CUSTOMERS
		25210	CONTRIBUTIONS FROM CUSTOMER-ENTERPRISE
		25211	CONTRIBUTIONS FROM CUSTOMERS - WATER
		25212	CONTRIBUTIONS FROM CUSTOMERS - SEWER
		25213	CONTRIBUTIONS FROM CUST -WATER AND SEWER
		25214	CONTRIBUTIONS FROM CUSTOMERS - ELECTRIC
		25215	CONTRIBUTIONS FROM CUST - NATURAL GAS
	25300		CONTRIBUTION FROM SUBDIVIDERS
	25400		CONTRIBUTION FROM OTHER CITY FUNDS
	25500		CONTRIBUTION - EPA
	25600		CONTRIBUTIONS FROM STATE GOVERNMENT
		25601	CAPITAL ADVANCE FROM MTAS
		25602	CAPITAL ADVANCE FROM CTAS
		25603	CAPITAL ADVANCE FROM TVA
	25700		CONTRIBUTION FROM COUNTY GOVERNMENT
	25800		**DEFERRED INFLOWS OF RESOURCES**
		25801	DEFERRED CURRENT PROPERTY TAXES-LEGALLY UNAVAILABLE
		25802	DEFERRED DELIQUENT PROPERTY TAXES
		25810	PENSION CHANGES IN EXPERIENCE
		25815	PENSION CHANGES IN ASSUMPTIONS

25820 PENSION CHANGES IN INVESTMENT EARNINGS
25825 PENSION CHANGES IN PROPORTION
25830 PENSION OTHER DEFERRALS
25835 OPEB CHANGES IN EXPERIENCE
25840 OPEB CHANGES IN ASSUMPTIONS
25845 OPEB CHANGES IN INVESTMENT EARNINGS
25850 OPEB CHANGES IN PROPORTION
25855 OPEB OTHER DEFERRALS

26000 **FUND BALANCE**
26100 NONSPENDABLE
26110 ENDOWMENTS
26115 INVENTORY
26120 LONG TERM NOTES RECEIVABLE
26125 PREPAID EXPENSES
26200 RESTRICTED
26210 RESTRICTED FOR GENERAL GOVERNMENT
26211 RESTRICTED FOR GENERAL GOVERNMENT FEDERAL RESCUE UNSPENT GRANT FUNDS
26215 RESTRICTED FOR FINANCE
26220 RESTRICTED FOR ADMINISTRATION OF JUSTICE
26225 RESTRICTED FOR PUBLIC SAFETY
26230 RESTRICTED FOR PUBLIC HEALTH AND WELFARE
26235 RESTRICTED FOR SOCIAL, CULTURAL, AND RECREATIONAL SERVICES
26240 RESTRICTED FOR AGRICULTURE AND NATURAL RESOURCES
26245 RESTRICTED FOR OTHER OPERATIONS
26250 RESTRICTED FOR HIGHWAYS/PUBLIC WORKS
26255 RESTRICTED FOR EDUCATION
26260 RESTRICTED FOR INSTRUCTION
26265 RESTRICTED FOR SUPPORT SERVICES
26270 RESTRICTED FOR OPERATION OF NON-INSTRUCTIONAL SERVICES
26275 RESTRICTED FOR CAPITAL OUTLAY
26280 RESTRICTED FOR DEBT SERVICE
26285 RESTRICTED FOR CAPITAL PROJECTS
26290 RESTRICTED FOR OTHER PURPOSES
26300 COMMITTED
26310 COMMITTED FOR GENERAL GOVERNMENT
26315 COMMITTED FOR FINANCE
26320 COMMITTED FOR ADMINISTRATION OF JUSTICE
26325 COMMITTED FOR PUBLIC SAFETY
26330 COMMITTED FOR PUBLIC HEALTH AND WELFARE
26335 COMMITTED FOR SOCIAL, CULTURAL, AND RECREATIONAL SERVICES
26340 COMMITTED FOR AGRICULTURE AND NATURAL RESOURCES
26345 COMMITTED FOR OTHER OPERATIONS
26350 COMMITTED FOR HIGHWAYS/PUBLIC WORKS
26355 COMMITTED FOR EDUCATION
26360 COMMITTED FOR INSTRUCTION
26365 COMMITTED FOR SUPPORT SERVICES
26370 COMMITTED FOR OPERATION OF NON-INSTRUCTIONAL SERVICES
26375 COMMITTED FOR CAPITAL OUTLAY
26380 COMMITTED FOR DEBT SERVICE
26385 COMMITTED FOR CAPITAL PROJECTS
26390 COMMITTED FOR OTHER PURPOSES
26400 ASSIGNED
26410 ASSIGNED FOR GENERAL GOVERNMENT
26415 ASSIGNED FOR FINANCE
26420 ASSIGNED FOR ADMINISTRATION OF JUSTICE
26425 ASSIGNED FOR PUBLIC SAFETY
26430 ASSIGNED FOR PUBLIC HEALTH AND WELFARE
26435 ASSIGNED FOR SOCIAL, CULTURAL, AND RECREATIONAL SERVICES
26440 ASSIGNED FOR AGRICULTURE AND NATURAL RESOURCES
26445 ASSIGNED FOR OTHER OPERATIONS
26450 ASSIGNED FOR HIGHWAYS/PUBLIC WORKS
26455 ASSIGNED FOR EDUCATION
26460 ASSIGNED FOR INSTRUCTION
26465 ASSIGNED FOR SUPPORT SERVICES
26470 ASSIGNED FOR OPERATION OF NON-INSTRUCTIONAL SERVICES
26475 ASSIGNED FOR CAPITAL OUTLAY
26480 ASSIGNED FOR DEBT SERVICE
26485 ASSIGNED FOR CAPITAL PROJECTS
26490 ASSIGNED FOR OTHER PURPOSES
26500 RESERVE FOR EMPLOYER'S CONTRIBUTION
26600 ACTUARIAL DEF IN RES FOR EMP'S CONTRIBUT
26700 RESERVE FOR MEMBERSHIP ANNUITIES
26800 RESERVE FOR VAR IN ACTUARIAL ASSUMPTIONS
26900 RESERVE FOR UNDISTRIBUTED INT EARNINGS
27000 **UNASSIGNED EQUITY**
27100 UNASSIGNED EQUITY
27600 ENCUMBRANCES (non-reporting accounts - internal use only)
27610 RESERVE FOR ENCUMBRANCES -PRIOR YEAR

			27620		EXP CHARGEABLE TO PRIOR YEAR ENCUMBRANCES
		27800			RESERVES FROM DESIGNATED SOURCES
30000					**REVENUE**
	31000				**LOCAL TAXES**
		31100			PROPERTY TAXES (CURRENT)
			31110		REAL AND PERSONAL PROPERTY TAX (CURRENT)
				31111	REAL PROPERTY TAXES (CURRENT)
				31112	PERSONAL PROPERTY TAXES (CURRENT)
			31120		PUBLIC UTILITIES PROPERTY TAX (CURRENT)
		31200			PROPERTY TAXES (DELINQUENT)
			31210		REAL AND PERSONAL PROP TAX (DELINQUENT)
				31211	PROPERTY TAX DELINQUENT - 1ST PRIOR YEAR
				31212	PROPERTY TAX DELINQUENT - 2ND PRIOR YEAR
				31213	PROPERTY TAX DELINQUENT - 3RD PRIOR YEAR
				31214	PROPERTY TAX DELINQUENT - 4TH PRIOR YEAR
				31215	PROPERTY TAX DELINQUENT - 5TH PRIOR YEAR
				31216	PROPERTY TAX DELINQUENT - 6TH PRIOR YEAR
				31219	PROPERTY TAX DELINQUENT - OTHER PRIOR YE
			31220		PUBLIC UTILITIES PROP TAXES (DELINQUENT)
				31221	PROPERTY TAX DELINQUENT - 1ST PRIOR YEAR
				31222	PROPERTY TAX DELINQUENT - 2ND PRIOR YEAR
				31223	PROPERTY TAX DELINQUENT - 3ND PRIOR YEAR
				31224	PROPERTY TAX DELINQUENT - 4TH PRIOR YEAR
				31225	PROPERTY TAX DELINQUENT - 5TH PRIOR YEAR
				31226	PROPERTY TAX DELINQUENT - 6TH PRIOR YEAR
				31229	PROPERTY TAX DELINQUENT - OTHER PRIOR YE
		31300			INT, PENALTY, AND COURT COST ON PROP TAX
			31310		INTER AND PENALTY ON PROP TAXES (CURRENT)
			31320		INTER AND PENALTY ON PROP TAXES (DELINQ)
			31330		COURT COSTS
		31400			PICK-UP PROPERTY TAXES
		31500			PAYMENTS IN LIEU OF PROPERTY TAXES
			31510		PAYMENTS IN LIEU OF TAXES - UTILITIES
				31511	PAY IN LIEU OF TAX -ELECTRIC UTILITIES
				31512	PAYMENT IN LIEU OF TAX -WATER UTILITIES
				31513	PAYMENT IN LIEU OF TAX -SEWER UTILITIES
				31514	PAY IN LIEU OF TAX -NATURAL GAS UTILITY
			31520		PAYMENTS FROM INDUSTRY
		31600			LOCAL OPTION SALES TAX
			31610		LOCAL SALES TAX - CO. TRUSTEE
			31620		LOCAL SALES TAX - STATE
		31700			WHOLESALE ALCOHOLIC BEVERAGE TAXES
			31710		WHOLESALE BEER TAX
			31720		WHOLESALE LIQUOR TAX
			31730		MIXED DRINK TAXES
		31800			BUSINESS TAXES
			31810		MINIMUM BUSINESS TAX
			31820		GROSS RECEIPTS TAX
			31830		INTEREST BUSINESS TAX
			31840		PENALTY - BUSINESS TAX
			31850		SPECIAL GROSS RECEIPTS TAX
			31860		AMUSEMENT TAX
		31900			OTHER TAXES
			31910		FRANCHISE TAXES
				31911	NATURAL GAS FRANCHISE TAX
				31912	CABLE TV FRANCHISE TAX
				31919	OTHER FRANCHISE TAX
			31920		ROOM OCCUPANCY TAX
			31930		SPECIAL ASSESSMENTS - CURRENT
			31940		SPECIAL ASSESSMENT - DELINQUENT
			31950		SPECIAL ASSESSMENT - DEFERRED
			31960		SPECIAL ASSESSMENT - LIENS
			31970		SPECIAL ASSESSMENTS - INTEREST & PEN.
	32000				**LICENSES AND PERMITS**
		32100			MOTOR VEHICLE LICENSES
			32110		AUTOMOBILE REGISTRATION (CITY STICKER)
			32120		COMMERCIAL VEHICLE LICENSES
			32130		TAXICAB LICENSES
			32190		OTHER MOTOR VEHICLE LICENSES
		32200			ALCOHOLIC BEVERAGE LICENSES
		32300			GENERAL AND SPECIAL PRIVILEGE LICENSES
		32400			OTHER LICENSES
			32410		ANIMAL REGISTRATION
		32600			BUILDING AND RELATED PERMITS
			32610		BUILDING PERMITS
			32620		ELECTRICAL PERMITS
			32630		PLUMBING PERMITS

	32640		NATURAL GAS PERMITS
	32650		EXCAVATING PERMITS
	32660		ZONING PERMITS
	32690		OTHER RELATED PERMITS
32900			OTHER CITY PERMITS
	32910		SIGN PERMITS
	32920		SOLICITATION PERMITS
	32930		PARKING METERS
	32940		PARKING PERMITS
	32950		VIDEO GAMES PERMIT
	32990		OTHER PERMITS
33000			**INTERGOVERNMENTAL REVENUE**
33100			FEDERAL GRANTS
	33110		COMMUNITY DEVELOPMENT GRANTS
	33120		PUBLIC WORKS EMPLOYMENT GRANTS
	33190		OTHER FEDERAL GRANTS
	33191		COVID 19- GRANT #1
	33192		COVID 19- GRANT # 2
	33193		FEDERAL AMERICAN RESCUE PLAN ACT GRANT 1
	33194		FEDERAL AMERICAN RESCUE PLAN ACT GRANT 2
33200			FEDERAL REVENUE ALLOCATIONS
	33210		FEDERAL REVENUE SHARING FUNDS
	33290		OTHER FEDERAL REVENUE ALLOCATIONS
33300			FEDERAL PAYMENTS IN LIEU OF TAXES
	33310		HOUSING AUTHORITY PAYMENT IN LIEU OF TAX
	33320		TVA PAYMENTS IN LIEU OF TAXES
33400			STATE GRANTS
	33410		STATE LAW ENFORCEMENT EDUCATION GRANT
	33420		STATE LAW ENFORCEMENT EQUIPMENT GRANT
	33430		STATE SPECIAL ROAD OR BRIDGE GRANT
	33470		STATE SANITARY LANDFILL FUNDS
		33471	STATE-LITTER PROGRAM
		33472	STATE-CONVENIENCE CENTER PROGRAM
		33473	STATE-LANDFILL SCALES PROGRAM
		33474	STATE-RECYCLING EQUIPMENT PROGRAM
		33475	STATE-TIRE DISPOSAL PROGRAM
		33476	STATE SUBSIDY ON RECYCLABLE MATERIALS
		33479	STATE-OTHER SOLID WASTE REVENUE
	33490		OTHER STATE GRANTS
		33491	OTHER STATE- LOCAL GOV DIRECT APPROP. GRANT
33500			STATE REVENUE ALLOCATIONS SHARED REVENUES
	33510		STATE SALES TAX
	33520		STATE INCOME TAX
	33530		STATE BEER TAX
	33540		STATE ALCOHOLIC BEVERAGE TAX
	33550		STATE HIGHWAY AND STREET FUNDS
		33551	STATE GASOLINE AND MOTOR FUEL TAX
		33552	STATE-CITY STREETS AND TRANSPORTATION (PETROLIUM SPECIAL)
		33553	STATE GASOLINE INSPECTION FEE
		33554	STATE EMERGENCY STREET FUND
		33555	STATE STREET AID - 1989 TAX
		33556	STATE STREET AID - 3 CENTS TAX
		33557	STATE STREET AID - 2017 TAX
		33559	STATE-OTHERS HIGHWAY AND STREET FUNDS
	33560		STATE SANITARY LANDFILL FUNDS
		33561	STATE-LITTER PROGRAM
		33562	STATE-CONVENIENCE CENTER PROGRAM
		33563	STATE-LANDFILL SCALES PROGRAM
		33564	STATE-RECYCLING EQUIPMENT PROGRAM
		33565	STATE-TIRE DISPOSAL PROGRAM
		33566	STATE-RECYCLABLE MATERIALS SUBSIDY
		33569	OTHER STATE SOLID WASTE REVENUE
	33590		OTHER STATE REVENUE ALLOCATIONS
		33591	GROSS RECEIPTS - TVA
		33592	SPECIAL IMPACT AREA FUNDS
		33593	CORPORATE EXCISE TAX
		33594	TELECOMMUNICATION PRIVILEGE TAX
		33595	SPORT BETTING REVENUE
33700			GRANTS OR CONTRACTS - LOCAL GOVERNMENTS
	33710		GRANTS FROM COUNTY GOVERNMENTS
	33720		GRANTS FROM CITY GOVERNMENTS
33800			OTHER LOCAL REVENUE ALLOCATIONS
33900			PAYMENTS FROM LOCAL UNITS IN LIEU OF TAX
34000			**CHARGES FOR SERVICES**
34100			GENERAL GOVERNMENT - CHARGES FOR SERVICE
	34110		GENERAL SERVICES
	34120		FEES AND COMMISSIONS
		34121	CLERKS' FEES - BUSINESS TAX
		34122	COMMISSIONS - STATE REVENUE REPORTS

		34123	COMMISSIONS - TELEPHONE BOOTHS
	34130		MANAGEMENT SERVICE
		34131	ADMINISTRATIVE SERVICES
		34132	ACCOUNTING SERVICES
		34133	PERSONNEL SERVICES
		34134	PAYROLL SERVICES
		34135	COMPUTER SERVICES
		34139	OTHER MANAGEMENT SERVICES
	34140		OPERATIONAL SERVICE
		34141	DUPLICATION & PRINTING
		34142	PARKING FACILITIES
		34143	BUILDING MAINTENANCE
	34190		OTHER GENERAL GOVERNMENT CHARGES
34200			PUBLIC SAFETY - CHARGES FOR SERVICES
	34210		SPECIAL POLICE SERVICE
		34211	T.I.E.S. POLICE SERVICE CHARGES
		34212	BURGLAR ALARM SERVICE CHARGE
		34213	ESCORT SERVICE
	34220		SPECIAL FIRE PROTECTION FEES
	34230		FEES AND COMMISSIONS
	34240		ACCIDENT REPORT CHARGES
	34260		EMERGENCY SERVICES
	34290		OTHER PUBLIC SAFETY CHARGES
34300			PUBLIC WORKS - CHARGES FOR SERVICES
	34310		HIGHWAYS AND STREETS CHARGES FOR SERVICE
		34311	STREETS, SIDEWALK, AND CURB REPAIR
		34312	EQUIPMENT RENTAL CHARGES
		34313	STREET MAINT. CONTRACTS
		34314	MOWING
	34320		CEMETERY CHARGES
		34321	CEMETERY BURIAL CHARGES
		34322	CEMETERY MAINTENANCE
		34323	GRAVE - OPENING AND CLOSING FEES
	34330		CITY GARAGE - CHARGES FOR SERVICES
34400			SANITATION - CHARGES FOR SERVICE
	34410		SOLID WASTE COLLECTION CHARGES
		34411	SOLID WASTE INDUSTRIAL COLL CHARGES
		34412	SOLID WASTE RESIDENTIAL COLLECTION CHARGES
		34413	SOLID WASTE CONVENIENCE CENTERS CHARGES
		34414	SOLID WASTE TRANSFER STATIONS CHARGES
	34420		SOLID WASTE DISPOSAL CHARGES
		34421	SOLID WASTE SURCHARGE - STATE
		34422	SOLID WASTE SURCHARGE - HOST AGENCY
		34423	SOLID WASTE SURCHARGE - GENERAL
		34424	SOLID WASTE SURCHARGE - REGULAR
		34425	SOLID WASTE SURCHARGE - SPECIAL
	34430		REFUSE COLLECTION AND DISPOSAL CHARGES
	34440		REFUSE RECYCLING CHARGES
	34450		SALE OF MATERIALS & SUPPLIES
		34451	SALE OF METHANE GAS
		34452	SALE OF ELECTRICITY
		34453	SALE OF STEAM
		34454	SALE OF RECYCLABLE MATERIALS
	34490		INT & PENALTY FOR LATE PENALTY
34500			HEALTH -CHARGES FOR SERVICES
	34510		ANIMAL CONTROL CHARGES FOR SERVICES
34600			WELFARE - CHARGES FOR SERVICES
34700			CULTURE-RECREATION - CHARGES FOR SERVICE
	34710		GOLF CHARGES
		34711	GOLF CHARGES - GREEN FEES
		34712	GOLF CHARGES - INITIATION FEES
		34713	GOLF CHARGES - DUES
		34714	GOLF CHARGES - LOCKER FEES
		34715	GOLF CHARGES - CONCESSION INCOME
		34716	GOLF CHARGES - PRO-SHOP INCOME
		34717	GOLF CHARGES - RENTALS
		34719	GOLF CHARGES - OTHER
	34720		SWIMMING POOL CHARGES
		34721	POOL MEMBERSHIP AND DUES
		34722	POOL ADMITTANCE FEES
		34723	SWIMMING LESSONS
		34724	POOL RENTAL
		34725	POOL CONCESSIONS
		34729	OTHER POOL CHARGES
	34730		PLAYGROUND CHARGES
	34740		PARK AND RECREATION CHARGES
		34741	SUMMER LEAGUE BALL
		34742	ADULT RECREATIONAL PROGRAM
		34743	SUMMER ARTS PLAY

			34745	PARK AND RECREATION CONCESSIONS
		34750		AUDITORIUM CHARGES
			34751	AUDITORIUM CHARGES - RENTAL FEES
			34752	AUDITORIUM CHARGES - GATE RECEIPTS
			34755	AUDITORIUM CHARGES - CONCESSION INCOME
			34759	AUDITORIUM CHARGES - OTHER
		34760		LIBRARY CHARGES
			34761	LIBRARY - FINES AND PENALTIES
			34762	LIBRARY - DONATIONS
		34790		OTHER CULTURE-RECREATION CHARGES
			34791	SPECIAL PROGRAMS FEES
			34792	MEETING ROOM FEES
			34793	COMMUNITY CENTER FEES
			34794	THEATRE FEE
			34799	OTHER CENTER FEES
	34800			PROGRAM INCOME
		34810		PROGRAM INCOME - FEDERAL GRANTS
		34840		PROGRAM INCOME - STATE GRANTS
	34900			OTHER CHARGES FOR SERVICES
		34910		EDUCATION
			34911	SCHOOL TUITION
35000				**FINES, FORFEITS, AND PENALTIES**
	35100			CITY COURT REVENUE
		35110		CITY COURT FINES AND COSTS
		35120		PARKING METER FINES
		35130		IMPOUNDMENT CHARGES
		35140		DRUG RELATED FINES
		35150		DIVERSION FILING
		35160		COURT FINES AND COSTS - HIGHER COURTS
		35170		TRAFFIC SCHOOL REVENUES
	35200			FORFEITS
	35300			PENALTIES
36000				**OTHER REVENUES**
	36100			INTEREST EARNINGS
		36110		INTEREST EARNINGS - SAVINGS ACCOUNTS
		36120		INTEREST EARNING-CERTIFICATE OF DEPOSITS
		36130		INTEREST EARNINGS - OTHER SECURITIES
		36190		INTEREST EARNINGS - OTHER
	36200			RENTS AND ROYALTIES
		36210		RENT
		36220		LEASE OF PROPERTY
		36230		ROYALTIES
		36240		DIVIDEND INCOME
	36300			SALE OF AND COMPEN FOR LOSS OF FIX ASSET
		36310		SALE OF LAND
		36320		SALE OF BUILDINGS
		36330		SALE OF EQUIPMENT
		36340		SALE OF CEMETERY LOTS
		36350		INSURANCE RECOVERIES
		36360		GAIN ON DISPOSAL OF FIXED ASSETS
	36500			SALE OF MATERIALS AND SUPPLIES
		36510		SALE - GENERAL GOV'T SUPPLY AND MATERIAL
			36511	SALE OF MAPS
			36512	SALE OF GASOLINE
			36513	SALE OF DIESEL
			36519	SALE OF OTHER GENERAL GOVERNMENT SUPPLIES
		36520		SALE - PUBLIC SAFETY SUPPLY AND MATERIAL
			36521	SALE OF POLICE SUPPLIES AND MATERIALS
			36522	SALE OF FIRE PROTECTION SUPPLIES
			36529	SALE OF OTHER PUBLIC SAFETY SUPPS & MATS
		36530		SALE OF PUBLIC WORKS SUPPLY AND MATERIAL
			36531	SALE - HWY AND STREET MATERIAL - SUPPLY
			36532	SALE OF TILE
			36533	SALE OF SANITATION SUPPLIES
			36539	SALE OF OTHER PUBLIC WORKS SUPPS & MATS
		36540		SALE OF HEALTH, WELFARE & REC. SUPPLIES
			36541	SALE OF HEALTH SUPPLIES AND MATERIALS
			36542	SALE OF WELFARE SUPPLIES AND MATERIALS
			36543	SALE OF CULTURAL SUPPLIES AND MATERIALS
			36544	SALE OF RECREATIONAL SUPPLIES AND MATERIAL
			36549	SALE OF OTHER HEALTH & RECREATIONAL SUPPLIES
		36550		SALE OF NATURAL RESOURCES
		36560		SALE OF SOLID WASTE PRODUCTS
	36600			SPECIAL ASSESSMENTS
		36610		SPECIAL ASSESSMENTS - CHARGES
		36690		OTHER SPECIAL ASSESSMENTS
	36700			CONTRI AND DONATION FROM PRIVATE SOURCES
		36710		CONTRI AND DONATIONS-BUSINESSES
		36720		CONTRI AND DONATIONS-ORGANIZATIONS

		36730		CONTRI AND DONATIONS-INDIVIDUALS
	36800			RESIDUAL EQUITY TRANSFERS
		36810		RESIDUAL EQUITY TRAN FROM GEN & SPEC REV
		36820		RESIDUAL EQUITY TRAN FROM DEBT SERV FUND
		36830		RESIDUAL EQUITY TRAN FROM CAPITAL PROJ FU
	36900			OTHER FINANCING SOURCES
		36910		PREMIUMS ON BONDS SOLD
		36920		SALE OF BONDS
		36930		SALE OF NOTES
		36940		SALE OF CONTRABAND
		36950		BAD DEBTS COLLECTIONS
		36960		OPERATING TRANSFER IN FROM OTHER FUNDS
			36961	OPERATING TRAN IN FROM GEN FUND
			36962	OPERATING TRAN IN FROM ST STREET AID FD
			36963	OPERATING TRAN IN FROM FED REV SHARING F
			36964	OPERATING TRAN IN FROM OTHER SPEC REV FU
			36965	OPERATING TRAN IN FROM DEBT SER FUND
			36966	OPERATING TRAN IN FROM CAPITOL PROJ FUND
			36967	OPERATING TRANSFER FROM SANITATION
		36970		OPERATIONAL TRANSFER FROM ENTERPRISE FDS
			36971	OPERATIONAL TRANSFER FROM WATER FUND
			36972	OPERATIONAL TRANSFER FROM SEWER FUND
			36973	OPERATIONAL TRANSFER FROM WATER & SEWER
			36974	OPERATIONAL TRANSFER FROM NATURAL GAS FD
			36975	OPERATIONAL TRANSFER FROM SOLID WASTE FUND
			36976	OPERATIONAL TRANSFER FROM ELECTRIC FUND
		36990		MISCELLANEOUS REFUNDS
			36991	GAIN ON EARLY RETIREMENT OF DEBT
37000				**REVENUE**
	37100			OPERATING REVENUES - WATER
		37110		METERED WATER SALES
			37111	METERED SALE WITH SEWAGE
			37112	METERED SALES, NO SEWAGE
			37113	RESIDENTIAL WATER SALES
			37114	COMMERCIAL WATER SALES
			37115	INDUSTRIAL WATER SALES
			37117	OUTSIDE WATER SALES
			37119	OTHER METERED WATER SALES
		37120		FLAT RATE WATER SALES TO GEN CUSTOMERS
		37130		FIRE SERVICE AND HYDRANT RENTALS
		37140		SALES TO OTHER WATER DISTRICTS
		37190		OTHER OPERATING REVENUES - WATER
			37191	FORFEITED DISCOUNTS AND PENALTIES
			37192	RENT FROM WATER UTILITY PROPERTY
			37193	SERVICE CHARGES
			37194	SALES OF MATERIALS
			37195	INSTALLATION CHARGES
			37196	WATER TAP FEES
			37197	LINE EXTENSION CHARGES
			37198	WATER DEVELOPMENT FEES
			37199	MISCELLANEOUS
	37200			OPERATING REVENUES - SEWER
		37210		SEWER CHARGES
			37211	REGULAR SEWER CUSTOMERS
			37212	INDUSTRIAL SURCHARGE CUSTOMERS
		37220		SEWER INSPECTION FEES
		37230		SEWER USER FEE
		37240		SERVICE TO OTHER UTILITIES
		37290		OTHER OPERATING REVENUES - SEWER
			37291	FORFEITED DISCOUNTS AND PENALTIES
			37292	SERVICING CUSTOMERS INSTALLATION
			37293	SALE OF MATERIAL
			37294	INSTALLATION CHARGES
			37296	SEWER TAP FEES
			37297	SEWER LINE EXTENSION CHARGES
			37298	SEWER DEVELOPMENT FEES
			37299	MISCELLANEOUS
	37300			OPERATING REVENUES - ELECTRIC
			37310	RESIDENTIAL SALES
			37311	SMALL LIGHTING AND POWER SALES
			37312	MEDIUM LIGHTING AND POWER SALES
			37313	LARGE LIGHTING AND POWER SALES
			37314	STREET AND ATHLETIC LIGHTING SALES
			37315	OUTDOOR LIGHTING SALES
			37316	UNCOLLECTIBLE ACCOUNTS
			37321	FORFEITED DISCOUNTS
			37322	MISCELLANEOUS SERVICE REVENUE
			37323	RENT/LEASE FROM ELECTRIC PROPERTY
			37324	OTHER OPERATING REVENUES

	37400			OPERATING REVENUES - GAS
		37410		METERED GAS SALES
			37411	METERED RESIDENTIAL GAS SALES
			37412	METER COMMERCIAL AND INDUSTRIAL GAS SALE
			37413	INTERRUPTIBLE CUSTOMER-GAS SALES
		37440		SALES TO OTHER GAS DISTRICTS
		37490		OTHER OPERATING REVENUES
			37491	FORFEITED DISCOUNTS AND PENALTIES
			37492	RENT FROM GAS PROPERTY
			37493	SERVICING CUSTOMER INSTALLATIONS
			37494	SALE OF MATERIAL
			37495	INSTALLATION CHARGE
			37496	INSPECTION FEE
			37497	LINE EXTENSION CHARGES
			37498	DEVELOPMENT FEE
			37499	MISCELLANEOUS
	37500			OTHER REVENUE
		37510		AVIATION REVENUES
			37511	LANDING FEES
			37512	AVIATION GASOLINE
			37513	FUEL OIL ROYALTIES
			37514	LEASE ON GROUND AREAS
			37515	HANGER RENTALS
			37516	PLANT AND FACILITY RENTALS
			37517	BUILDING RENTALS
		37520		TERMINAL BUILDING AREAS REVENUES
	37600			OPERATING REVENUES - GOLF COURSES
	37700			NON-OPERATING REVENUES
		37710		GRANT REVENUES
			37711	FEDERAL GRANT-AMERICAN RESCUE PLAN #1
			37712	COVID 19 - CARES ACT GRANT #1
			37713	FEDERAL GRANT-AMERICAN RESCUE PLAN #2
			37714	COVID 19 - CARES ACT GRANT #2
			37715	GRANT REVENUES - FEDERAL
		37720		LOAN PROCEEDS
			37721	CAPITAL OUTLAY NOTE PROCEEDS
			37722	BOND PROCEEDS
			37723	LEASE PROCEEDS
			37724	CONTRIBUTED CAPITAL
			37725	FUND TRANSFERS IN
			37726	GAIN ON SALES OF CAPITAL ASSETS
			37730	OTHER NON-OPERATING REVENUES
	38500			SPECIAL ITEMS (REVENUES)
			38501	SPECIAL ITEM #1
			38502	SPECIAL ITEM #2
	38600			EXTRAORDINARY ITEMS (REVENUES)
			38601	EXTRAORDINARY ITEM #1
			38602	EXTRAORDINARY ITEM #2

FUNCTIONAL/DEPARTMENTAL EXPENDITURE ACCOUNTS

40000	**EXPENDITURES**		
41000			**GENERAL GOVERNMENT**
	41100		LEGISLATIVE
		41110	LEGISLATIVE BOARD
		41120	LEGISLATIVE COMMITTEES AND SPEC BODIES
	41200		JUDICIAL
		41210	CITY COURT
		41260	LAW LIBRARY
	41300		EXECUTIVE
		41310	MAYOR
		41320	CITY MANAGER
	41400		ELECTIONS
	41500		FINANCIAL ADMINISTRATION
		41510	CITY RECORDER
		41520	LICENSING DEPARTMENT
		41530	ACCOUNTING AND INTERNAL AUDITING
		41540	INVESTMENT MANAGEMENT
		41550	TAX COLLECTION & ADMINISTRATION
		41590	OTHER FINANCIAL ADMINISTRATIONS
	41600		CENTRAL STAFF AGENCIES
		41610	PURCHASING
		41620	CITY ATTORNEY
		41630	BUDGETING
		41640	DATA PROCESSING
		41650	PERSONNEL ADMINISTRATION
		41670	ENGINEERING
		41690	OTHER CENTRAL STAFF AGENCIES
	41700		PLANNING AND ZONING

	41800			GENERAL GOVERNMENT BUILDINGS
		41810		CITY HALL BUILDINGS AND GROUNDS
		41830		CITY PARKING FACILITIES
	41900			OTHER
		41920		SPECIAL PROJECTS
		41990		OTHER GENERAL GOVERNMENT SERVICES
		41991		FEDERAL AMERICAN RESCUE PLAN ACT GRANT #1
		41992		COVID 19 - CARES ACT GRANTS #2
		41993		FEDERAL AMERICAN RESCUE PLAN ACT GRANT #1
		41994		COVID 19 - CARES ACT GRANTS #2
42000				**PUBLIC SAFETY**
	42100			POLICE
		42110		POLICE ADMINISTRATION
		42120		CRIME CONTROL AND INVESTIGATION
			42121	CRIMINAL INVESTIGATION
			42122	VICE CONTROL
			42123	PATROL
			42124	RECORDS AND IDENTIFICATION
			42125	YOUTH INVESTIGATION AND CONTROL
			42128	CRIME LABORATORY
			42129	DRUG INVESTIGATION AND CONTROL
		42130		TRAFFIC CONTROL
		42140		POLICE TRAINING
		42150		SUPPORT SERVICES
		42160		POLICE BUILDINGS AND GROUNDS
	42200			FIRE / BUILDING AND CODES
		42210		FIRE ADMINISTRATION
		42220		FIRE FIGHTING
		42230		FIRE PREVENTION
		42240		FIRE TRAINING
		42250		SUPPORT SERVICES
		42260		FIRE STATIONS AND GROUNDS
	42300			ANIMAL CONTROL
	42400			PROTECTIVE INSPECTION
	42500			CIVIL DEFENSE
	42600			EMERGENCY SERVICES
		42610		AMBULANCE SERVICES
		42620		RESCUE SQUAD
	42900			OTHER PUBLIC SAFETY SERVICES
		42910		FEDERAL AMERICAN RESCUE PLAN ACT GRANT #1
		42911		COVID 19 - CARES ACT GRANTS #2
		42912		FEDERAL AMERICAN RESCUE PLAN ACT GRANT #1
		42913		COVID 19 - CARES ACT GRANTS #2
43000				**PUBLIC WORKS**
	43100			HIGHWAYS AND STREETS
		43110		HIGHWAY AND STREET ADMINISTRATION
		43120		HIGHWAYS, STREETS, AND ROADWAYS
		43130		BRIDGES, VIADUCTS, AND GRADE SEPARATIONS
		43140		TUNNELS
		43150		STORM DRAINAGE
		43160		STREET LIGHTING
		43170		CITY GARAGE
		43180		STREET CLEANING
		43190		STATE STREET AID
	43200			SANITATION SERVICES
		43210		SANITATION MANAGEMENT
		43220		SANITATION EDUCATION/INFORMATION
		43230		WASTE COLLECTION
			43231	WASTE PICKUP
			43232	CONVENIENCE CENTERS
			43233	TRANSFER STATIONS
			43234	PROBLEM WASTE CENTERS
			43235	BAILING CENTERS
			43239	OTHER WASTE COLLECTIONS
		43240		WASTE DISPOSAL - CONVENTIONAL
			43241	WASTE DISPOSAL - LANDFILL
			43242	RECYCLING CENTERS
			43243	COMPOST WASTE CENTERS
		43250		WASTE COLLECTION FOR INCINERATION
			43251	WASTE INCINERATOR
			43252	LANDFILL OPERATIONS & MAINTENANCE
		43260		WASTE DISPOSAL - OTHER
		43270		POSTCLOSURE CARE
	43400			WEED AND MOSQUITO CONTROL
	43500			CEMETERIES
	43600			PUBLIC TRANSPORTATION SYSTEMS
	43800			PUBLIC WORKS ENGINEERING DEPT
	43900			OTHER PUBLIC WORKS PROJECTS
44000				**HEALTH, WELFARE, CULTURE AND RECREATION**

	44100		HEALTH
		44110	PUBLIC HEALTH ADMINISTRATION
		44111	FEDERAL AMERICAN RESCUE PLAN ACT GRANT #1
		44112	COVID 19 - CARES ACT GRANTS #2
		44113	FEDERAL AMERICAN RESCUE PLAN ACT GRANT #1
		44114	COVID 19 - CARES ACT GRANTS #2
	44200		WELFARE AND SOCIAL SERVICES
	44300		CULTURE
		44310	SENIOR CITIZEN ACTIVITIES
		44320	SENIOR CITIZEN FACILITIES
	44400		RECREATION
		44410	RECREATION ADMINISTRATION
		44420	RECREATION CENTERS
		44430	PLAYGROUNDS
		44440	SWIMMING POOLS
		44450	GOLF COURSE
		44490	OTHER RECREATION FACILITIES
	44500		SPECTATOR RECREATION
		44510	BOTANICAL GARDENS
		44520	MUSEUMS
		44530	ART GALLERIES
		44540	ZOOS
		44550	OTHER
	44600		SPECIAL RECREATION FACILITIES
		44610	LITTLE LEAGUE ACTIVITIES
		44620	ADULT SOFTBALL
	44700		PARKS
		44710	PARK ADMINISTRATION
		44720	PARK AREAS
		44730	PARKWAYS AND BOULEVARDS
		44750	PARK POLICE
		44790	OTHER PARK SERVICES
	44800		LIBRARIES
		44810	LIBRARY ADMINISTRATION
		44820	LIBRARY FACILITIES
	44900		EDUCATION
45000			**ENVIRONMENTAL PROTECTION**
	45100		CONSERVATION OF NATURAL RESOURCES
		45110	WATER RESOURCES
		45120	AGRICULTURAL RESOURCES
		45130	FOREST RESOURCES
		45140	MINERAL RESOURCES
		45150	FISH AND GAME RESOURCES
		45160	OTHER NATURAL RESOURCES
46000			**C. DEV. URBAN REDEVELOPMENT AND HOUSING**
	46100		URBAN REDEVELOPMENT AND HOUSING ADMIN
	46200		URBAN REDEVELOPMENT
		46210	REDEVELOPMENT ADMINISTRATION
		46220	CONSERVATION PROJECTS
		46230	REHABILITATION PROJECTS
		46240	CLEARANCE PROJECTS
		46250	RELOCATION
	46300		PUBLIC HOUSING PROJECTS
	46400		OTHER URBAN REDEVELOPMENT AND HOUSING
	46500		COMMUNITY DEVELOPMENT PROGRAM ACTIVITIES
		46510	COMMUNITY DEVELOPMENT ADMINISTRATION
		46520	COMM DEVELOP ACQUISITION OF REAL PROP
		46530	C. D. PUB WKS FACILITIES, AND SITE DEV
		46540	COMMUNITY DEVELOPMENT CODE ENFORCEMENT
		46550	C. D. CLEARANCE, DEMOLITION, AND REHABIL
		46560	C. D. REHABILITATION LOANS AND GRANTS
		46570	C. D. SPEC PROJ FOR ELDERLY AND HANDICAP
		46580	C. D. PAYMENTS FOR LOSS OF RENTAL INCOME
		46590	C. D. DISPOSITION OF REAL PROPERTY
	46600		COMMUNITY DEVELOPMENT PROGRAM ACTIVITIES
		46610	C. D. PROVISION OF PUBLIC SERVICE
		46620	C. D. PAYMENT OF NON-FEDERAL SHARES
		46630	C. D. COMPLETION OF URBAN RENEWAL PROJ
		46640	C. D. RELOCATION PAYMENTS AND ASSISTANCE
		46650	C. D. PLANNING AND MANAGEMENT DEVELOPMNT
		46660	C. D. CONT. OF MODEL CITIES ACTIVITIES
		46670	C. D. OTHER CONTINGENCIES
47000			**ECONOMIC DEVELOPMENT AND ASSISTANCE**
	47100		ECONOMIC DEVELOPMENT ADMINISTRATION
	47200		ECONOMIC DEVELOPMENT
		47210	DEPARTMENT OF TOURISM
		47220	INDUSTRIAL DEVELOPMENT
	47300		EMPLOYMENT SECURITY
48000			**ECONOMIC OPPORTUNITY**

	48100			JOB CORPS
	48200			YOUTH WORK-TRAINING PROGRAMS
	48300			COMMUNITY ACTION PROGRAMS
	48400			ADULT BASIC EDUCATION
	48500			ASSIST TO MIGRANT AGR WKS AND FAMILIES
	48600			WK EXPERIENCE PROGRAMS FOR NEEDY PERSONS
	48700			FEDERAL RESCUE PLAN ACT- COMMUNITY ASSISTANCE PROGRAMS
		48710		ASSISTANCE TO HOUSEHOLDS
		48720		ASSISTANCE TO SMALL BUSINESSES
		48730		ASSISTANCE TO NON PROFIT ENTITIES
		48740		ASSISTANCE TO HARD HIT INDUSTRIES (tourism, travel, hospitality)
49000				**DEBT SERVICE**
	49100			BOND PRINCIPAL
		49110		SERIAL BOND PRINCIPAL
		49120		TERM BOND PRINCIPAL
	49200			NOTE PRINCIPAL
		49260		INTANGIBLE LEASE PRINCIPAL
	49300			INTEREST - BONDS
		49310		INTEREST - SERIAL BONDS
		49320		INTEREST - TERM BONDS
	49400			INTEREST - NOTES
		49410		BOND ANTICIPATION NOTES
		49420		REVENUE ANTICIPATION NOTES
		49430		CAPITAL OUTLAY NOTES
	49500			PAYING AGENT'S FEES
50000				**RESERVE FOR FUTURE USE**
51000				**OTHER GOVERNMENTAL FUNCTIONS**
	51600			OPERATING TRANSFERS OUT
		51610		OPERATING TRANSFERS TO GENERAL FUND
		51620		OPERATING TRANSFERS TO SPEC REV FUND
			51621	OPERATING TRANS TO STATE STREET AID FD
			51622	OPERATING TRANS TO SANITATION FUND
		51630		OPERATING TRANSFER TO DEBT SERVICE FD
		51640		OPERATING TRANSFER TO CAPITAL PROJ FD
		51650		OPERATING TRANSFER TO UTILITY FD
			51651	OPERATING TRANSFERS TO WATER FUND
			51652	OPERATING TRANSFERS TO SEWER FUND
			51653	OPERATING TRANSFER TO WATER AND SEWER FD
			51654	OPERATING TRANSFERS TO ELECTRIC FUND
			51655	OPERATING TRANSFERS TO NATURAL GAS FD
	51700			RESIDUAL EQUITY TRANSFERS
		51710		RESIDUAL EQUITY TRAN TO GEN FUND
		51720		RESIDUAL EQUITY TRAN TO SPEC REV FUND
		51730		RESIDUAL EQUITY TRAN TO DEBT SERV FD
		51740		RESIDUAL EQUITY TRAN TO CAPITAL PROJ
		51750		RESIDUAL EQUITY TRAN TO UTILITY FD
			51751	RESIDUAL EQUITY TRAN TO WATER FD
			51752	RESIDUAL EQUITY TRAN TO SEWER FUND
			51753	RESIDUAL EQUITY TRAN TO WATER & SEWER FD
			51754	RESIDUAL EQUITY TRAN TO ELECTRIC FD
			51755	RESIDUAL EQUITY TRAN TO NAT GAS FD
52000				**PUBLIC ENTERPRISES**
	52100			WATER UTILITIES
		52110		OPERATING EXPENSES
			52111	SOURCE OF SUPPLY
			52112	POWER AND PUMPING
			52113	WATER PURIFICATION FACILITIES
			52114	TRANSMISSION AND DISTRIBUTION
			52115	SHOP AND MAINTENANCE
			52116	CUSTOMERS' ACCOUNTING AND COLLECTING
			52117	ADMINISTRATION AND GENERAL EXPENSES
			52119	OTHER OPERATING EXPENSES
		52120		NON-OPERATING EXPENSES
			52121	TAXES
			52122	PAYMENTS IN LIEU OF TAXES
			52123	DEPRECIATION
			52124	INTEREST ON BONDS
			52125	PAYING AGENT'S FEES
			52126	MISCELLANEOUS INTEREST EXPENSES
			52129	OTHER NON-OPERATING EXPENSES
			52130	FEDERAL RESCUE PLAN ACT -WATER INFRASTRUCTURE
	52200			SEWER DEPT.
		52210		OPERATING EXPENSES
			52211	SEWER COLLECTION (LINES)
			52212	SEWER LIFT STATIONS
			52213	SEWER TREATMENT AND DISPOSAL
			52214	LABORATORY AND TESTING
			52215	SHOP AND MAINTENANCE

		52216	CUSTOMER ACCOUNTING AND COLLECTION
		52217	ADMINISTRATION AND GENERAL EXPENSES
		52219	OTHER OPERATING EXPENSES
	52220		NON-OPERATING EXPENSES
		52230	FEDERAL RESCUE PLAN ACT -SEWER INFRASTRUCTURE
52300			WATER & SEWER
	52310		WATER & SEWER OPERATING EXPENSES
		52311	SOURCE OF SUPPLY
		52312	PUMPING & LIFT STATIONS
		52313	PURIFICATION & DISPOSAL
		52314	TRANSMISSION & COLLECTION
		52315	SHOP & MAINTENANCE
		52316	CUSTOMER ACCOUNTING & COLLECTION
		52317	ADMINISTRATIVE & GENERAL EXPENSES
		52319	OTHER OPERATING EXPENSES
	52320		NON OPERATING EXPENSES
		52330	FEDERAL RESCUE PLAN ACT -WATER INFRASTRUCTURE
		52331	FEDERAL RESCUE PLAN ACT -SEWER INFRASTRUCTURE
52340			ELECTRIC
		52342	COST OF SALES - PURCHASED POWER
		52344	DISTRIBUTION
		52346	CUSTOMERS
		52348	ADMINISTRATIVE
		52350	MAINTENANCE DISTRIBUTION SYSTEM
		52352	MAINTENANCE - GENERAL
		52354	OTHER OPERATING EXPENSES
52400			NATURAL GAS
	52410		OPERATING EXPENSES
		52411	PURCHASED GAS
		52412	MANUFACTURED GAS PURCHASED OR PRODUCED
		52414	TRANSMISSION AND DISTRIBUTION
		52415	SHOP AND MAINTENANCE
		52416	CUSTOMERS' ACCOUNTING AND COLLECTION
		52417	ADMINISTRATIVE AND GENERAL EXPENSES
		52419	OTHER OPERATING EXPENSES
	52420		NON-OPERATING EXPENSES
52500			MUNICIPAL AIRPORT
	52510		AIRPORT OPERATING EXPENSES
		52511	RUNWAY & FIELD AREAS
		52512	HANGAR FACILITIES
		52513	AIRPORT FACILITIES
		52514	AIRPORT SUPPORT FACILITIES
		52515	TERMINAL BUILDINGS
		52516	OTHER BUILDINGS & AIRPORT FACILITIES
		52517	AIRPORT EQUIPMENT
		52518	ADMINISTRATION AND GENERAL EXPENSES
		52519	OTHER OPERATING EXPENSE
	52520		NON-OPERATING AIRPORT EXPENSES
52600			NON-OPERATING EXPENSES - ALL UTILITIES
		52621	TAXES
		52622	PAYMENTS IN LIEU OF TAXES
		52623	FUND TRANSFERS OUT
		52624	INTEREST ON BONDS, NOTES, LEASES
		52625	PAYING AGENT'S FEES
		52626	MAJOR CAPITAL OUTLAY
		52627	LOSS ON SALE OF CAPITAL ASSETS
		52629	OTHER NON-OPERATING EXPENSES
		52630	FEDERAL RESCUE PLAN ACT - WATER INFRASTRUCTURE
		52631	FEDERAL RESCUE PLAN ACT - SEWER INFRASTRUCTURE
		52632	FEDERAL RESCUE PLAN ACT - OTHER INFRASTRUCTURE
55500			SPECIAL ITEMS (EXPENDITURES)
		55501	SPECIAL ITEM #1
		55502	SPECIAL ITEM #2
55600			EXTRAORDINARY ITEMS (EXPENDITURES)
		55601	EXTRAORDINARY ITEM #1
		55602	EXTRAORDINARY ITEM #2

60000 **EDUCATION**

DETAIL OBJECT LISTING

100			**PERSONAL SERVICES**
	110		SALARIES
		111	SALARIES - PERMANENT EMPLOYEES - REGULAR
		112	TEMPORARY EMPLOYEE SALARIES
		113	OVERTIME SALARIES
		114	COVID 19- OVERTIME
		115	FEDERAL RESCUE PLAN ACT ESSENTIAL PERSONNEL PAY

119 OTHER SALARIES

120 WAGES
121 REGULAR EMPLOYEE WAGES
122 TEMPORARY EMPLOYEE WAGES
123 OVERTIME WAGES
124 COVID 19- OVERTIME
125 FEDERAL RESCUE PLAN ACT ESSENTIAL PERSONNEL WAGES
129 OTHER WAGES
130 EMPLOYEE BENEFITS
131 TERMINAL PAY AND SICK LEAVE
132 BONUS PAY
133 VACATION PAY
134 CHRISTMAS BONUS
135 COVID 19- HAZARD PAY
136 COVID 19- SICK PAY
140 EMPLOYER CONTRIBUTIONS
141 OASI (EMPLOYER'S SHARE)
142 HOSPITAL AND HEALTH INSURANCE
143 EMPLOYEE RETIREMENT PLAN
144 RETIREMENT - ACTUARIAL DEFICIT
145 DEATH BENEFIT PLANS
146 WORKMEN'S COMPENSATION
147 UNEMPLOYMENT INSURANCE
148 EMPLOYEE EDUCATION AND TRAINING
149 OTHER EMPLOYER CONTRIBUTIONS
150 OPEB PLAN
160 PER DIEM
161 BOARD AND COMMITTEE MEMBERS
162 VOLUNTEER FIREMEN
163 JURY AND WITNESS
164 OFFICER'S FEES
165 COURT COSTS
169 OTHER PER DIEM
170 FEES
171 FEES OF OFFICIALS
172 ELECTION OFFICIALS, CLERKS, ETC.
173 JURY AND WITNESS FEES
190 OTHER PERSONAL SERVICES

200 **CONTRACTUAL SERVICES**

210 COMMUNICATION AND TRANSPORTATION
211 POSTAGE, BOX RENT, ETC.
213 AUTOMOBILE LICENSES AND TITLES
216 RADIO AND TV SERVICES
219 OTHER COMMUNICATION AND TRANSPORTATION
220 PRINTING, DUPLICATING, TYPING, AND BINDING
230 PUBLICITY, SUBSCRIPTIONS, AND DUES
231 PUBLICATION OF FORMAL AND LEGAL NOTICES
233 SUBSCRIPTIONS TO NEWSPAPERS AND PERIODICALS
234 TAX, LAW, OR OTHER SERVICES ON A SUBSCRIPTION BASIS
235 MEMBERSHIPS, REGISTRATION FEES, AND TUITION
236 PUBLIC RELATION
239 OTHER PUBLICITY, SUBSCRIPTIONS, AND DUES
240 UTILITY SERVICES
241 ELECTRIC
242 WATER
243 SEWER
244 GAS
245 TELEPHONE AND OTHER COMMUNICATIONS
246 FIRE HYDRANT RENTAL
247 STREET LIGHTING (ELECTRIC AND MAINT.)
249 OTHER UTILITY SERVICES
250 PROFESSIONAL SERVICES
251 MEDICAL, DENTAL, VETERINARY, AND VITAL STATISTICS
252 LEGAL SERVICES
253 ACCOUNTING AND AUDITING SERVICES
254 ARCHITECTURAL, ENGINEERING, AND LANDSCAPING SERVIC
255 DATA PROCESSING SUPPORT CHARGES
256 CONSULTANT'S SERVICES
257 PLANNING AND ZONING SERVICES
259 OTHER PROFESSIONAL SERVICES
260 REPAIR AND MAINTENANCE SERVICES
261 REPAIR AND MAINTENANCE MOTOR VEHICLES
262 REPAIR AND MAINTENANCE OTHER MACHINERY AND EQUIPMENT
263 REPAIR AND MAINTENANCE FURNITURE, OFFICE MACHINES
264 REPAIR AND MAINT TRAFFIC LIGHTS, PARKING METERS, OTHER
265 REPAIR AND MAINTENANCE GROUNDS AND GROUND IMPROVEMENTS
266 REPAIR AND MAINTENANCE BUILDINGS
268 REPAIR AND MAINTENANCE ROADS AND STREETS

		269	REPAIR AND MAINTENANCE OTHER REPAIR AND MAINTENANCE
	280		TRAVEL
		281	MOTOR POOL
		282	EMPLOYEE AUTOMOBILE ALLOWANCE
		283	OUT-OF-TOWN EXPENSE
		286	VEHICLE LEASE RENTAL
		287	MEALS AND ENTERTAINMENT
		289	OTHER TRAVEL
	290		OTHER CONTRACTUAL SERVICES
		291	AMBULANCE, CLINIC, AND HOSPITAL SERVICES
		295	LANDFILL SERVICES
		296	JAIL FEES
		297	LEPA MATCHING
		298	COLLECTION FEES
		299	SUNDRY
300			**SUPPLIES**
	310		OFFICE SUPPLIES AND MATERIALS
		311	OFFICE STATIONERY AND FORMS
		312	SMALL ITEMS OF EQUIPMENT
		319	OTHER OFFICE SUPPLIES AND MATERIALS
	320		OPERATING SUPPLIES
		321	AGRICULTURE AND HORTICULTURE SUPPLIES
		322	CHEMICAL, LABORATORY, AND MEDICAL SUPPLIES
		323	FOOD
		324	HOUSEHOLD AND JANITORIAL SUPPLIES
		325	RECREATION SUPPLIES
		326	CLOTHING AND UNIFORMS
		327	FIRE ARM SUPPLIES
		328	EDUCATIONAL SUPPLIES
		329	OTHER OPERATING SUPPLIES
	330		REPAIR AND MAINTENANCE SUPPLIES
		331	GAS, OIL, DIESEL FUEL, GREASE, ETC.
		332	VEHICLE PARTS & REPAIR
		333	OTHER EQUIPMENT PARTS AND REPAIRS
		334	TIRES, TUBES AND ETC.
		338	REPAIR PARTS FOR WATER OR SEWER LINES, METERS, ETC
		339	SUNDRY REPAIR AND MAINTENANCE SUPPLIES
	340		OTHER REPAIR AND MAINTENANCE SUPPLIES
		341	CONSUMABLE TOOLS
		342	SIGN PARTS AND SUPPLIES
		343	TRAFFIC SIGNAL SUPPLIES
		344	SAFETY SUPPLIES
	350		SUPPLIES FOR RESALE
		351	NATURAL GAS PURCHASED FOR RESALE
		352	MANUFACTURED GAS FOR RESALE
		353	WATER PURCHASED FOR RESALE
	390		OTHER SUPPLY ITEMS
		391	WATER METERS
		392	FIRE HYDRANTS
400			**BUILDING MATERIALS**
	410		CONCRETE AND CLAY PRODUCTS
	420		METAL PRODUCTS
	430		WOOD PRODUCTS
	440		PLASTIC PRODUCTS
	450		RAW MATERIALS
		451	CRUSHED STONE
		452	GRAVEL AND SAND
		453	DIRT AND TOPSOIL
		454	SODIUM CHLORIDE
	460		ELECTRICAL FIXTURES AND SMALL APPLIANCES
	470		FABRICATED MATERIALS
		471	ASPHALT AND ASPHALT FILLER
		472	CONCRETE
	480		LANDFILL MATERIALS
		481	DAILY COVER MATERIAL
		482	DRAINAGE MATERIAL
		483	GEOTEXTILE MATERIAL
		484	SYNTHETIC MEMBRANE
		485	LINER MATERIAL
		486	WIRE OR FENCING
		487	TESTING SUPPLIES
		488	NATURAL MATERIALS
		489	OTHER LANDFILL MATERIALS
	490		OTHER MATERIALS
500			**FIXED CHARGES**
	510		LIABILITY INSURANCE
		511	GENERAL LIABILITY INSURANCE
		512	PROFESSIONAL LIABILITY
		514	SURETY BONDS - OFFICIALS AND EMPLOYEES

		515	WORKERS COMPENSATION INSURANCE
		519	OTHER LIABILITY INSURANCE
	520		PROPERTY INSURANCE
		521	BUILDING INSURANCE
		522	VEHICLE INSURANCE
		523	EQUIPMENT INSURANCE
		524	BOILER INSURANCE
	530		RENT
		531	BUILDING AND OFFICE RENTAL
		532	LAND RENTAL
		533	MACHINERY AND EQUIPMENT RENTAL
	540		DEPRECIATION
		541	PROVISION FOR DEPRECIATION
	550		INVESTMENT REVENUE COSTS
		551	TRUSTEE FEES
		552	AMORTIZATION OF BOND PREMIUM
		553	AMORTIZATION OF ANNUITIES PURCHASED
		554	INVESTMENT COSTS
		555	BANK SERVICE CHARGES
		559	OTHER INVESTMENT COSTS
	560		STATE FEES & CHARGES
		561	APPLICATION FEE
		562	TIPPING FEE (SURCHARGE)
		563	OTHER LANDFILL FEES
		564	ANNUAL MAINTENANCE FEES
		565	PERMIT FEES
		566	SANITARY SURVEY FEES
		567	PLANS REVIEW FEES
		568	ANNUAL EMISSIONS FEES
		569	OTHER STATE FEES & CHARGES
	590		OTHER FIXED CHARGES
		591	OASI ADMINISTRATIVE COSTS
		592	PAYMENTS IN LIEU OF TAXES
		593	DISCOUNTS LOST
		594	RETIREMENT - ADMINISTRATIVE COSTS
		595	DISCOUNT ON TAXES
		596	PENALTIES FOR LATE FILING
		599	SUNDRY
600			**DEBT SERVICE**
	610		BOND PRINCIPAL
	620		NOTE PRINCIPAL
	630		INTEREST ON BOND DEBT
	640		INTEREST ON NOTES
	690		OTHER DEBT SERVICE
		691	BANK SERVICE CHARGES
		692	BOND SALES EXPENSE
		693	AMORTIZATION OF BOND PREMIUM
700			**GRANTS, CONTRIBUTIONS, INDEMNITIES, AND OTHER**
	720		GRANTS AND DONATIONS TO OTHER INSTITUTIONS
	730		OTHER GRANTS AND DONATIONS
		731	AWARDS FOR SPECIAL SERVICES RENDERED
		732	COMPENSATION FOR DAMAGES
		733	PRIZES AND AWARDS
		734	JUDGMENTS & AWARDS
	740		LOSSES AND SPECIAL GRANTS
		741	BAD DEBT EXPENSE
		742	SPECIAL INVESTIGATIVE FUNDS
	760		TRANSFERS TO OTHER FUNDS
		761	APPROPRIATION TO GENERAL FUND
		762	APPROPRIATION TO SANITATION FUND
		763	APPROPRIATION TO WATER/SEWER FUND
		764	APPROPRIATION TO INDUSTRIAL PARK FUND
	770		GRANTS
	790		OTHER GRANTS, CONTRIBUTIONS, AND INDEMNITIES - NO
900			**CAPITAL OUTLAY**
	910		LAND
		911	SITE ACQUISITION
		912	SITE DEVELOPMENT
		913	LAND RIGHTS & EASEMENTS
	920		BUILDINGS
		921	ADMINISTRATIVE (OFFICE BUILDINGS)
		922	OPERATIONAL (POLICE, FIRE HALL, PUBLIC WORKS, OR REC)
		923	INSTITUTIONAL (SCHOOLS, HOSPITALS, ETC.)
		924	INDUSTRIAL BUILDINGS
		929	OTHER BUILDINGS
	930		IMPROVEMENTS OTHER THAN BUILDINGS
		931	ROADS, STREET, AND PARKING LOTS
		932	BRIDGES AND TUNNELS
		933	AIRFIELDS

	934	DRAINAGE, WATER SUPPLY AND STORAGE, SEWAGE DISPOSAL
	935	GARBAGE DISPOSAL (LANDFILLS, INCINERATORS)
	936	COVID 19 - BUILDING IMPROVEMENTS
	937	PARKS AND RECREATION FACILITIES
	938	MARINE WORKS
	939	OTHER IMPROVEMENTS
940		MACHINERY AND EQUIPMENT
	941	TRANSPORTATION EQUIPMENT
	942	GENERAL PURPOSE MACHINERY AND EQUIPMENT
	945	COMMUNICATION EQUIPMENT
	946	COVID 19 - MACHINERY AND EQUIPMENT
	947	OFFICE MACHINERY AND EQUIPMENT
	949	OTHER MACHINERY AND EQUIPMENT
	950	
990		FOR COMPUTER USE ONLY
	998	INVALID OBJECT CODE
	999	NO OBJECT CODE ON DOCUMENT

City of Franklin

109 3rd Ave S.
Franklin, TN 37064
(615) 791-3217

File #: 21-04016

DATE: November 23, 2022

TO: Budget & Finance Committee

FROM: Kristine Brock, Asst. City Administrator/CFO
Mike Lowe, Comptroller

SUBJECT:

Report On The American Rescue Plan Act (ARPA)

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning the City's appropriation of funding from the American Rescue Plan Act (ARPA).

BACKGROUND/STAFF COMMENTS:

On March 3, 2021, the President signed into law the American Rescue Plan Act. One feature of this act was funding to cities and counties to assist in recovery from the pandemic and in certain areas of infrastructure improvements. The City of Franklin was awarded $9,253, 841, with no local match required. Funds must be obligated (under contract) by 12/31/2024 and spent by 12/31/2026.

FINANCIAL IMPACT:

As of 9/30/2022, the City has spent $1,846,629.88 of ARPA funds in the areas of Negative Economic Impact (loss of hotel/motel tax revenue), Public Health- leave for employees diagnosed with COVID 19, premium pay for eligible employees and water & sewer improvements. This report will update the committee on allowable uses for spending the remaining program funds.

RECOMMENDATION:

Report is for informational purposes only.

AMERICAN RESCUE PLAN ACT (ARPA) FUNDS- DIRECT APPROPRIATION

FUNDS RECEIVED (Received in 2 payments on 5/19/2021 & 6/6/2022) **$9,253,841.00**

Spent

1. Premium pay:
Original $1,000 Net Pay + Taxes (7/23/2021) — **$581,477.39**
General Fund $428,457.00; Sanitation Fund $53,557.19; Water Fund $38,255.08; Sewer Fund $61,208.12

2. Public health:
Covid-19 Leave (Mar 2021-Feb 2022) — **$268,743.41**
General Fund $205,900.05; Sanitation Fund $9,273.49; Stormwater Fund $7,452.40; Water Fund $17,960.12; Sewer Fund $28,157.35

3. Negative economic impacts:
Acquisition of Battlefield Land (Spivey Tract)(2/10/2022) — **$214,285.74**
Hotel/Motel Tax Fund $214,285.74

Parking Counter System for 2nd and 4th Avenue garages (6/30/2022) — **$294,237.48**
Hotel/Motel Tax Fund $294,237.48

Eastern Flank Facility Improvements (as of 8/19/2022) — **$468,620.91**
Hotel/Motel Tax Fund $468.620.91

4. Premium pay:
TCRS Pension Contributions on Original $1,000 Net Pay (6/2/2022) — **$7,825.95**
General Fund $4,964.85; Sanitation Fund $1,262.25; Water Fund $757.35; Sewer Fund $841.50

5. Water, sewer, and broadband infrastructure
Lewisburg Water & Sewer Improvements (FY 2023/2024) — **$11,439.00**
Water Fund $11,439.00

Total spent **$1,846,629.88**

Outstanding

6. Services to disproportionately impacted communities:
Franklin Housing Authority-Utility Work (BOMA approved 8/9/2022)
* As sub-recipient, will need to be entered in federal registry. — **$1,000,000.00**

7. Water, sewer, and broadband infrastructure
Lewisburg Water & Sewer Improvements (FY 2023/2024) — **$3,988,561.00**

Total outstanding ***$4,988,561.00***

Proposed

8. Negative economic impacts:
Conference Center Improvements ($1,200,000 City, $1,200,000 County)- Calendar Year 2024 — **$1,200,000.00**
2nd and 4th Avenue Garages- Weatherproofing & Repairs- Calendar Year 2023 — **$100,000.00**

9. Water, sewer, and broadband infrastructure:
Improvements to Existing Sewer Infrastructure — **$1,118,650.12**

Total proposed ***$2,418,650.12***

FUNDS REMAINING ***$0.00***

HISTORIC FRANKLIN TENNESSEE

City of Franklin

109 3rd Ave S.
Franklin, TN 37064
(615) 791-3217

File #: 21-03860

DATE: November 14, 2022

TO: Budget & Finance Committee

FROM: Eric Stuckey, City Administrator
Mike Lowe, Comptroller
Margaret Wilson, Financial Analyst

SUBJECT:

Monthly Reports For December 2022

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Budget and Finance Committee concerning critical revenue streams that influence performance versus budget.

BACKGROUND/STAFF COMMENTS:

Beginning with the executive summary, the reports include:

- Schedule 1: Local Sales Tax - September 2022
- Schedule 2: Building Permits - October 2022
- Schedule 3: Road Impact Fees - October 2022
- Schedule 4: Facilities Tax (City) - October 2022
- Schedule 5: Facilities Tax (County) - October 2022
- Schedule 6: Gasoline Tax (Street Aid Fund) - September 2022
- Schedule 7: Hotel/Motel Tax - September 2022
- Schedule 8: Conference Center - October 2022

FINANCIAL IMPACT:

There is no financial impact from the reports. Reports are provided to show any variance from budget.

RECOMMENDATION:

There is no staff recommendation. Reports are for information only.

City of Franklin

Monthly Reports for December 2022

EXECUTIVE SUMMARY

Schedule 1: Local Sales Tax (September 2022)

The local sales tax remittance from the State of Tennessee for September 2022 sales (received by the City in November 2022) was $5,022,821 compared to $4,794,161 for the same month in FY 2022, a monthly year over year increase of $228,661 or 4.8%.

Schedule 2: Building Permits (October 2022)

2023 fiscal year to date is more than 2022 by 23.8%, and compared to 2023 budget is more by 9.8%.

Schedule 3: Road Impact Fees * (October 2022)

Combined 2023 fiscal year to date compared to 2022 is 48.2% less, and compared to 2023 budget is more by 12.3%. By quadrant, Arterial Area 2023 fiscal year to date compared to 2022 is 48.1% less, and compared to 2023 budget is less by 8.4%. Coll Area 1 2023 fiscal year to date compared to 2022 is 97.0% less, and compared to 2023 budget is less by 69.8%; Coll Area 2 2023 fiscal year to date compared to 2022 is 142.3% more, and compared to 2023 budget is more by 140.6%; Coll Area 3 2023 fiscal year to date compared to 2022 is 29.8% less, and compared to 2023 budget is more by 36.6%; Coll Area 4 2023 fiscal year to date compared to 2022 is 66.5% less, and compared to 2023 budget is less by 61.1%.

Schedule 4: Facilities Tax (City) * (October 2022)

2023 fiscal year to date compared to 2022 is 44.8% less, and compared to 2023 budget is less by 54.6%.

Schedule 5: Facilities Tax (County) * (October 2022)

2023 fiscal year to date compared to 2022 is 45.9% less, and compared to 2023 budget is 35.6% less.

Schedule 6: Gasoline Taxes (State Street Aid Fund) (September 2022)

The gasoline tax remittance from the State of Tennessee for September 2022 sales (received by the City in November 2022) was $265,351 compared to $260,944 for the same month in FY 2022, an increase of $4,407 or 1.7%.
For budget comparisons, the City anticipated collections of $199,548 for September 2022, a difference of $65,802 more, or 33.0%.

Schedule 7: Hotel/Motel Tax (September 2022)

2023 fiscal year to date compared to 2022 is 17.2% more, and compared for 2023 budget is more by 15.0%.

Schedule 8: Conference Center (October 2022)

The City's ½ share of the gain for October 2022 was $87,654. In October 2021, the City's ½ share of the gain was $88,432.

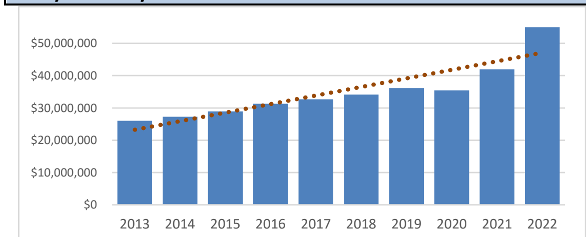
*** Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.**

Schedule 1:	Local Sales Tax	Fund	General	Account:	110-31300-00000

Summary: Tennessee Code Annotated 67-6-702 authorizes the levy of a local sales tax. The maximum rate authorized is 2.75%. The rate increased from 2.25% to the maximum of 2.75% effective April 1, 2018. The tax is applied only to the first $1,600 of any single article of personal property. The City receives 1/2 of the 2.75% rate collected within the City. Williamson County receives the other 1/2, plus an administrative fee of 1% of the City's 1/2 of the tax. Beginning with April 2018 taxes, the City contributed its share of the .5% increase to the County's School Debt Service. The County withheld the contribution for school debt service from the amount remitted to the City. The 36 month contribution period ended with March 2021 sales (received in May 2021).

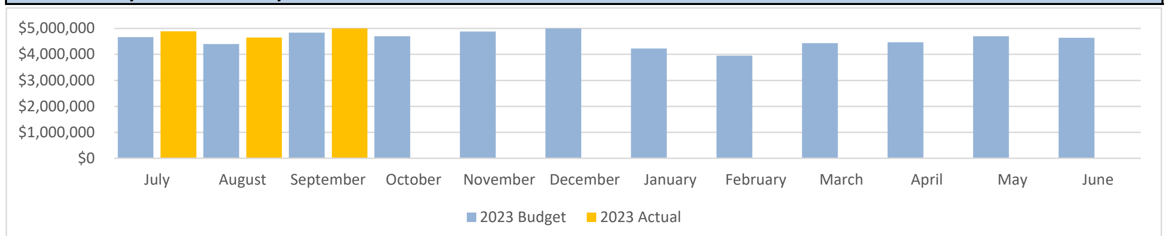
Monthly Report for December 2022: The local sales tax remittance from the State of Tennessee for September 2022 sales (received by the City in November 2022) was $5,022,821 compared to $4,794,161 for the same month in 2021, a monthly year over year increase $228,661, or 4.8% more. November receipts (September sales) are the third month of the FY 2023 fiscal year for both the City of Franklin and the State of Tennessee.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year	Contribution to County School Debt .5% Apr 2018-Mar 2021
2013	$25,995,733	$1,798,320	7.4%	
2014	$27,254,742	$1,259,009	4.8%	
2015	$28,943,994	$1,689,252	6.2%	
2016	$31,309,366	$2,365,372	8.2%	
2017	$32,694,268	$1,384,902	4.4%	
2018	$34,151,972	$1,457,704	4.5%	$1,692,308
2019	$36,168,178	$2,016,206	5.9%	$7,052,013
2020	$35,453,379	($714,799)	-2.0%	$7,430,205
2021	$41,999,727	$6,546,348	18.5%	$6,298,283
2022	$57,745,532	$15,745,805	37.5%	
Average Increase (Decrease)		**$ 3,354,812**	**9.5%**	**$ 22,472,809**

FY23 Month by Month Summary



Month	2022 Actual	2023 Budget	2023 Actual	$ Inc./(Dec.) from 2022 Actual	% Inc./(Dec.) from 2022 Actual	$ Inc./(Dec.) from 2023 Budget	% Inc./(Dec.) from 2023 Budget
July	$4,616,865	$4,663,034	$4,889,176	$272,311	5.9%	$226,142	4.8%
August	$4,357,269	$4,400,842	$4,650,081	$292,812	6.7%	$249,239	5.7%
September	$4,794,161	$4,842,102	$5,022,821	$228,661	4.8%	$180,719	3.7%
October	$4,655,427	$4,701,981					
November	$4,829,484	$4,877,779					
December	$5,790,987	$5,848,897					
January	$4,188,975	$4,230,864					
February	$4,267,861	$3,948,649					
March	$5,012,806	$4,432,174					
April	$4,993,938	$4,468,466					
May	$5,121,519	$4,697,972					
June	$5,116,242	$4,639,241					
	$57,745,532 *Total*	**$55,752,000** *Total*	**$14,562,078** *Total*	**$264,594** *Average* **$793,783** *Total*	**5.8%** *Average*	**$218,700** *Average* **$656,100** *Total*	**4.7%** *Average*

City of Franklin

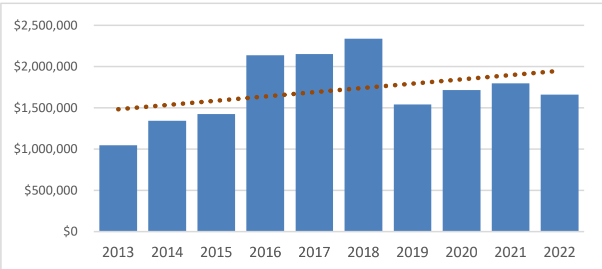
Finance Department - Monthly Reports

Schedule 2:	Building Permits	Fund	General Fund	Account:	110-32120-00000

Summary: A part of General Fund Revenues, these fees are paid to the City to offset and pay for the staffing costs borne by the City to extend services due to construction growth. There has been growth in both residential and commercial sides of development. This revenue has been difficult to predict by month because permits are often obtained and fees paid in advance of construction.

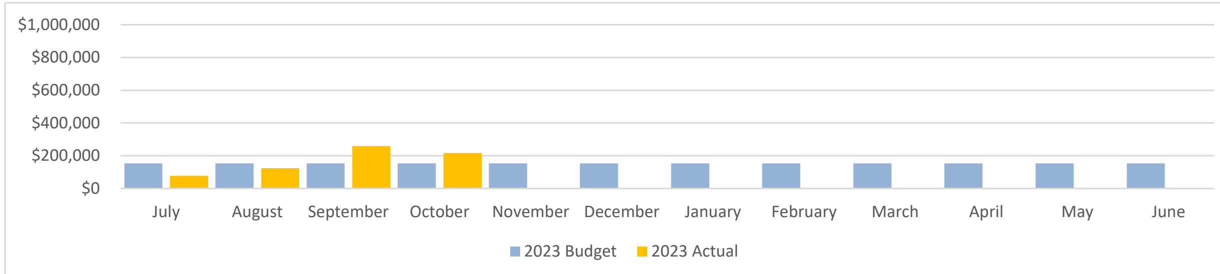
Monthly Report for December 2022: 2023 year-to-date is more than 2022 by 23.8%, and compared to 2023 budget is more by 9.8%.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2013	$1,046,947	$191,538	22.4%
2014	$1,343,978	$297,031	28.4%
2015	$1,426,188	$82,210	6.1%
2016	$2,136,322	$710,134	49.8%
2017	$2,153,262	$16,940	0.8%
2018	$2,339,364	$186,102	8.6%
2019	$1,539,655	($799,709)	-34.2%
2020	$1,714,700	$175,045	11.4%
2021	$1,796,670	$81,970	4.8%
2022	$1,661,426	($135,244)	-7.5%
Average Increase (Decrease)		$ 80,602	9.1%

FY23 Month by Month Summary



Month	2022 Actual	2023 Budget	2023 Actual	$ Inc./(Dec.) from 2022 Actual	% Inc./(Dec.) from 2022 Actual	$ Inc./(Dec.) from 2023 Budget	% Inc./(Dec.) from 2023 Budget
July	$103,721	$153,767	$77,814	($25,907)	-25.0%	($75,953)	-49.4%
August	$269,344	$153,767	$123,295	($146,049)	-54.2%	($30,472)	-19.8%
September	$84,047	$153,767	$258,724	$174,677	207.8%	$104,957	68.3%
October	$88,357	$153,767	$215,701	$127,344	144.1%	$61,934	40.3%
November	$181,291	$153,767					
December	$161,696	$153,767					
January	$120,661	$153,767					
February	$117,358	$153,767					
March	$123,207	$153,767					
April	$145,233	$153,767					
May	$122,225	$153,767					
June	$144,286	$153,767					
	$1,661,426 *Total*	**$1,845,207** *Total*	**$675,534** *Total*	**$32,516** *Average* **$130,065** *Total*	**23.8%** *Average*	**$15,116** *Average* **$60,465** *Total*	**9.8%** *Average*

City of Franklin

Finance Department - Monthly Reports

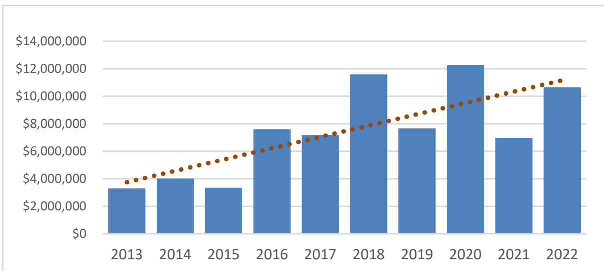
Schedule 3:	Road Impact Fees	Fund	Road Impact	Account:	128-(32800-32804)-00000

Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011. Effective 7/1/2017, collections pertaining to collector roads within the 4 quadrants of Franklin began. This report was updated to show those collections when they occur.

Monthly Report for December 2022: 2023 year-to-date compared to 2022 is 48.2% less, and compared to 2023 budget is more by 12.3%.

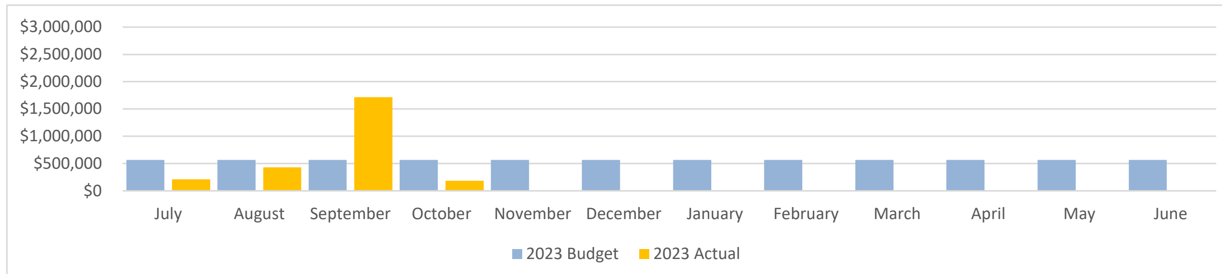
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2013	$3,306,075	$1,914,430	137.6%
2014	$4,021,752	$715,677	21.6%
2015	$3,358,431	($663,321)	-16.5%
2016	$7,586,724	$4,228,293	125.9%
2017	$7,180,150	($406,574)	-5.4%
2018	$11,585,500	$4,405,350	61.4%
2019	$7,659,855	($3,925,645)	-33.9%
2020	$12,251,152	$4,591,297	59.9%
2021	$6,975,153	($5,275,999)	-43.1%
2022	$10,641,106	$3,665,953	52.6%
Average Increase (Decrease)		**$ 924,946**	**36.0%**

FY23 Month by Month Summary



Month	2022 Actual	2023 Budget	2023 Actual	$ Inc./(Dec.) from 2022 Actual	% Inc./(Dec.) from 2022 Actual	$ Inc./(Dec.) from 2023 Budget	% Inc./(Dec.) from 2023 Budget
July	$1,500,963	$566,307	$209,858	($1,291,105)	-86.0%	($356,449)	-62.9%
August	$2,906,300	$566,307	$432,347	($2,473,953)	-85.1%	($133,960)	-23.7%
September	$167,232	$566,307	$1,718,381	$1,551,149	927.5%	$1,152,074	203.4%
October	$334,640	$566,307	$182,782	($151,858)	-45.4%	($383,525)	-67.7%
November	$1,599,329	$566,307					
December	$1,328,834	$566,307					
January	$188,648	$566,307					
February	$270,840	$566,307					
March	$529,321	$566,307					
April	$401,714	$566,307					
May	$187,665	$566,307					
June	$1,225,620	$566,307					
	$10,641,106	**$6,795,689**	**$2,543,368**	**($591,442)**	**-48.2%**	**$69,535**	**12.3%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				($2,365,767)		**$278,138**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

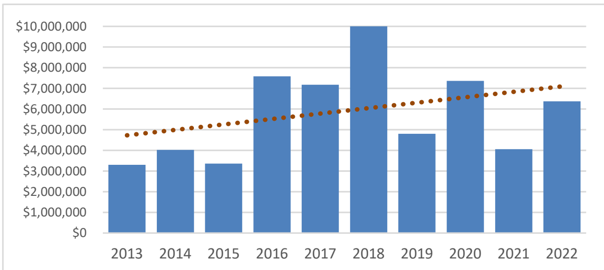
Schedule 3A:	Arterial Area	Fund	Road Impact	Account:	128-32800-00000

Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011.

Monthly Report for December 2022: 2023 year-to-date compared to 2022 is 48.1% less, and compared to 2023 budget is less by 8.4%.

Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

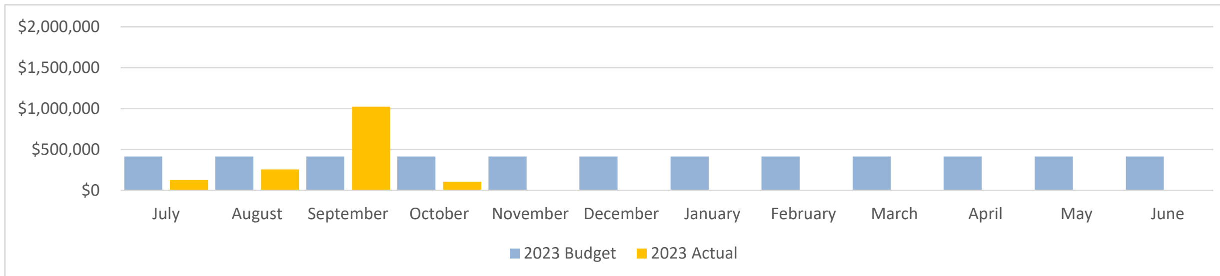
Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2013	$3,306,075	$1,914,430	137.6%
2014	$4,021,752	$715,677	21.6%
2015	$3,358,431	($663,321)	-16.5%
2016	$7,586,724	$4,228,293	125.9%
2017	$7,180,150	($406,574)	-5.4%
2018	$11,084,375	$3,904,225	54.4%
2019	$4,800,171	($6,284,204)	-56.7%
2020	$7,359,092	$2,558,921	53.3%
2021	$4,061,173	($3,297,919)	-44.8%
2022	$6,371,224	$2,310,051	56.9%

Average Increase (Decrease) $ 497,958

FY23 Month by Month Summary



Month	2022 Actual	2023 Budget	2023 Actual	$ Inc./(Dec.) from 2022 Actual	% Inc./(Dec.) from 2022 Actual	$ Inc./(Dec.) from 2023 Budget	% Inc./(Dec.) from 2023 Budget
July	$893,993	$414,105	$126,913	($767,080)	-85.8%	($287,192)	-69.4%
August	$1,731,438	$414,105	$257,059	($1,474,379)	-85.2%	($157,046)	-37.9%
September	$98,220	$414,105	$1,024,755	$926,535	943.3%	$610,650	147.5%
October	$198,969	$414,105	$108,784	($90,185)	-45.3%	($305,321)	-73.7%
November	$970,121	$414,105					
December	$790,344	$414,105					
January	$114,266	$414,105					
February	$165,277	$414,105					
March	$317,049	$414,105					
April	$247,009	$414,105					
May	$113,650	$414,105					
June	$730,888	$414,105					
	$6,371,224 *Total*	**$4,969,260** *Total*	**$1,517,511** *Total*	**($351,277)** *Average* **($1,405,109)** *Total*	**-48.1%** *Average*	**($34,727)** *Average* **($138,909)** *Total*	**-8.4%** *Average*

City of Franklin

Finance Department - Monthly Reports

Schedule 3B:	Coll Area 1	Fund	Road Impact	Account:	128-32801-00000

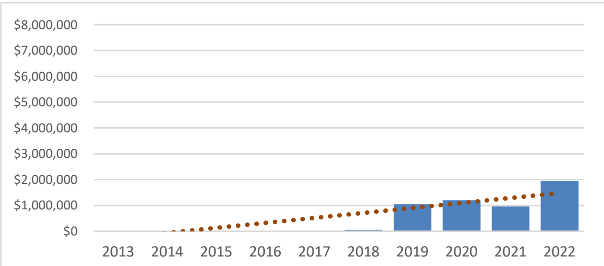
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011.

Coll Area 1 - Area north of Murfreesboro Road/3rd Avenue South and east of East Main Street/Franklin Road and within the corporate boundaries of the city.

Monthly Report for December 2022: 2023 year-to-date compared to 2022 is 97.0% less, and compared to 2023 budget are less by 69.8%.

Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

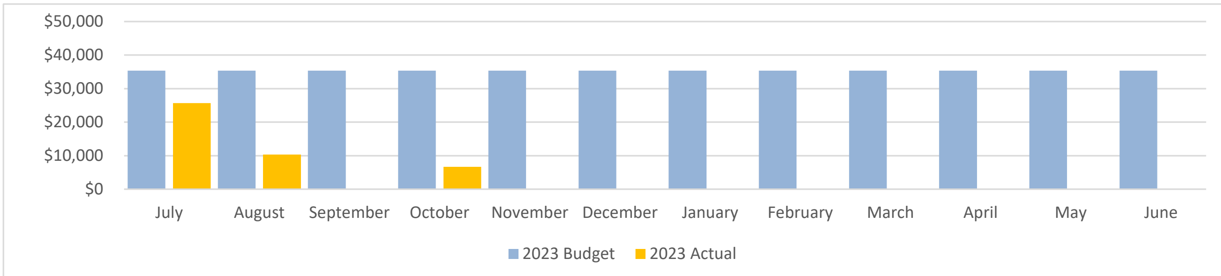
Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2013	Breakdown between Quadrants began in FY 2018.		
2014			
2015			
2016			
2017			
2018	$59,923	$59,923	100.0%
2019	$1,057,313	$997,390	1664.5%
2020	$1,200,036	$142,723	13.5%
2021	$956,982	($243,054)	-20.3%
2022	$1,957,665	$1,000,683	104.6%

Average Increase (Decrease) $ 391,533

FY23 Month by Month Summary



Month	2022 Actual	2023 Budget	2023 Actual	$ Inc./(Dec.) from 2022 Actual	% Inc./(Dec.) from 2022 Actual	$ Inc./(Dec.) from 2023 Budget	% Inc./(Dec.) from 2023 Budget
July	$494,971	$35,367	$25,696	($469,275)	-94.8%	($9,671)	-27.3%
August	$925,201	$35,367	$10,356	($914,845)	-98.9%	($25,011)	-70.7%
September	$5,552	$35,367	$0	($5,552)	-100.0%	($35,367)	-100.0%
October	$3,340	$35,367	$6,680	$3,340	100.0%	($28,687)	-81.1%
November	($21,744)	$35,367					
December	$468,350	$35,367					
January	$4,242	$35,367					
February	$0	$35,367					
March	$36,063	$35,367					
April	$0	$35,367					
May	$34,252	$35,367					
June	$7,438	$35,367					
	$1,957,665 *Total*	**$424,401** *Total*	**$42,732** *Total*	**($346,583)** *Average* **($1,386,332)** *Total*	**-97.0%** *Average*	**($24,684)** *Average* **($98,735)** *Total*	**-69.8%** *Average*

City of Franklin

Finance Department - Monthly Reports

Schedule 3C:	Coll Area 2	Fund	Road Impact	Account:	128-32802-00000

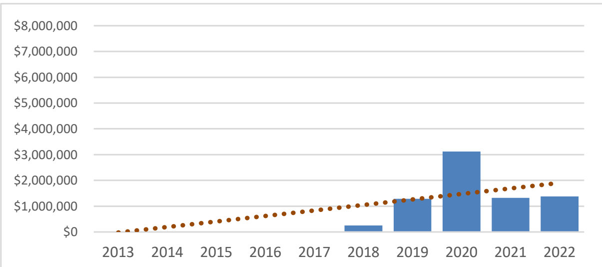
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011.

Coll Area 2 - Area south of Murfreesboro Road/3rd Avenue South and east of Columbia Avenue/Columbia Pike and within the corporate boundaries of the city.

Monthly Report for December 2022: 2023 year-to-date compared to 2022 is 142.3% more, and compared to 2023 budget is more by 140.6%.

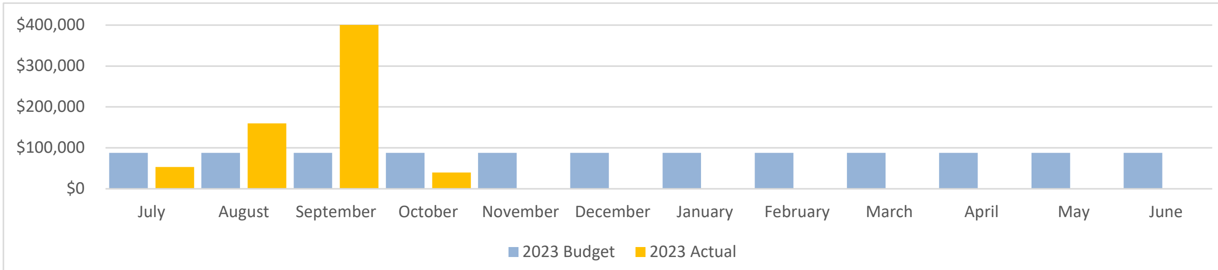
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2013	Breakdown between Quadrants began in FY 2018.		
2014			
2015			
2016			
2017			
2018	$251,474	$251,474	100.0%
2019	$1,286,317	$1,034,843	100.0%
2020	$3,118,015	$1,831,698	142.4%
2021	$1,326,079	($1,791,936)	-57.5%
2022	$1,374,601	$48,522	3.7%
Average Increase (Decrease)	**$ 274,920**		

FY23 Month by Month Summary



Month	2022 Actual	2023 Budget	2023 Actual	$ Inc./(Dec.) from 2022 Actual	% Inc./(Dec.) from 2022 Actual	$ Inc./(Dec.) from 2023 Budget	% Inc./(Dec.) from 2023 Budget
July	$16,700	$87,912	$53,074	$36,374	217.8%	($34,838)	-39.6%
August	$224,055	$87,912	$159,922	($64,133)	-28.6%	$72,010	81.9%
September	$33,400	$87,912	$593,323	$559,923	1676.4%	$505,411	574.9%
October	$75,057	$87,912	$39,763	($35,294)	-47.0%	($48,149)	-54.8%
November	$585,822	$87,912					
December	$20,040	$87,912					
January	$30,060	$87,912					
February	$64,581	$87,912					
March	$131,954	$87,912					
April	$131,325	$87,912					
May	$23,063	$87,912					
June	$38,544	$87,912					
	$1,374,601	**$1,054,942**	**$846,082**	**$124,218**	**142.3%**	**$123,609**	**140.6%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$496,870		**$494,435**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

Schedule 3D:	Coll Area 3	Fund	Road Impact	Account:	128-32803-00000

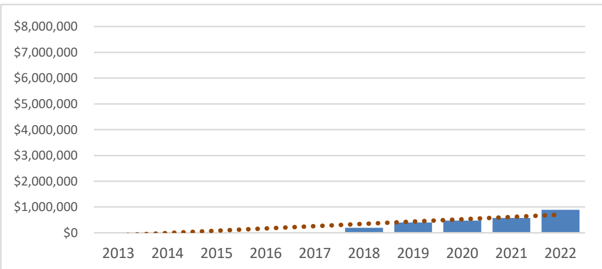
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011.

Coll Area 3 - Area south of New Highway 96W and west of 5th Avenue South and Columbia Avenue/Columbia Pike and within the corporate boundaries of the city.

Monthly Report for December 2022: 2023 year-to-date compared to 2022 is 29.8% less, and compared to 2023 budget is more by 36.6%.

Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

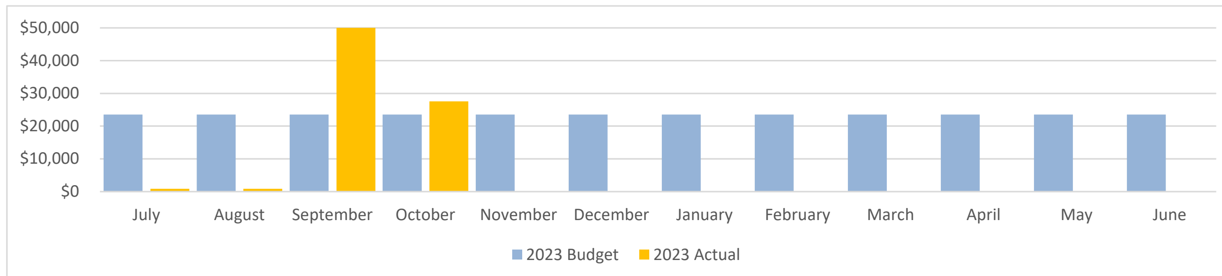
Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2013	Breakdown between Quadrants began in FY 2018.		
2014			
2015			
2016			
2017			
2018	$189,728	$189,728	100.0%
2019	$400,237	$210,509	111.0%
2020	$472,760	$72,523	18.1%
2021	$573,304	$100,544	21.3%
2022	$891,008	$317,704	55.4%

Average Increase (Decrease) $ 178,202

FY23 Month by Month Summary



Month	2022 Actual	2023 Budget	2023 Actual	$ Inc./(Dec.) from 2022 Actual	% Inc./(Dec.) from 2022 Actual	$ Inc./(Dec.) from 2023 Budget	% Inc./(Dec.) from 2023 Budget
July	$84,255	$23,551	$835	($83,420)	-99.0%	($22,716)	-96.5%
August	$12,246	$23,551	$835	($11,411)	-93.2%	($22,716)	-96.5%
September	$30,060	$23,551	$99,468	$69,408	230.9%	$75,917	322.4%
October	$56,780	$23,551	$27,555	($29,225)	-51.5%	$4,004	17.0%
November	$60,955	$23,551					
December	$46,760	$23,551					
January	$36,740	$23,551					
February	$40,982	$23,551					
March	$36,740	$23,551					
April	$20,040	$23,551					
May	$16,700	$23,551					
June	$448,750	$23,551					
	$891,008	**$282,609**	**$128,693**	**($13,662)**	**-29.8%**	**$8,623**	**36.6%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				($54,648)		**$34,490**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

Schedule 3E:	Coll Area 4	Fund	Road Impact	Account:	128-32804-00000

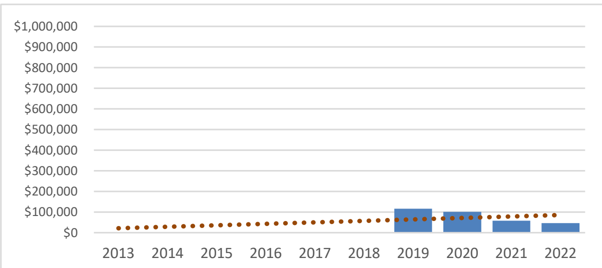
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011.

Coll Area 4 - Area north of New HIghway 96W, 5th Avenue North, Main Street and west of East Main Street and Franklin Road and within the corporate boundaries of the city.

Monthly Report for December 2022: 2023 year-to-date compared to 2022 is 66.5% less, and compared to 2023 budget is less by 61.1%.

Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

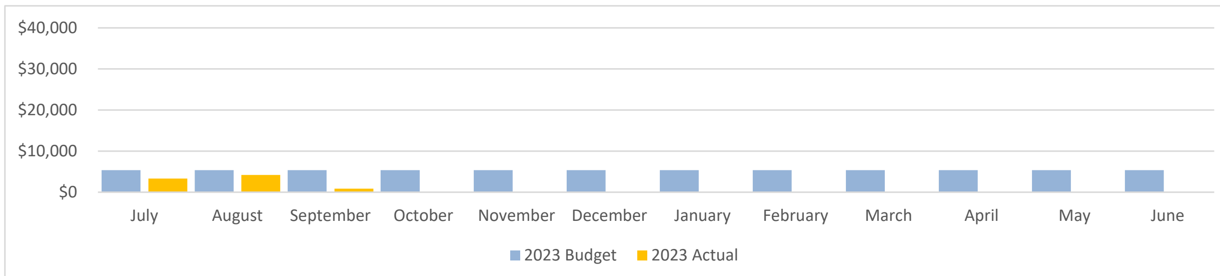
Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2013	Breakdown between Quadrants began in FY 2018.		
2014			
2015			
2016			
2017			
2018			
2019	$115,817	$115,817	100.0%
2020	$101,249	($14,568)	-12.6%
2021	$57,615	($43,634)	-43.1%
2022	$46,608	($11,007)	-19.1%

Average Increase (Decrease) $ 11,652

FY23 Month by Month Summary



Month	2022 Actual	2023 Budget	2023 Actual	$ Inc./(Dec.) from 2022 Actual	% Inc./(Dec.) from 2022 Actual	$ Inc./(Dec.) from 2023 Budget	% Inc./(Dec.) from 2023 Budget
July	$11,044	$5,373	$3,340	($7,704)	-69.8%	($2,033)	-37.8%
August	$13,360	$5,373	$4,175	($9,185)	-68.8%	($1,198)	-22.3%
September	$0	$5,373	$835	$835	100.0%	($4,538)	-84.5%
October	$494	$5,373	$0	($494)	-100.0%	($5,373)	-100.0%
November	$4,175	$5,373					
December	$3,340	$5,373					
January	$3,340	$5,373					
February	$0	$5,373					
March	$7,515	$5,373					
April	$3,340	$5,373					
May	$0	$5,373					
June	$0	$5,373					
	$46,608 *Total*	**$64,477** *Total*	**$8,350** *Total*	**($4,137)** *Average* **($16,548)** *Total*	**-66.5%** *Average*	**($3,286)** *Average* **($13,142)** *Total*	**-61.1%** *Average*

City of Franklin

Finance Department - Monthly Reports

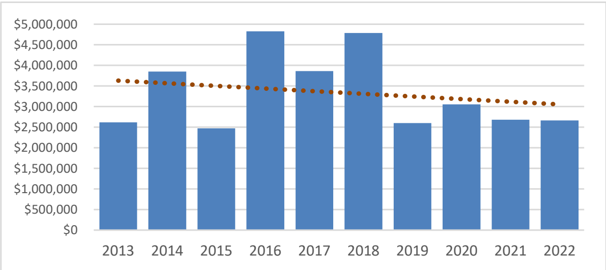
Schedule 4:	Facilities Tax (City)	Fund	Facilities Tax	Account:	130-31600-00000

Summary: A special revenue fund used to account for the proceeds authorized by a private act of the Tennessee General Assembly of 1987 for the City to levy and collect a privilege tax on new development to provide that new development contribute its fair share of providing new public facilities made necessary by growth. Such taxes may be expended ***only*** on police, fire, sanitation, and parks and recreation.

Monthly Report for December 2022: 2023 year-to-date compared to 2022 is 44.8% less, and compared to 2023 budget is less by 54.6%.

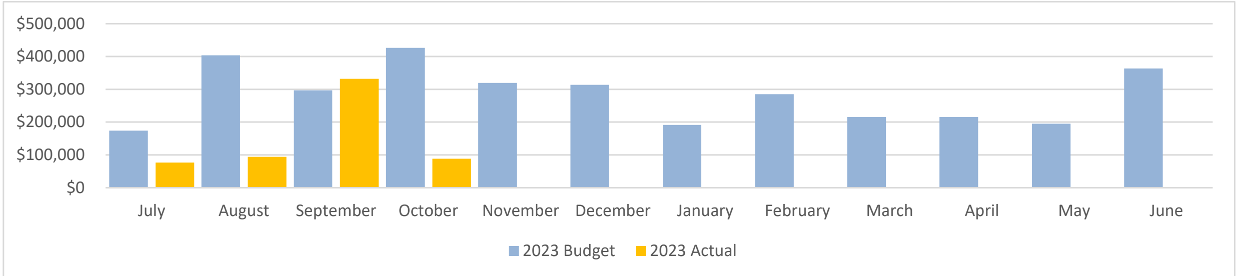
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2013	$2,617,339	$771,649	41.8%
2014	$3,848,783	$1,231,444	47.0%
2015	$2,468,473	($1,380,310)	-35.9%
2016	$4,827,968	$2,359,495	95.6%
2017	$3,864,453	($963,515)	-20.0%
2018	$4,788,042	$923,589	23.9%
2019	$2,598,810	($2,189,232)	-45.7%
2020	$3,051,110	$452,300	17.4%
2021	$2,682,395	($368,715)	-12.1%
2022	$2,666,214	($16,181)	-0.6%
Average Increase (Decrease)		**$82,052**	**11.2%**

FY23 Month by Month Summary



Month	2022 Actual	2023 Budget	2023 Actual	$ Inc./(Dec.) from 2022 Actual	% Inc./(Dec.) from 2022 Actual	$ Inc./(Dec.) from 2023 Budget	% Inc./(Dec.) from 2023 Budget
July	$267,491	$173,789	$76,800	($190,691)	-71.3%	($96,989)	-55.8%
August	$608,156	$403,732	$93,870	($514,286)	-84.6%	($309,862)	-76.7%
September	$78,518	$296,750	$332,217	$253,699	323.1%	$35,467	12.0%
October	$116,774	$426,226	$88,127	($28,647)	-24.5%	($338,099)	-79.3%
November	$348,525	$319,514					
December	$315,251	$313,629					
January	$110,770	$191,647					
February	$134,799	$284,881					
March	$134,437	$215,524					
April	$163,610	$215,529					
May	$106,107	$194,872					
June	$281,776	$363,171					
	$2,666,214 *Total*	**$3,399,264** *Total*	**$591,014** *Total*	**($119,981)** *Average* **($479,925)** *Total*	**-44.8%** *Average*	**($177,371)** *Average* **($709,483)** *Total*	**-54.6%** *Average*

City of Franklin

Finance Department - Monthly Reports

Schedule 5:	Facilities Tax (County)	Fund	Facilities Tax (County)	Account:	132-31600-00000

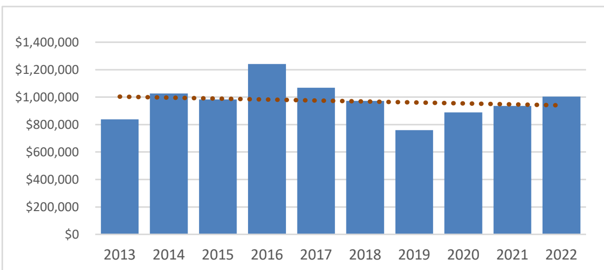
Summary: City's share of Williamson county's Adequate School Facilities Tax. 30% of the proceeds are distributed to the incorporated cities within the county, and an additional 30% is divided pro rata among the incorporated cities based on population in the last decennia census. All funds are to be used for the purpose of providing public facilities, the need for which is reasonably related to new development. The County uses 100% of its amount for public school purposes.

Monthly Report for December 2022: 2023 year-to-date compared to 2022 is 45.9% less, and compared to 2023 budget is 35.6% less.

Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

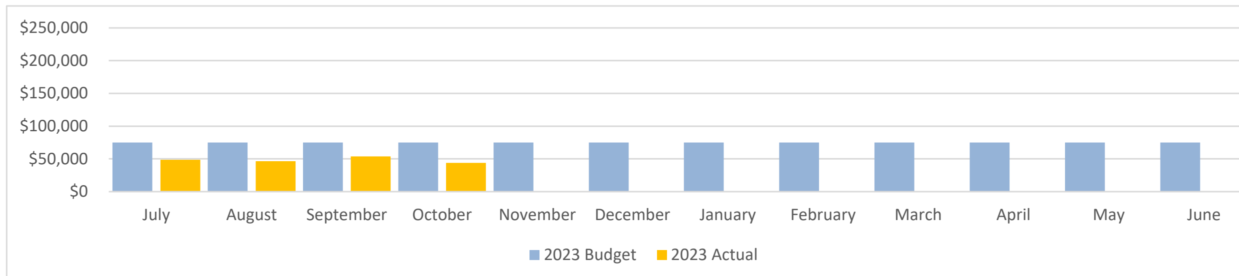
Note: Recorded in Capital Projects Fund beginning in FY 2011 (as per Resolution 2010-69). In June 2017, the County Facilities Tax Fund was created. Funds remaining in the Capital Projects Fund were transferred to the new fund.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2013	$838,523	$165,562	24.6%
2014	$1,026,933	$188,410	22.5%
2015	$982,605	($44,328)	-4.3%
2016	$1,241,241	$258,636	26.3%
2017	$1,068,030	($173,211)	-14.0%
2018	$971,814	($96,216)	-9.0%
2019	$759,873	($211,941)	-21.8%
2020	$889,427	$129,554	17.0%
2021	$935,555	$46,128	5.2%
2022	$1,003,415	$67,860	7.3%
Average Increase (Decrease)		**$ 33,045**	**0.8%**

FY23 Month by Month Summary



Month	2022 Actual	2023 Budget	2023 Actual	$ Inc./(Dec.) from 2022 Actual	% Inc./(Dec.) from 2022 Actual	$ Inc./(Dec.) from 2023 Budget	% Inc./(Dec.) from 2023 Budget
July	$96,643	$74,834	$48,628	($48,016)	-49.7%	($26,206)	-35.0%
August	$81,278	$74,834	$46,396	($34,882)	-42.9%	($28,438)	-38.0%
September	$66,755	$74,834	$53,869	($12,886)	-19.3%	($20,964)	-28.0%
October	$111,605	$74,834	$43,923	($67,683)	-60.6%	($30,911)	-41.3%
November	$77,686	$74,834					
December	$112,074	$74,834					
January	$70,584	$74,834					
February	$72,495	$74,834					
March	$79,500	$74,834					
April	$102,169	$74,834					
May	$58,797	$74,834					
June	$73,828	$74,834					
	$1,003,415 *Total*	**$898,002** *Total*	**$192,816** *Total*	**($40,866)** *Average* **($163,466)** *Total*	**-45.9%** *Average*	**($26,630)** *Average* **($106,518)** *Total*	**-35.6%** *Average*

City of Franklin

Finance Department - Monthly Reports

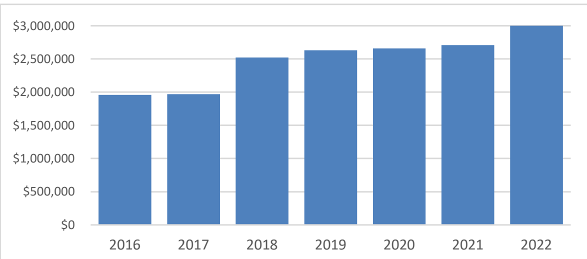
Schedule 6:	Gasoline Tax	Fund	Street Aid	Account:	121-33220-00000

Summary: As part of Street Aid Fund Revenues, the City receives a share of the state shared gasoline tax. Gas taxes increased effective July 1, 2017 as part of the IMPROVE Act to help fund state road projects. The tax increased by 4 cents on July 1, and will increase by 1 cent in the next two years. The tax on diesel will increase a total of 10 cents over 3 years.

Monthly Report for December 2022: The gasoline tax remittance from the State of Tennessee for September 2022 sales (received by the City in November 2022) was $265,351 compared to $260,944 for the same month in 2021, an increase of $4,407 or 1.7%.

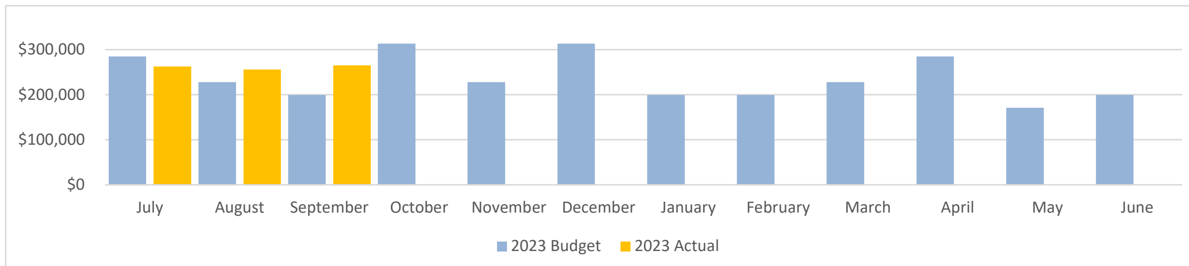
For budget comparisons, the City anticipated collections of $199,548 for September 2022, a difference of $65,802 more, or 33.0%.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
	Increase in Gas Tax began July 2017.		
2016	$1,959,796		
2017	$1,971,070	$11,274	0.6%
2018	$2,520,503	$549,433	27.9%
2019	$2,630,997	$110,494	4.4%
2020	$2,660,745	$29,748	1.1%
2021	$2,706,895	$46,150	1.7%
2022	$3,035,484	$328,589	12.1%
Average Increase (Decrease)		$ 179,281	8.0%

FY23 Month by Month Summary



Month	2022 Actual	2023 Budget	2023 Actual	$ Inc./(Dec.) from 2022 Actual	% Inc./(Dec.) from 2022 Actual	$ Inc./(Dec.) from 2023 Budget	% Inc./(Dec.) from 2023 Budget
July	$240,179	$285,069	$262,555	$22,377	9.3%	($22,514)	-7.9%
August	$270,876	$228,055	$255,841	($15,035)	-5.6%	$27,785	12.2%
September	$260,944	$199,548	$265,351	$4,407	1.7%	$65,802	33.0%
October	$254,665	$313,576					
November	$254,681	$228,055					
December	$260,069	$313,576					
January	$238,525	$199,548					
February	$201,051	$199,548					
March	$279,319	$228,055					
April	$244,021	$285,069					
May	$268,964	$171,041					
June	$262,191	$199,548					
	$3,035,484	**$2,850,690**	**$783,747**	**$3,916**	**1.5%**	**$23,691**	**10.0%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$11,748		**$71,074**	
				Total		*Total*	

City of Franklin

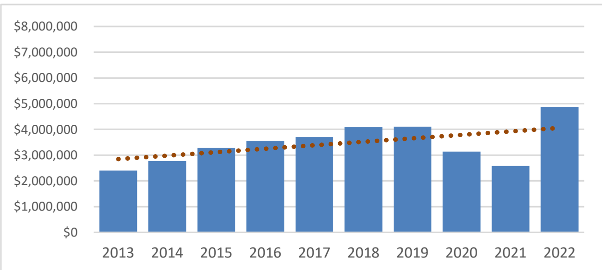
Finance Department - Monthly Reports

Schedule 7:	Hotel/Motel Tax	Fund	Hotel/Motel Fund	Account:	150-31700-00000

Summary: The Hotel/Motel Fund is a special revenue fund used to account for the locally administered tax levied on the occupancy of hotel and motel rooms, in addition to sales tax. The City of Franklin Hotel/Motel Tax is 4%.

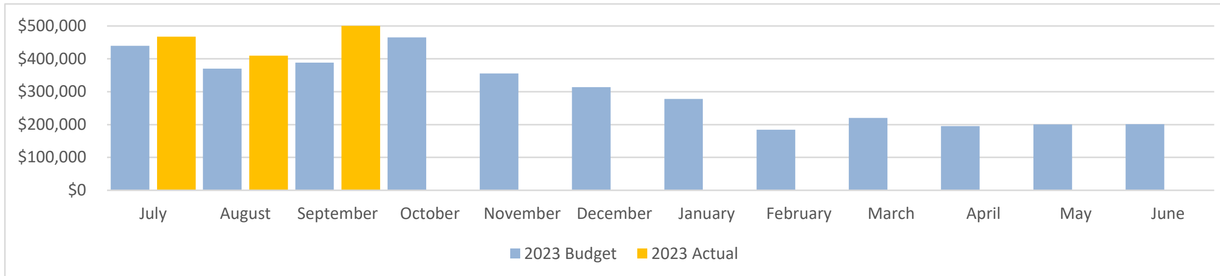
Monthly Report for December 2022: 2022 year-to-date compared to 2022 is 17.2% more, and compared to 2023 budget is more by 15.0%.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2013	$2,403,775	$217,822	10.0%
2014	$2,764,802	$361,027	15.0%
2015	$3,291,019	$526,217	19.0%
2016	$3,557,971	$266,952	8.1%
2017	$3,710,589	$152,618	4.3%
2018	$4,097,695	$387,106	10.4%
2019	$4,103,235	$5,540	0.1%
2020	$3,138,814	($964,421)	-23.5%
2021	$2,575,830	($562,984)	-17.9%
2022	$4,875,687	$2,299,857	89.3%
Average Increase (Decrease)		**$ 268,973**	**11.5%**

FY23 Month by Month Summary



Month	2022 Actual	2023 Budget	2023 Actual	$ Inc./(Dec.) from 2022 Actual	% Inc./(Dec.) from 2022 Actual	$ Inc./(Dec.) from 2023 Budget	% Inc./(Dec.) from 2023 Budget
July	$431,908	$439,858	$467,233	$35,325	8.2%	$27,375	6.2%
August	$362,602	$369,965	$409,407	$46,805	12.9%	$39,442	10.7%
September	$380,972	$388,480	$500,842	$119,870	31.5%	$112,362	28.9%
October	$456,288	$465,414					
November	$348,852	$355,829					
December	$307,470	$313,619					
January	$271,887	$277,943					
February	$298,796	$184,371					
March	$456,235	$220,328					
April	$505,453	$195,732					
May	$509,705	$200,797					
June	$545,520	$201,070					
	$4,875,687	**$3,613,406**	**$1,377,481**	**$67,333**	**17.2%**	**$59,726**	**15.0%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$202,000		**$179,178**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

Schedule 8:	Conference Center Profit/(Loss)	Fund	Hotel/Motel	Account:	150-84910-47100

Summary: As part of Hotel/Motel, the City receives half of the profit/(loss) from the Conference Center.

Monthly Report for December 2022: The gain for October 2022 was $87,654 compared to a gain of $88,432 for the same month in 2021, a decrease of $778.

MONTHLY - Conference Center Financials Jul 22-Jun 23

	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Total
Gross Revenue	425,211	619,385	795,995	791,807									2,632,398
House Profit	21,395	104,748	224,546	255,299									605,988
Less: Fixed Expenses	40,401	40,401	40,400	40,401									161,603
Net Income	(19,006)	64,347	184,146	214,898									444,385
Less: FF&E Reserve 5%	21,261	30,969	39,800	39,500									131,530
Net Cash Flow	(40,267)	33,378	144,346	175,308									312,765
City 1/2	**(20,134)**	**16,689**	**72,173**	**87,654**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**156,383**

MONTHLY - Conference Center Financials Jul 21-Jun 22

	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun 22	Total
Gross Revenue	311,453	560,162	478,316	699,036	429,152	602,836	336,567	499,051	591,391	794,189	554,900	6,077,551	11,934,604
House Profit	40,413	201,472	155,509	280,477	62,510	213,023	48,688	115,756	172,621	297,972	105,487	128,142	1,822,070
Less: Fixed Expenses	66,843	68,807	68,561	68,390	68,448	69,048	62,534	39,243	39,243	39,243	39,242	39,243	668,845
Net Income	(26,430)	132,665	86,948	212,087	(5,938)	143,975	(13,846)	76,513	133,378	258,729	66,245	88,899	1,153,225
Less: FF&E Reserve 5%	15,573	28,008	23,916	35,224	21,458	30,142	16,828	24,953	29,570	39,709	27,745	303,898	597,024
Net Cash Flow	(42,003)	104,657	63,032	176,863	(27,396)	113,833	(30,674)	51,560	103,808	219,020	38,500	58,511	829,711
City 1/2	**(21,002)**	**52,329**	**31,516**	**88,432**	**(13,698)**	**56,917**	**(15,337)**	**25,780**	**51,904**	**109,510**	**19,250**	**29,256**	**414,856**

MONTHLY Differences - Conference Center Financials

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
City 1/2 Difference	**868**	**(35,640)**	**40,657**	**(778)**								