City of Franklin

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

Meeting Agenda

Budget & Finance Committee

Thursday, October 15, 2020	2:00 PM	Board Room

The Budget & Finance Committee Meeting will limit physical access in the meeting room due to current limitations on public gatherings. Accommodations have been made to ensure that the public is able to participate in the meeting. The public may participate in the following ways: • Watch the meeting on FranklinTV or the City of Franklin website. • Watch the live stream through the City of Franklin Facebook and YouTube accounts. • Call in to the conference meeting 1-312-626-6799, Meeting ID: 945 4726 9378 Passcode: 460032 . Callers will be unmuted and given an opportunity to comment during the meeting at specific times. • Limited viewing will be available in the lobby of City Hall to watch the live video and make public comment. • The public may email comments and questions prior to 1:30 p.m. on the day of the meeting to recorder@franklintn.gov to be read aloud. • Live comments and those received by email are limited to 2 minutes. • City YouTube: https://www.youtube.com/user/CityOfFranklin • City Facebook Live: https://www.facebook.com/CityOfFranklin • City website: https://www.franklintn.gov/franklin-tv

CALL TO ORDER

MEETING PROCEDURE CHANGES

1. Consideration Of Resolution 2020-204, A Resolution Declaring That The Budget & Finance Committee Shall Meet On October 15, 2020 And Conduct Its Essential Business By Electronic Means Rather Than Being Required To Gather A Quorum Of The Members Physically Present In The Same Location Because It Is Necessary To Protect The Health, Safety, And Welfare Of Tennesseans In Light Of The COVID-19 Outbreak.

   Sponsors: Shauna Billingsley

APPROVAL OF MINUTES

2. Consideration Of Approval Of Minutes Of The September 10, 2020 Budget & Finance Committee Meeting.

NEW BUSINESS

3. Consideration Of DRAFT Ordinance 2020-28, An Ordinance To Amend The Budget Of The City Of Franklin For Fiscal Year 2020-2021.

   Sponsors: Eric Stuckey, Kristine Brock, Michael Walters Young

4. 2020 Actuarial Reports for the City's Defined Benefit Pension Plans

   Sponsors: Kristine Brock, Mike Lowe

5. Monthly Reports for October 2020

   Sponsors: Mike Lowe

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.

City of Franklin

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

File #: 20-01198

DATE: September 24, 2020

TO: Budget & Finance Committee

FROM: Eric Stuckey, City Administrator
Shauna Billingsley, City Attorney

SUBJECT:
Consideration Of Resolution 2020-204, A Resolution Declaring That The Budget & Finance Committee Shall Meet On October 15, 2020 And Conduct Its Essential Business By Electronic Means Rather Than Being Required To Gather A Quorum Of The Members Physically Present In The Same Location Because It Is Necessary To Protect The Health, Safety, And Welfare Of Tennesseans In Light Of The COVID-19 Outbreak.

PURPOSE:
The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning conducting the Board of Mayor and Aldermen by electronic means to limit physical contact for the health and safety of all citizens.

BACKGROUND/STAFF COMMENTS:
Due to the COVID-19 Outbreak citizens need to limit potential exposure to the virus by limiting contact with others. To support this effort the City of Franklin boards and commissions will meet electronically rather than gathering a quorum physically in the same location to conduct their essential business.

FINANCIAL IMPACT:
N/A

RECOMMENDATION:
Staff recommends approval of Resolution 2020-204.

RESOLUTION 2020-204

A RESOLUTION DECLARING THAT THE BOARD OF MAYOR AND ALDERMEN BUDGET AND FINANCE COMMITTEE SHALL MEET ON OCTOBER 15, 2020, AND CONDUCT ITS ESSENTIAL BUSINESS BY ELECTRONIC MEANS RATHER THAN BEING REQUIRED TO GATHER A QUORUM OF THE MEMBERS PHYSICALLY PRESENT IN THE SAME LOCATION BECAUSE IT IS NECESSARY TO PROTECT THE HEALTH, SAFETY, AND WELFARE OF TENNESSEANS IN LIGHT OF THE COVID-19 OUTBREAK

WHEREAS, Coronavirus Disease 2019 (COVID-19) is a severe acute respiratory disease that appears to occur through respiratory transmission, presents with similar symptoms to those of influenza, and can lead to serious illness or death, particularly in the case of older adults and persons with serious chronic medical conditions; and

WHEREAS, the Centers for Disease Control and Prevention has recommended that all states and territories implement aggressive measures to slow and contain transmission of COVID-19 in the United States; and

WHEREAS, on March 12, 2020, pursuant to the authority granted by Tenn. Code Ann. § 58-2-107, the Governor of Tennessee, Bill Lee, issued Executive Order No. 14, declaring a state of emergency to facilitate the response to COVID-19; and

WHEREAS, on March 13, 2020, the President of the United States, Donald J. Trump, declared a national state of emergency with respect to COVID-19; and

WHEREAS, on March 20, 2020, Mayor Ken Moore issued Executive Order No. 2020-01 Declaring a State of Emergency and Civil Emergency; and

WHEREAS, Governor Lee issued Executive Order No. 16, and later issued Executive Order No. 34, Executive Order No. 51, and Executive Order No. 60, allowing electronic meetings while continuing to function openly and transparently; and

WHEREAS, Mayor Moore issued Executive Orders No. 2020-03, No. 2020-05, and No. 2020-07, No. 2020-09, No. 2020-11, No. 2020-12, No. 2020-13, No. 2020-14, No. 2020-15, No. 2020-16, and No. 2020-17 continuing the Declaration of a State of Emergency and Civil Emergency; and

WHEREAS, the Board of Mayor and Aldermen Budget and Finance Committee believes it is in the best interest of the City of Franklin to conduct the October 15, 2020, 2:00 p.m. meeting by electronic means.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN BUDGET AND FINANCE COMMITTEE OF THE CITY OF FRANKLIN, TENNESSEE, AS FOLLOWS:

The meeting scheduled for October 15, 2020, at 2:00 p.m. shall be conducted by electronic means rather than requiring a quorum of the members of the Board of Mayor and Aldermen Budget and Finance Committee to attend in person to protect the health, safety, and welfare of Tennesseans in light of the COVID-19 Outbreak. Physical access in the meeting room will be limited. The public can view and participate in the meetings by watching the meeting live or later as a recording on FranklinTV, the City of Franklin website, the City of Franklin's Facebook page, and the City of Franklin's YouTube account. Specific dial-in and website links can be found on the City's website at
https://www.franklintn.gov/Home/Components/Calendar/Event/9883/1092

IT IS SO RESOLVED AND DONE on this 15th day of October, 2020.

ATTEST

By:_______________________________
Eric S. Stuckey
City Administrator

CITY OF FRANKLIN, TENNESSEE
BUDGET AND FINANCE COMMITTEE

By:_______________________________
Clyde Barnhill, Alderman
Chair

Approved as to Form By:
Shauna R. Billingsley, City Attorney

Law Dept. approved 09.24.20

HISTORIC
FRANKLIN
TENNESSEE

City of Franklin

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

File #: 20-01215

DATE: October 1, 2020

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 DRAFT Ordinance 2020-28, An Ordinance To Amend The Budget Of The City Of Franklin For Fiscal Year 2020-2021.

PURPOSE:
The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning amending the Operating Budget for Fiscal Year 2020-2021.

BACKGROUND/STAFF COMMENTS:
The Fiscal Year 2020-2021 Budget, built in the earliest weeks of the COVID-19 pandemic, represented the best estimates of revenues at the time and was prudently conservative given the great unknowns when faced with unprecedented shutdowns of vital segments of the economy in Franklin, in Tennessee, and in the nation as a whole. Now that six months have elapsed, the City is in a much better financial position ending FY 2020 than anticipated and can make reasonable revisions to both anticipated revenues and expenditures for the remainder of this fiscal year (FY 2020-2021).

Ordinance 2020-28 is the first amendment to the current Fiscal Year's budget. While greater details will be shared to the committee closer to the meeting date and to the BOMA as a whole at the end of October, this amendment will encompass the following: limited revenue and expenditure restorations in the operating budget. Capital budgets for ongoing projects will be addressed in a later amendment.

FINANCIAL IMPACT:
The financial impact will vary by fund. The largest increase revenues and expenditures will be in the General Fund, followed by the Sanitation and Environmental Services Fund, the Water Management Fund, and finally the Stormwater Fund.

RECOMMENDATION:
Staff recommends that Ordinance 2020-28 be recommended for approval by the Board of Mayor and Aldermen.

A framework for emerging from these turbulent times stronger and more competitive

A Stronger Franklin

2020 – What can you say?

- Pandemic
- Economic contraction
- Social Unrest
- National political upheaval and a contentious Presidential Election
- Fatigue


MARTY, WHATEVER HAPPENS
DONT EVER GO TO 2020!

Despite these unprecedented challenges Franklin has achieved much

- All America City
- Best Places to Live #8
- Voice of the People Awards (2) and nominations (5)
- One of the 20 Fastest Growing Cities over the past decade
- Excellence recognized in many aspects of City operations

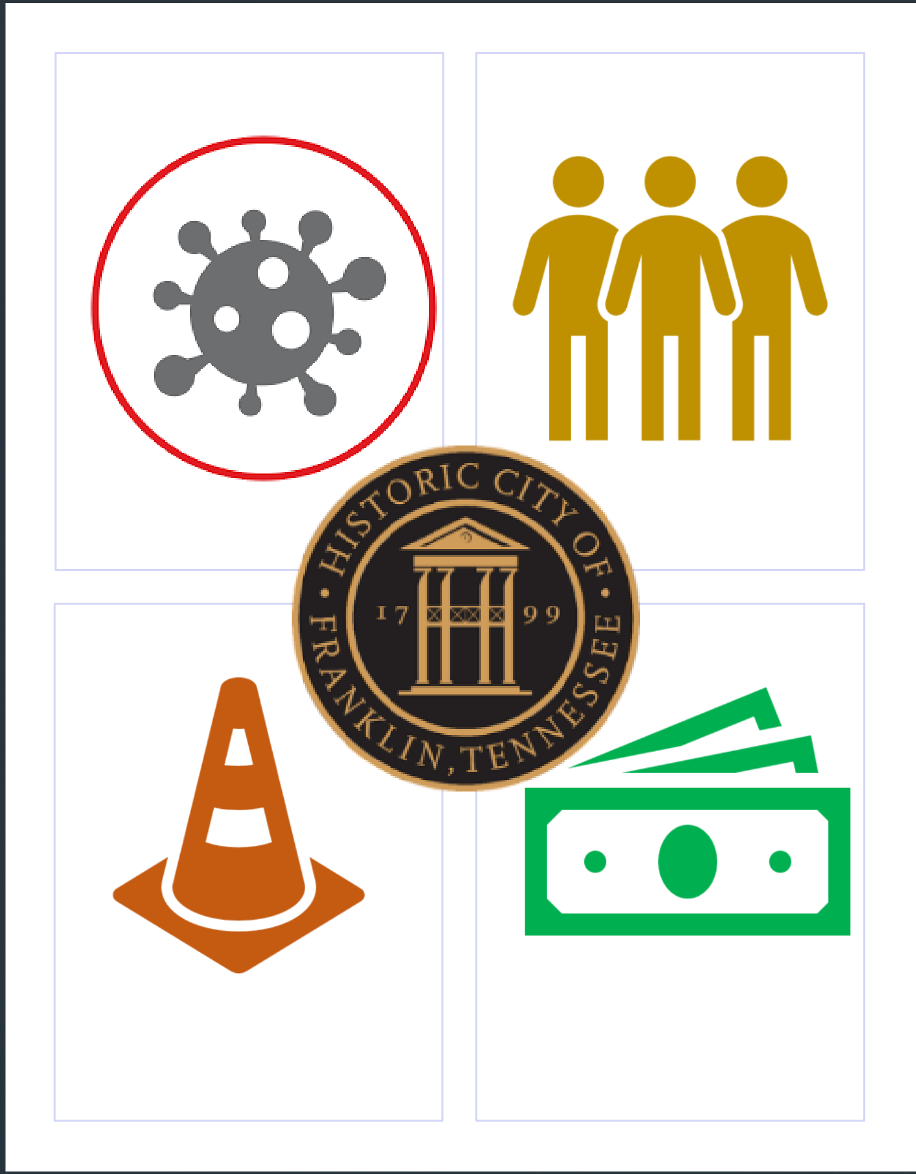
⌘

The Leadership Challenge – How do we emerge better, stronger and more competitive as a community?

- Identify the needs of the community
- Identify the needs of our City Team
- Build consensus
- Act

City of Franklin – Focus Areas

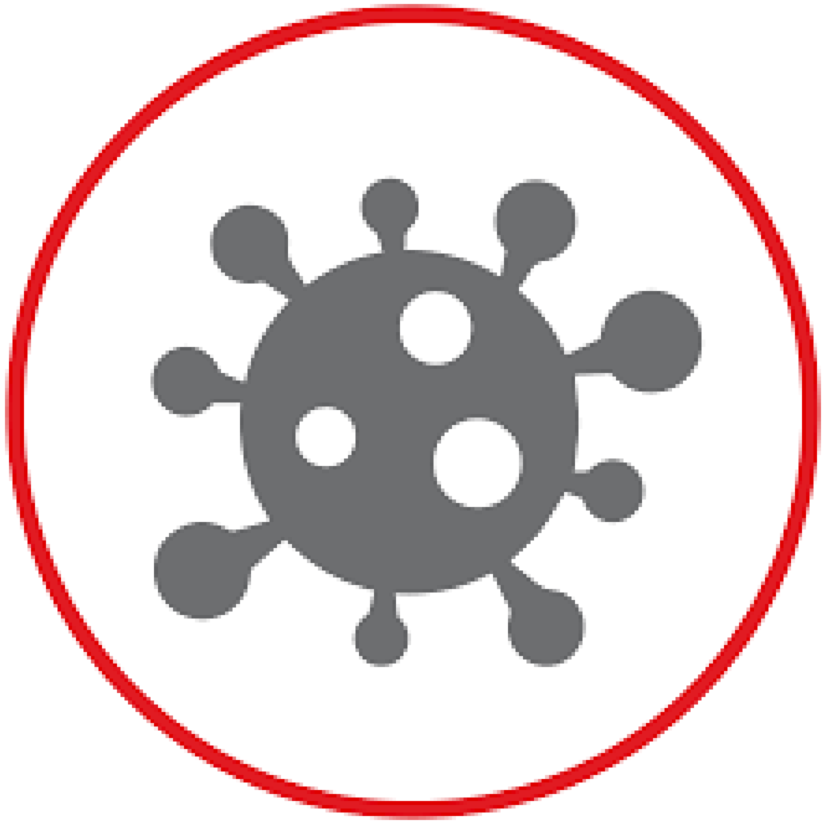
- Pandemic
- People
- Projects
- Possibilities (Financial capacity to support our sustained work)



Pandemic

Issues:

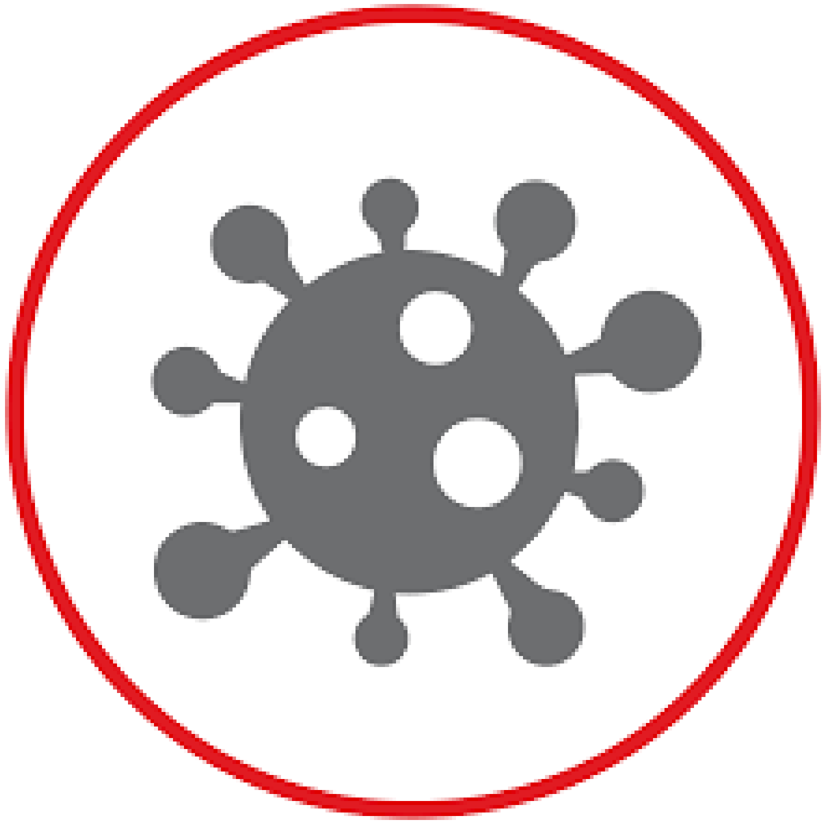
- We have been challenged and have risen to the occasion.
- The duration and future impact is unknown.
- We are fatigued.
- Morale concerns are real.



Pandemic

Ideas:

- Increase focus well-being of team members
- Encourage self-care and an "Allowance for grace."
- Continue to track the best medical and scientific guidance. Enact City policy consistent with this guidance.
- Financial "recognition."



People

Issues:

- Work/life balance has been “jolted” and people are craving stability.
- Remote work had become a reality for many (25-30%) of our team with uncertainty as to duration and effectiveness.
- Diversity and inclusion focus.
- Racial Injustice.
- Market update timing.
- Vacancies.

People

Ideas:

- Employee survey.
- General pay adjustment.
- Examine and act on inclusion and equity initiatives as an employer and in the community. Including addressing directly issues related to racial injustice.
- Identify any other pay structure issues.
- Benefits review.

Projects

Issues:

- Financial capacity related to CIP priorities/CIP funding plan has been impacted.
- High priority projects continue to move forward.
- Are there new projects/funding opportunities emerging?

Projects

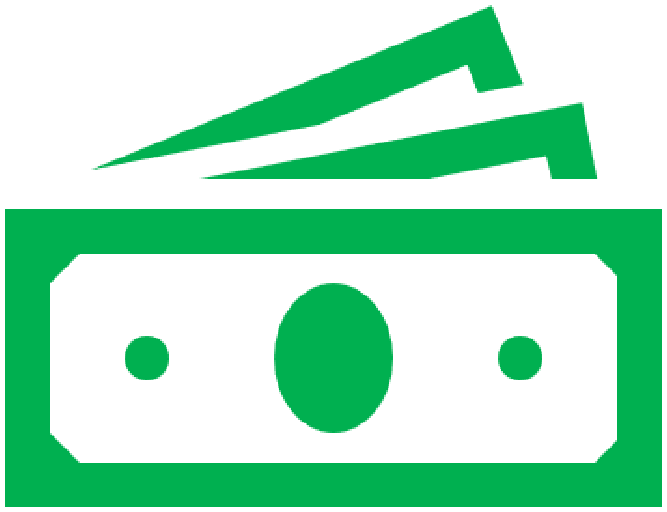
Ideas:

- Update CIP priorities and CIP funding plan based on evolving financial conditions.
- Continue to re-evaluate CIP priorities with BOMA as projects more forward.
- Focus on project delivery.
- Continue to be “opportunistic” in terms of funding.

Possibilities – Financial Capacity

Issues:

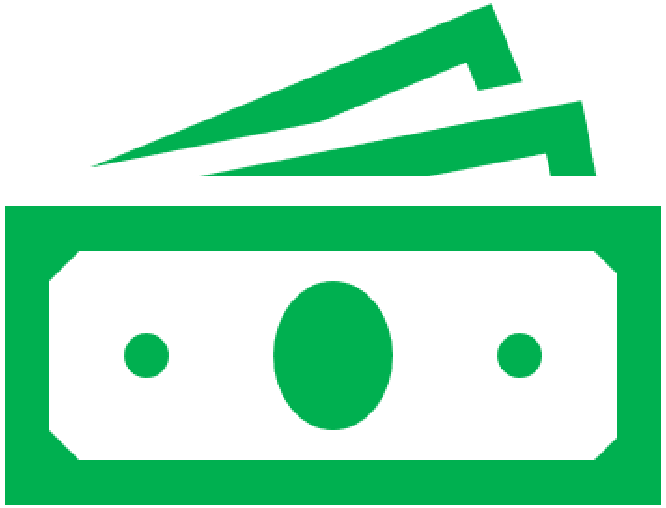
- Look at updates to FY21 projections.
- Revenue structure considerations.
- FY22 sales tax assumptions.



Possibilities – Financial Capacity

Ideas:

- Long Term Financial Model update.
- Debt restructure and retirement options.
- FY22 property reappraisal and tax rate.



An initial short term step – 2nd Quarter Budget Amendment

- Revenue adjustment - $2M increase

Budget modifications:

- Pay adjustments - $619,000:
  - One-time increase in our holiday bonus
  - 2% general pay increase – 1/1/21
  - Allocation to address Police pay compression – 1/1/21
- City Hall Phase I – Master Planning/Preliminary Design - $636,000
- Budget Restoration – Vacancies, Capital Equipment, Enhancements - $745,000

The “Ask”

- Provide feedback.
- Think about how these focus areas impact our City operations and community needs. What is missing or needs additional impact?
- Prepare and prioritize budget restoration items as financial conditions warrant.
- How can we support the community and one another?

City of Franklin

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

File #: 20-01252

DATE: October 9, 2020

TO: Budget & Finance Committee

FROM: Kristine Brock, Asst. City Administrator/CFO
Mike Lowe, Comptroller

SUBJECT:
2020 Actuarial Reports for the City's Defined Benefit Pension Plans

PURPOSE:
The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning 2020 actuarial reports for the City's two defined benefit pension plans.

BACKGROUND/STAFF COMMENTS:
The City of Franklin has two defined benefit pension plans, a single employer plan for full time employees hired on or before 12/31/2016 and as a participant in the Tennessee Consolidated Retirement System (TCRS) for full time employees hired on or after 1/1/2017. Governmental accounting standards require the preparation of an annual actuarial report for a defined benefit pension plan and its results reported in the government's audited annual financial report. Tennessee State Law requires governments to fund the actuarially determined funding requirement on an annual basis.

FINANCIAL IMPACT:
Actuarially determined funding requirements for the two pension programs are included in the FY 2021 Budget in the amounts of $5,061,105 for the closed plan and $380,719 for the TCRS plan.

RECOMMENDATION:
This item is for informational purposes.

Summary of Defined Benefit Pension Plans
City of Franklin, Tennessee

	Closed City Plan	Open TCRS Plan
Effective Date of Retirement Plan	5/1/1971	1/1/2017
Date of Valuation	1/1/2020	6/30/2019
For the Fiscal Year Beginning	7/1/2020	7/1/2020
Interest Rate Assumption	7.20%	7.25%
Value of Assets	$ 123,325,787	$ 1,003,317
Empl Contr Rate as % of Payroll- 2020	18.84%	5.90%
Empl Contr Rate as % of Payroll- 2021	16.86%	6.05%
Employer Contribution 2021- $	$ 5,061,105	$ 380,719
Number of Active Employees	466	144
Number of Inactive Employees	179	50
Number of Retirees	238	0
Total Covered Payroll	$ 30,013,785	$ 5,563,006
Unfunded Accrued Liability	$ 27,836,703	$ 1,803

Note1: The Closed City Plan covers employees hired prior to 12/31/2016. New Hires beginning 1/1/2017 are members of the Open TCRS Plan, which has a different benefit structure. Over time, the average salary per active employee in the Open Plan will increase as new hires become eligible for pay increases through cost of living & merit increases as well as promotions.

Both actuarial report are prepared by Findley, Inc.

Updated by KBrock 10/9/2020

City of Franklin Employees' Pension Plan and Trust

Actuarial Valuation and Report

January 1, 2020

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Introduction

An actuarial valuation of the City of Franklin Employees' Pension Plan and trust was performed as of January 1, 2020. The last valuation performed was as of January 1, 2019. The purpose of the valuation was to determine the current funding status of the Plan, with the intention that funding levels indicated by the valuation be used as the basis for contributions to the Plan for the fiscal year commencing January 1, 2021.

Actuarial valuations are based on the integrity of employee data, plan asset data, plan provisions and an extensive set of assumptions regarding future events. There is necessary uncertainty with any actuarial calculation based on the accuracy of the data provided, the correct interpretation of plan provisions and the Accuracy of the assumptions made. These results were based on participant data provided by the City and asset information provided by the Trustee. This information was not audited but was reviewed for reasonableness.

This valuation was prepared on the basis of the interest, salary and demographic assumptions that were determined from the Experience Study for the period January 1, 2014 to December 31, 2018 prepared by Findley and approved by the Board for use beginning with the January 1, 2019 actuarial valuation. These assumptions will remain in effect for valuation purposes until such time as the Board adopts revised assumptions, which is scheduled to be performed before the January 1, 2023 valuation.

A detailed explanation of the actuarial assumptions and methods used in the report are contained in the Basis of Valuation section. Also included in the Basis of Valuation section of this report is a summary of provisions of the plan as we understand them.

Purpose and Use

This report has been prepared exclusively for the City of Franklin Employees' Pension Plan and Trust. The calculations reported herein have been made on a basis consistent with our understanding of the statements. Findley is not responsible for consequences resulting from the use of any part of this report without prior authorization or approval. This report provides actuarial advice and does not constitute legal, accounting, tax or investment advice. Determinations for other purposes, such as funding, bond ratings, or judging benefit security, may be significantly different from the results shown in this report.

Actuarial findings in this report are based on actuarial assumptions which reflect expected plan experience. Although the deviation of the actual future plan experience and the expected experience inherently creates some uncertainty with the results, in our opinion the actuarial assumptions reasonably reflect the expected future experience of the plan. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. All of these factors can result in the risk of volatility in the Net Pension Liability over time.

Notes about Participant Data

The actuarial valuation underlying this report has been made utilizing employee data furnished by the employer. While we have analyzed this information and found no material limitations, please note that a complete and independent audit of these data was not performed.

Actuarial Certification

The actuarial valuation summarized in this report is based on the employee data provided by City of Franklin Employees' Pension Plan and trust information provided by the trustee. The employee data has been reviewed for consistency. The trust information in this report has not been audited but appears to accurately reflect the assets of the plan. The information in this report has been prepared under the supervision of S. Kevin Sullivan, a member of the Academy of Actuaries, Fellow of the Society of Actuaries, and a consulting actuary with Findley, Inc., who has met the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions herein. To the best of our knowledge the information has been prepared in accordance with generally accepted actuarial standards, including the overall appropriateness of the analysis, assumptions, and results and conforms to appropriate Standards of Practice as promulgated from time to time by the Actuarial Standards Board, which standards form the basis for the information in this report. We are not aware of any direct or material indirect financial interest or relationship, including investment management or other services that could create, or appear to create, a conflict of interest what would impair the objectivity of our work.

Kevin Sullivan

May 4, 2020

S. Kevin Sullivan
Fellow, Society of Actuaries
Enrollment No. 20-06235
Phone 615.665.5343

Date

Sylvain Limprevil

May 4, 2020

Sylvain Limprevil
Associate, Society of Actuaries
Phone 615.665.5321

Date

Summary of Report

Funding requirements

An actuarial valuation of the City of Franklin Employees' Pension Plan and trust was conducted as of January 1, 2020. The purpose of the valuation is to determine the cost implications of the pension plan including a determination of annual funding levels for the plan year ending December 31, 2021.

On the basis of the valuation, it has been determined that the annual funding levels for the 2021 plan year, as described in the basis of the valuation section of this report, are as follows:

	Total Amount	Percentage of Payroll
Recommended Funding Level	$ 5,061,105	16.86%

The following summarizes pertinent comparative statistics from the current and previous valuations:

	Valuation Date		
	1/1/2020	1/1/2019	% Increase
Number of Employees	466	494	(5.67%)
Total Covered Payroll	$ 30,013,785	$ 31,795,391	(5.60%)
Average Salary	$ 64,407	$ 64,363	0.07%
Average Age	47.16	46.41	1.62%
Average Past Service	14.30	13.41	6.64%
Recommended Funding Level	$ 5,061,105	$ 5,988,709	(15.49%)
% of Payroll	16.86%	18.84%	(10.47%)

Yearly comparison of selected plan information

	2020	2019	2018	2017
Number of Participants				
Active	466	494	519	554
Deferred Vested	179	178	172	164
Retired and Disabled	238	223	210	189
Annual Covered Payroll	$ 30,013,785	$ 31,795,391	$ 31,118,096	$ 30,904,891
Average Annual Earnings	$ 64,407	$ 64,363	$ 59,958	$ 55,785
Present Value of Benefits	$ 165,401,042	$ 157,975,987	$ 145,013,271	$ 131,394,687
Unfunded Supplemental Liability	$ 27,836,703	$ 37,903,829	$ 23,680,756	$ 25,412,681
Actuarial Asset Value	$ 123,325,787	$ 104,845,757	$ 108,421,369	$ 93,312,443
Annual Funding Levels				
Normal Cost	$ 2,344,647	$ 2,438,659	$ 2,017,416	$ 1,894,635
Normal Cost Rate	7.81%	7.67%	6.48%	6.13%
Expected Employee Contribution	$ (321,389)	$ (343,831)	$ (331,592)	$ (344,024)
Net Normal Cost	$ 2,023,258	$ 2,094,828	$ 1,685,824	$ 1,550,611
Net Normal Cost % of Payrol	6.74%	6.59%	5.42%	5.02%
Recommended Contribution	$ 5,061,105	$ 5,988,709	$ 4,254,456	$ 4,205,916
% of Payroll	16.86%	18.84%	13.67%	13.61%
Present Value of Accrued Benefits	$ 122,667,986	$ 114,393,433	$ 110,751,244	$ 100,182,076
Security Ratio	100.54%	91.65%	97.90%	93.14%

Funding Issues

The investment return for the period ending January 1, 2020 was 18.5%; the assumed rate of return was 7.30%. This resulted in an $11,053,282 investment gain based on the investment return assumption.

Contribution Components under the Plan

Plan benefits are being funded by actuarially determined contributions and investment income from plan assets. Unfunded liabilities are amortized as described below.

Description of Actuarial Funding Method

The employer contribution and plan liabilities are determined under the Entry Age Normal Funding Method.

A detail description of the Method followings:

The Normal Cost is the annual amount that would have to be paid for each member from the original date of entry (employment) to his assumed retirement (termination, disability, or death) date in order to fund his projected benefits, over the whole of his working life (membership in the plan). This computation is made in such a way that each year's annual payment is a level percent of participants' compensation.

The unfunded (surplus) / liability is determined by calculating the Present Value of Projected Benefits at the Valuation date and subtracting the Present Value of Future Normal Costs the assets of the Fund.

A past service cost (amortization payments) is calculated as the amount necessary to fund the Initial Unfunded Actuarial Accrued Liability plus any changes in the Unfunded Actuarial liability due to experience gains and losses.

Accrued Liability due to plan changes, assumption changes, or actuarial experience gains / (losses), together with interest thereon, in equal installments as required by regulations. See amortization Schedule section.

The recommended City's contribution is the Normal Cost plus the Past Service Contribution with interest to expected date(s) of the contributions(s).

Actuarially Determined Contributions

For the fiscal year ending December 31, 2020, the actuarially determined contribution is $5,988,709. The City of Franklin contributed $5,988,709 for the fiscal year ending December 31, 2020, which satisfies the requirement to fund at least 100% of the actuarially determined contribution. The actuarially determined contribution for the fiscal year ending December 31, 2021 is $5,061,105.

Basis of Valuation

Summary of provisions of the plan

This Summary is not a summary Plan Description or a Plan Document. You should not rely solely on this summary in making a determination of eligibility for the plan or its benefits.

Name of Plan

City of Franklin Employees' Pension Plan

Plan Sponsor & Plan Administrator

City of Franklin

Trustees

City of Franklin

City of Franklin Employee Pension and Trust Investment

Human Resources Director, two (2) members of the Board appointed by the Mayor, two (2) City Employee Representatives elected by the Employee population covered by this Plan, and two (2) Citizen Representatives who shall be appointed initially by the Mayor.

Effective Date

The Plan was originally established effective May 1, 1971. The restated Plan document is effective January 1, 2018. The latest amendment closed the Plan to new Participants, as of January 1, 2017.

Effective December 31, 2018, the Cash Balance must be taken as a single Lump Sum or as a Cash Refund Annuity. If you are not retired, you must take the account balance as of the date you retire. If you are retired, you must take the cash balance no later than April 1st, after you attain age 70.5.

Plan Year

The plan year is the calendar year.

Eligibility

A full-time employee who works 30 hours or more per week will become an active member on the first day of the month after meeting the following requirements:

- Completes one year of continuous service
- Reaches age 21
- An Employee hired on or after February 15, 2010, shall become eligible to participate in the Plan and become a Participant as of the first day of the month immediately following the commencement of the Employee's employment by the City, provided, however, that such Employee shall be eligible to participate in the Plan only upon his election to participate.

Effective January 1, 2017, the Plan is closed to new participants.

Credited Service

Credited Service under the Plan is based on completed calendar months during which an Employee has been in continuous employment with the City of Franklin. Periods of absence due to disability, military service, or approved leave are not considered discontinuance of employment.

Plan Compensation

Plan Compensation is W-2 Compensation, including deferrals made under this Plan as mandatory pre-tax employee contributions, any amounts made under a cafeteria (§125) plan, overtime pay, bonuses, holiday pay, fringe benefits (cash or non-cash), deferred compensation, welfare benefits, and other regular pay. Compensation excludes reimbursements or other expense allowances, moving expenses, uniform allowances, and supplemental pay for police officers and firefighters, long-term disability benefits, pay in-lieu-of notice, severance pay, tuition reimbursements, or automobile allowances.

On November 17, 2016, the City approved the creation of a Retirement Health Savings (RHS) Plan that is exempt from income tax when disbursements are made for medical expenses and related health insurance payments and premiums. The initial phase of the RHS plan includes the City Administrator, Assistant City Administrators, and Department Directors. Funds contributed to the RHS plan are not considered wages in pension benefit calculations.

Average Compensation

"Average Compensation" shall mean the average of the Participant's Compensation over the three (3) consecutive whole calendar years of a Participant's Employment during which his Compensation was the greatest out of the last ten (10) calendar years, or over a lesser number of Years of Employment actually served provided, however, that for a Participant who was first hired by the City on or after February 15, 2010, "Average Compensation" shall mean the average of the Participant's Compensation over the five (5) consecutive whole calendar years of a Participant's Employment during which his Compensation was the greatest out of the last ten (10) calendar years or over a lesser number of Years of Employment actually served.

Accrued Benefit

The Accrued Benefit is determined in the same manner as Normal Retirement Benefit using Average Compensation and Service at date of determination.

Participants' Cash Balance Accounts are the account balances on the date of determination.

Normal Retirement

Eligibility

Normal retirement occurs at age 65 and completion of 5 years of Plan participation. With respect to employees hired before July 1, 2006, normal retirement occurs when they complete 25 years of service.

Benefit

For employees hired before July 1, 1995, the benefit formula is the greater of

- 2.00% of Average Compensation multiplied by the number of years of Credited Service, less 50.00% of the monthly Primary Insurance Amount provided under Social Security at the time of retirement, or
- 1.00% of Average Compensation multiplied by the number of years of Credited Service.

For all retirements and terminations after July 1, 2003, the benefit formula is 2.00% of Average Compensation multiplied by the number of years of Credited Service.

Cash Balance Accounts

Cash Balance Accounts include the sum of all pre-tax employee contributions, post-tax employee contributions, discretionary City contributions, and interest credits.

Early Retirement

Eligibility

Completion of ten years of Credited Service and attainment of age 55, or completion of 25 years of Credited Service regardless of age.

Benefit

The benefit is determined under the Accrued Benefit formula stated above, which is based on service and compensation to date, and is payable at age 65. A reduced benefit is payable immediately. The reduction for immediate commencement of benefits is 5% per year for each year preceding normal retirement with a prorated adjustment for partial years, rounded to the nearest month. A participant hired before February 15, 2010 who has attained age 62 with twenty years of Credited Service will receive an Early Retirement Benefit without reduction.

Participants hired after July 1, 2006 and before February 15, 2010 can retire after age 55 with at least 25 year of service with no reduction for early retirement.

Participant's Cash Balance Accounts are the account balances on the Early Retirement Date.

Late Retirement

Benefit

The late retirement benefit is the greater of the benefit determined under Normal Retirement above calculated as of the Normal Retirement Date actuarially increased to the late retirement date, or the benefit determined under Normal Retirement above recognizing pay and service to the late retirement date.

Participants' Cash Balance Accounts are the account balances on the actual Retirement Date.

Disability Retirement

Eligibility

A participant must be totally and permanently disabled.

Benefit

The benefit is the accrued retirement benefit reduced for early payment or deferred to age 65 if the participant is not otherwise eligible to receive a benefit.

Vesting

A participant will be vested in his Accrued Benefit according to the following schedule adopted after January 1, 2003.

Credited Service	Vested Percentage
Less than 5 years	0%
5 years	100%

A participant is 100% vested immediately in all Cash Balance Accounts.

Death before Retirement

Eligibility

Attainment of age 21 and one year of Credited Service is required to be eligible for this benefit upon death.

Benefit

The beneficiary receives the monthly benefit that can be provided by the actuarial present value of the accrued benefit. If the employee dies before becoming eligible for Early Retirement, the beneficiary may receive a Lump Sum equal to the actuarial present value of the accrued benefit.

Death after Retirement

No benefit is payable unless an optional form of settlement has been elected. Otherwise, the benefit is the employee's contributions, plus interest, less the amount of annuity payments paid.

Annuity Forms

The following forms are available:

Normal Form

- The normal form for the monthly benefit is a life annuity benefit. However, each participant married at retirement who does not elect otherwise will receive a joint annuity in a reduced amount providing for a 50% continuation to a surviving spouse.
- The normal form for the Cash Balance Accounts is a lump sum. However, it may be converted to an annuity payable for life with a death benefit refund of the account at the Participant's Retirement Date, minus the sum of the monthly payments that have been made.

Optional Forms

- Contingent options at 50%, 75%, or 100% of the benefit being paid to the beneficiary upon death of the retiree
- Five, ten, and fifteen year certain and life annuities
- Social Security adjustment option
- Special option upon request and granted by the City

Contributions

Mandatory Participant Contributions

Employees that elect to participate, who were first hired by the City on or after February 15, 2010, shall make a mandatory contribution to the Plan in an amount equal to 5% of the Participant's Compensation. Employees are 100% vested in total accumulated contribution without interest.

Pre-Tax Employee Contributions

Employees hired before July 1, 1995 may contribute from 3.00% to 10.00% on a pre-tax basis to a Cash Balance Account. For employees hired on or after July 1, 1995, a 3.00% pre-tax contribution is required, but an additional contribution up to 7% may be made if elected on a one-time basis.

Post-Tax Employee Contributions

Employees may make a voluntary after-tax contribution of 1.00% to 10.00% of annual salary to a Cash Balance Account.

Discretionary City Contributions

The City may make additional contributions to Participants' Cash Balance Accounts on a discretionary basis.

Regular City Contributions

The City will make regular contributions as required to fund the Plan.

Interest on Cash Balance Accounts will be credited each year with interest calculated at the rate for U.S. Treasury Bills as of November 1, of the previous year plus 1.00%. The minimum interest to be credited will be no less than 6.00% per year.

The Historical Cash Balance interest crediting rates are:

Year	Rate
1995	9.08%
1996	7.26%
1997	7.48%
1998	7.11%
1999	6.25%
2000	7.15%
2001	6.78%
2002	6.12%
2003	6.00%
2004	6.12%
2005-2019	6.00%

Summary of actuarial assumptions and methods

Mortality Rates

105% of the RP-2014 Healthy Annuitants and Non-Annuitants, Blue Collar Mortality Tables, Adjusted back to 2006, separate for Males and Females.

Withdrawal Rates

- Tier I and Tier III – The Basic Age Table - 2003 SOA Pension Plan Turnover Study
- Tier II and Tier IV – 115% of The Basic Age Table - 2003 SOA Pension Plan Turnover Study

Disability Rates/Disabled Mortality/Recovery Rates

100% of UAW table for Males and Females

Salary Scale

Sample rates are shown below:

Age	Rate
25	7.50%
30	7.00%
35	6.00%
40	5.00%
45	4.50%
50	4.00%
55	3.50%
60+	3.00%

Rate of Investment Return

Prior to January 1, 2018 – 7.50% per annum

January 1, 2018 – 7.40% per annum

January 1, 2019 – 7.30% per annum

January 1, 2020 – 7.20% per annum

Rate of Retirement

Active Participants are assumed to retire Based on the following:

Tier I - General

		Service			
Age	Under 5	5-6	7-19	20-24	25 & Over
<40	0.00%	0.00%	0.00%	0.00%	0.00%
40-49	0.00%	0.00%	5.00%	5.00%	10.00%
50-54	0.00%	0.00%	5.00%	5.00%	20.00%
55	0.00%	0.00%	5.00%	5.00%	10.00%
56	0.00%	0.00%	5.00%	5.00%	10.00%
57-61	0.00%	0.00%	5.00%	5.00%	10.00%
62	0.00%	0.00%	25.00%	50.00%	50.00%
63-64	0.00%	0.00%	15.00%	25.00%	40.00%
65	0.00%	15.00%	40.00%	40.00%	40.00%
66-69	0.00%	20.00%	20.00%	40.00%	40.00%
70+	0.00%	100.00%	100.00%	100.00%	100.00%

Tiers II & III - General

		Service			
Age	Under 5	05-Jan	19-Jun	20-24	25+
<55	0.00%	0.00%	0.00%	0.00%	0.00%
55	0.00%	0.00%	10.00%	10.00%	12.50%
56	0.00%	0.00%	5.00%	5.00%	10.00%
57-59	0.00%	0.00%	5.00%	5.00%	7.50%
60-61	0.00%	0.00%	5.00%	5.00%	12.50%
62	0.00%	0.00%	25.00%	50.00%	50.00%
63-64	0.00%	0.00%	15.00%	25.00%	25.00%
65-69	0.00%	50.00%	50.00%	50.00%	50.00%
70+	0.00%	100.00%	100.00%	100.00%	100.00%

Rates of Retirement (continued)

Tier I - Police / Fire

Age	Service Under 10	10-19	20-24	25	26	27	28	29 & Over
Under 40	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
40-49	0.00%	0.00%	0.00%	0.00%	0.50%	0.50%	0.50%	0.50%
50	0.00%	0.00%	0.00%	20.00%	20.00%	20.00%	2.00%	2.00%
51	0.00%	0.00%	0.00%	20.00%	20.00%	40.00%	40.00%	40.00%
52	0.00%	0.00%	0.00%	20.00%	20.00%	60.00%	60.00%	60.00%
53	0.00%	0.00%	0.00%	20.00%	20.00%	60.00%	80.00%	80.00%
54	0.00%	0.00%	0.00%	20.00%	20.00%	60.00%	80.00%	80.00%
55	0.00%	10.00%	10.00%	40.00%	60.00%	80.00%	80.00%	80.00%
56-61	0.00%	5.00%	5.00%	20.00%	40.00%	60.00%	80.00%	80.00%
62	0.00%	25.00%	50.00%	50.00%	50.00%	60.00%	80.00%	80.00%
63-64	0.00%	15.00%	25.00%	40.00%	20.00%	40.00%	60.00%	80.00%
64-69	0.00%	40.00%	40.00%	50.00%	20.00%	40.00%	60.00%	80.00%
70+	0.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Tiers II & III - Police / Fire

Service

Age	Under 5	5-9	10-14	20-24	25	26	27	28	29 & Over
<55	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
55	0.00%	0.00%	1.00%	10.00%	20.00%	20.00%	20.00%	20.00%	20.00%
56	0.00%	0.00%	5.00%	5.00%	20.00%	40.00%	40.00%	40.00%	40.00%
57	0.00%	0.00%	5.00%	5.00%	20.00%	40.00%	60.00%	60.00%	60.00%
58	0.00%	0.00%	5.00%	5.00%	20.00%	40.00%	60.00%	80.00%	80.00%
59	0.00%	0.00%	5.00%	5.00%	20.00%	40.00%	60.00%	8.00%	100.00%
60	0.00%	0.00%	5.00%	5.00%	20.00%	40.00%	60.00%	80.00%	100.00%
61	0.00%	0.00%	5.00%	5.00%	20.00%	40.00%	60.00%	80.00%	100.00%
62	0.00%	0.00%	25.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
63-64	0.00%	0.00%	15.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
65-68	0.00%	50.00%	50.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
69	0.00%	10.00%	10.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Valuation method

Entry Age Normal with the unfunded liability reestablished each year

Amortization method

Level Percent of Salary amortization of unfunded liabilities

Provision for Expenses

The expenses are reflected in the interest funding rates.

Form of payment

Participants elect normal form of payment.

Marriage assumptions

100% of both males and females are assumed to be married with husbands 3 years older than their wives.

Other assumptions

Deferred vested participants are assumed to commence at age 65.

Disabled participants are assumed to commence at age 55.

Amortization Period

20 Years Closed Period

Asset valuation method

The asset valuation is equal to the Market value of assets plus any employee and / or employer contributions made for the plan year. The asset information is provided by the City of Franklin, US Bank and Trust and Dahab Associates. The asset amount used in this report was approved by the City.

Changes in Assumptions and Method from prior actuarial valuation

The following assumptions were changed beginning with the January 1, 2020 valuation.

The interest rate assumption has been changed from that used in the prior year report. The change is as follows:

	Prior Year	Current Year
Valuation Rate	7.30%	7.20%
Investment Rate of Return	7.30%	7.20%

Reason: Effective with the 2018 valuation, the City of Franklin has committed to reduce the investment rate of return assumption by 10 basis points each year until the investment rate reaches 7.00%; to better reflect plan's current and future rate of return expectations.

Plan Assets

Balance sheet

The following shows the market value of plan assets by asset for the current year and prior year.

Assets	Beginning of Year	End of Year
Total noninterest bearing cash	0	0
Receivables		
Employer contributions	1,063,614	1,243,458
Income	0	0
Other	0	0
Total Receivables	$ 1,063,614	$ 1,243,458
General investments		
Clearing Account	$ 274,534	$ 1,154,029
Other Clearing Account	0	0
Vanguard International Developing Countries	0	0
RMK Timber	0	0
FIA Timber	1,588,480	1,467,291
Landmark Private Equity	211,770	162,641
RMS Forest Timber	1,079,047	1,147,571
Hamilton Lane	1,864,068	1,437,994
State of Tennesseee	97,772,705	116,444,378
BTG Select II	991,539	268,425
Total Assets	$ 104,845,757	$ 123,325,787
Employer related investments		
Employer securities	0	0
Employer real property	0	0
Buildings and other property used in plan operation	0	0
Total Assets	$ 104,845,757	$ 123,325,787
Liabilities		
Benefit claims payable	0	0
Operating payables	0	0
Other liabilities	0	0
Total Liabilities	$ 0	$ 0
Net Assets	$ 104,845,757	$ 123,325,787

Note: Totals may vary slightly due to rounding

Summary of Operation

Income				
Contributions				
Employer		5,988,709		
Participants		702,598		
Other		0		
	Total Contributions		$	6,691,307
Interest		N/A		
	Total Interest	N/A	$	0
Dividends		N/A		
	Total Dividends		$	0
Net gain (loss) on sale of assets		N/A		
	Gain (Loss)		$	18,743,979
Unrealized appreciation (depreciation) of assets				0
Other income				0
Change in accrued income				0
	Total Income		$	25,435,286
Expenses				
Benefit payments				
Participants/beneficiaries		6,812,691		
Other payments		0		
	Total Payments		$	6,812,691
Administrative expenses		142,565		
	Total Administrative Expenses		$	142,565
	Total Expenses		$	(6,955,256)
Net Income			$	18,480,030

Investment Return

The annualize dollar weighted rate of investment return on market values during the preceding years is set forth below:

Year End	Annualized Rate
December 31, 2019	18.49%
December 31, 2018	(3.06%)
December 31, 2017	16.22%

Development of valuation Assets

The development of valuation assets as of January 1, 2020 for the plan is presented below:

Market Value Assets, January 1, 2020	$ 123,325,787
Benefits Payable	0
Benefits Receivable	0
Fee Reversal	0
Valuation Assets	$ 123,325,787

Reconciliation of Employee Contributions Cash Balance Account

	PreTax Contributions	Post Tax Contributions	Total
As of December 31, 2018	$ 7,106,125	$ 380,425	$ 7,486,550
Employee Contributions	234,762	56,941	291,703
Data Correction	560,245	0	560,245
Interest Credited	426,613	14,810	441,423
Payouts	(1,388,211)	(120,363)	(1,508,574)
Adjustments (Cash Refund Annuity)	(124,443)	0	(124,443)
As of December 31, 2019	$ 6,815,091	$ 331,813	$ 7,146,904

Mandatory Employee Contributions

Mandatory Employee Contributions

	Total Accumulated	2019 Contribution
Tier 3 Employees	$ 1,572,777	$ 361,754

Actuarial Computations

Determination of Supplemental Liability

The unfunded actuarial accrued liability as of January 1, 2020 is determined as follows:

Entry Age Normal Past Service Liability as of January 1, 2020	$	151,162,490
Trust Fund		123,325,787
Unfunded Supplemental Liability as of January 1, 2020	$	27,836,703

Determination of Experience Gain or Loss as of January 1, 2020

Unfunded Actuarial Liability as of January 1, 2019	$	37,903,829
Normal Cost for the prior plan year		2,438,659
Interest at the valuation rate		2,945,002
Contributions for the prior plan year		(6,691,307)
Cash balance increase with interest		300,454
Interest on contributions		(135,330)
Expected Unfunded Actuarial Liability as of January 1, 2020	$	36,761,307
Assumption Changes		1,706,426
Expected Unfunded Actuarial Liability after Changes	$	38,467,733
Actual Unfunded Actuarial Liability as of January 1, 2020		27,836,703
Experience Gain or (Loss)	$	10,631,030

Actuarial Balance Sheet

Actuarial Balance Sheet as of January 1, 2020

Assets		
Trust Fund	$	123,325,787
Unfunded Supplemental Liability		27,836,703
Present Value of Future Normal Cost		14,238,552
Total	$	165,401,042
Liabilities		
Present Value of Benefits		
Retired Participants	$	67,510,981
Deferred Vested Participants		6,314,823
Active Participants		84,428,334
Cash Balance Account		7,146,904
Total	$	165,401,042

Determination of Normal Cost

The Normal Cost attributable to the plan year commencing January 1, 2020 is determined as follows:

Entry Age Normal - Normal Cost	$	2,344,647
Expected Employee Contributions	$	(321,389)
Net Normal Cost	$	2,023,258
Annual Payroll of Participants		30,013,785
Normal Cost Percentage		**6.74%**

Determination of Annual Funding levels

The recommended funding level is calculated as the sum of the normal cost for the plan year, plus amounts required to amortize the initial unfunded liabilities over 30 years plus experience gain/(loss) from the prior year.

		Recommended Funding Level
Normal Cost	$	2,023,258
Amortization Charges		4,006,215
Amortization Credits		(1,181,854)
Interest at the Valuation Rate		213,486
Contribution Amount	**$**	**5,061,105**
Contribution as a Percentage of Total Covered Payroll		**16.86%**

Amortization Bases

Description	Year Established	Original Amount	Period Remaining	Prior Payment	Balance	Current Payment
2014 Unfunded Liability	01/01/2014	4,291,887	12	$ 407,385	$ 3,417,101	$ 405,613
2015 Experience Loss	01/01/2015	3,768,423	15	339,934	3,260,065	338,127
2016 Experience Loss	01/01/2016	13,637,630	16	1,229,493	12,218,472	1,222,585
2017 Experience Loss	01/01/2017	4,381,222	17	394,768	4,050,997	392,435
2018 Change of Assumptions	01/01/2018	1,530,808	18	137,859	1,456,284	137,005
2019 Experience Loss	01/01/2019	13,988,079	19	1,259,384	13,657,889	1,251,238
2019 Change of Assumptions	01/01/2019	1,191,865	19	107,307	1,163,731	106,613
2020 Change of Assumption	01/01/2020	1,706,426	20	N/A	$ 1,706,426	152,600
Total Charges					$ 40,930,965	$ 4,006,215
Weighted average amort period:	10.21686585	period:	16.67033917			

Amortization Credit Bases

Description	Year Established	Original Amount	Period Remaining	Prior Payment	12/31/2019 Balance	Current Payment
2018 Experience Gain	01/01/2018	(2,342,428)	18	$ (210,951)	$ (2,228,392)	$ (209,644)
2019 Other	01/01/2019	(240,517)	19	(21,654)	$ (234,840)	(21,514)
2020 Experience Gain	01/01/2020	(10,631,030)	20	N/A	$ (10,631,030)	(950,696)
Total Credits					$ (13,094,262)	$ (1,181,854)
Total					$ 27,836,703	$ 2,824,361
Weighted average amort period:	11.07942276	period:	19.60597384			

Analysis of Plan Experience

Experience gains and losses occur due to differences between anticipated and actual experience and may over significant periods of observation be important indicators of the accuracy of the actuarial assumptions used in determining contribution levels.

	Gain/(Loss)
Investment	11,053,282
Retirement Decrement	(1,856,951)
Termination Decrement	(2,406,634)
Disability	(83,473)
Retiree Mortality	1,121,591
Compensation Increase	2,366,879
Other Mortality	456,152
Transfers	11,450
Data Corrections	(31,266)
Liability remeasured	0
Total Gain/(Loss)	**10,631,030**

Accrued Benefit Information

In the current regulatory environment, accrued benefit values are utilized for a number of purposes. Information is presented in this table to satisfy those requirements. A description of the terms used herein is set forth below.

Vested accrued retirement benefits are those benefits which each employee has earned as of the valuation date. Vested benefits are calculated in accordance with the normal, early and deferred vested retirement provisions of the plan. The value of these benefits is determined using the actuarial assumptions shown in Basis of Valuation section of this report, including mortality and retirement rates. Similarly, *accrued retirement benefits* are benefits which each employee has earned as of the valuation date without regard to plan vesting provisions. The basis for calculation of these benefits is similar to that of vested accrued retirement benefits except that values attributable to certain otherwise forfeitable benefits are also included.

The *accumulated benefit value* is the current value of accrued retirement benefits determined using the interest rate applied to determine funding requirements. This value is useful, in comparison to plan assets, in evaluating the progress of the funding policy.

Number of Members

Retired	204
Beneficiaries	31
Disabled	3
Deferred Vested	179
Active Fully Vested	403
Active Partially Vested	0
Active Nonvested	63

Total Annual Amount of Vested Accrued Benefits

Retired	5,922,132
Deferred Vested	1,508,928
Active Vested	N/A

	Accumulated Benefit Value
Applicable Interest Rate	7.20%
Present Value of Vested Accrued Benefits	
Retired	$ 67,510,981
Deferred Vested	6,314,823
Active Vested	36,871,144
Total	$ 110,696,948
Present Value of Accrued Benefits	$ 122,667,986
Market Value of Assets	$ 123,325,787

Accumulated Benefit Value Reconciliation

Presented below is a reconciliation of changes in accumulated benefit values during the prior year.

Accumulated Benefit Value, January 1, 2019	$	114,393,433
Benefit accrual during the plan year		5,577,110
Benefit payments		(6,812,691)
Interest		8,102,057
Actuarial assumptions change		0
Plan Amendments		0
Assumption Change		1,408,077
Accumulated Benefit Value, January 1, 2020	$	122,667,986

Participant Data Reconciliation

			Active	Deferred Vested	Retired & Beneficiaries	Disabled
01/01/2019	Participants		494	178	220	3
	New Participants		0	0	0	0
	Vested Terminations		(6)	6	0	0
	Nonvested Terminations		(4)	0	0	0
	Retired		(14)	(3)	17	0
	Disabled		0	0	0	0
	Rehired		0	0	0	0
	Deceased		(1)	(2)	(4)	0
	Lump Sum Payments		0	0	0	0
	Data Corrections		(3)	0	0	0
	Survivors		0	0	2	
	No Further Benefits		0	0	0	0
01/01/2020	Participants		466	179	235	3
Averages						
	Attained Age		47.16	51.23	67.10	70.99
	Past Service		14.30	N/A	N/A	N/A
	Average Salary	$	64,407	N/A	N/A	N/A
	Average Benefit Payment		N/A	$774	$2,097	$1,590

Distribution of Active Participants' Earnings

Annual Earnings by Age

	TIER I			TIER II			TIER III			TOTAL		
Age	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings
Under 20	0	$0	$0	0	$0	$0	0	$0	$0	0	$0	$0
20-24	0	0	0	0	0	0	2	79,123	39,562	2	79,123	39,562
25-29	0	0	0	0	0	0	12	575,254	47,938	12	575,254	47,938
30-34	0	0	0	2	159,148	79,574	32	1,751,846	54,745	34	1,910,995	56,206
35-39	26	1,802,740	69,336	27	1,886,392	69,866	17	997,919	58,701	70	4,687,050	66,958
40-44	39	2,568,683	65,864	18	1,275,091	70,838	15	945,076	63,005	72	4,788,850	66,512
45-49	76	5,320,165	70,002	19	1,235,284	65,015	14	752,018	53,716	109	7,307,468	67,041
50-54	48	3,468,562	72,262	9	666,350	74,039	8	478,423	59,803	65	4,613,335	70,974
55-59	30	2,089,398	69,647	11	644,807	58,619	11	557,896	50,718	52	3,292,101	63,310
60-64	22	1,407,026	63,956	6	413,126	68,854	7	387,710	55,387	35	2,207,861	63,082
65-69	6	513,110	85,518	2	105,318	52,659	5	340,243	68,049	13	958,670	73,744
70-74	0	0	0	0	0	0	1	34,302	34,302	1	34,302	34,302
75-79	0	0	0	0	0	0	0	0	0	0	0	0
80 & Over	1	46,046	46,046	0	0	0	0	0	0	1	46,046	46,046
Total	248	$17,215,729	$69,418	94	$6,385,516	$67,931	124	$6,899,810	$55,644	466	$30,501,055	$65,453

Distribution of Active Participants' Earnings

Annual Earnings by Years of Service

	TIER I			TIER II			TIER III			TOTAL		
Service	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings
Under 5	0	$0	$0	0	$0	$0	63	$3,406,089	$54,065	63	$3,406,089	$54,065
5-9	0	0	0	1	49,029	49,029	61	3,493,721	57,274	62	3,542,750	57,141
14-Oct	40	2,667,763	66,694	93	6,336,487	68,134	0	0	0	133	9,004,250	67,701
15-19	115	7,435,699	64,658	0	0	0	0	0	0	115	7,435,699	64,658
20-24	74	5,521,738	74,618	0	0	0	0	0	0	74	5,521,738	74,618
25-29	12	1,065,225	88,769	0	0	0	0	0	0	12	1,065,225	88,769
30-34	6	435,460	72,577	0	0	0	0	0	0	6	435,460	72,577
35-39	0	0	0	0	0	0	0	0	0	0	0	0
40 & Over	1	89,844	89,844	0	0	0	0	0	0	1	89,844	89,844
Total	248	*$17,215,729*	*$69,418*	94	*$6,385,516*	*$67,931*	124	*$6,899,810*	*$55,644*	466	*$30,501,055*	*$65,453*

Distribution of Active Participants

TIER I										
	Years of Service									
AGE	Under 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	TOTAL
Under 20	0	0	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0
30-34	0	0		0	0	0	0	0	0	0
35-39	0	0	12	14	0	0	0	0	0	26
40-44	0	0	7	25	7	0	0	0	0	39
45-49	0	0	9	27	35	5	0	0	0	76
50-54	0	0	3	20	19	3	3	0	0	48
55-59	0	0	3	13	8	4	2	0	0	30
60-64	0	0	3	13	4	0	1	0	1	22
65-69	0	0	2	3	1	0	0	0	0	6
70-74	0	0	0	0	0	0	0	0	0	0
75 & Over	0	0	1	0	0	0	0	0	0	1
TOTAL	0	0	40	115	74	12	6	0	1	248

Distribution of Active Participants

TIER II										
Years of Service										
AGE	Under 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	TOTAL
Under 20	0	0	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0
30-34	0	0	2	0	0	0	0	0	0	2
35-39	0	0	27	0	0	0	0	0	0	27
40-44	0	0	18	0	0	0	0	0	0	18
45-49	0	0	19	0	0	0	0	0	0	19
50-54	0	0	9	0	0	0	0	0	0	9
55-59	0	1	10	0	0	0	0	0	0	11
60-64	0	0	6	0	0	0	0	0	0	6
65-69	0	0	2	0	0	0	0	0	0	2
70-74	0	0	0	0	0	0	0	0	0	0
75 & Over	0	0	0	0	0	0	0	0	0	0
TOTAL	0	1	93	0	0	0	0	0	0	94

Distribution of Active Participants

TIER III										
	Years of Service									
AGE	Under 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	TOTAL
Under 20	0	0	0	0	0	0	0	0	0	0
20-24	1	1	0	0	0	0	0	0	0	2
25-29	10	2	0	0	0	0	0	0	0	12
30-34	21	11	0	0	0	0	0	0	0	32
35-39	9	8	0	0	0	0	0	0	0	17
40-44	9	6	0	0	0	0	0	0	0	15
45-49	2	12	0	0	0	0	0	0	0	14
50-54	3	5	0	0	0	0	0	0	0	8
55-59	4	7	0	0	0	0	0	0	0	11
60-64	2	5	0	0	0	0	0	0	0	7
65-69	1	4	0	0	0	0	0	0	0	5
70-74	1	0	0	0	0	0	0	0	0	1
75 & Over	0	0	0	0	0	0	0	0	0	0
TOTAL	63	61	0	0	0	0	0	0	0	124

Distribution of Inactive Active Participants with Average Annual Benefit

Attained Age	Beneficiarie	Disabled	Retirees	Terminated Vested	Total
Under 45	3	0	0	51	54
	$2,074	$0	$0	$9,563	$9,147
45-49	0	0	3	38	41
	$0	$0	$41,019	$9,324	$11,643
50-54	0	0	11	32	43
	$0	$0	$46,803	$8,621	$21,342
55-59	2	0	33	19	54
	$6,657	$0	$40,707	$8,984	$29,856
60-64	3	0	33	25	61
	$19,415	$0	$30,443	$7,436	$20,472
65-69	6	1	57	8	72
	$16,171	$5,200	$21,358	$3,420	$18,706
70-74	4	2	44	6	56
	$11,757	$6,939	$25,265	$1,179	$21,065
75-79	4	0	12	0	16
	$3,089	$0	$17,438	$0	$13,851
80-84	4	0	7	0	11
	$16,474	$0	$14,881	$0	$15,460
85-89	4	0	3	0	7
	$15,344	$0	$25,530	$0	$19,710
90 & Over	1	0	1	0	2
	1,082	0	4,513	0	2,797
TOTAL	31	3	204	179	417
	$11,695	$6,325	$27,120	$8,430	$17,801

FINDLEY

Tennessee Consolidated Retirement System

FRANKLIN CITY OF

GASB Statement No. 68

Actuarial Report

Reporting Date: June 30, 2020

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Certification

Accounting Governance Background

Governmental Accounting Standards Board (GASB) Statement No. 68 establishes financial reporting standards for state and local government employers with pension plans that are administered through trusts or equivalent arrangements. The objective of this statement is to improve the usefulness of the information included in employer financial statements.

Purpose and Use

This report has been prepared exclusively for the Tennessee Consolidated Retirement System. Actuarial computations under Statement No. 68 are for purposes of fulfilling employer governmental accounting requirements, and may not be appropriate for other purposes. The calculations reported herein have been made on a basis consistent with our understanding of the statement. Findley is not responsible for consequences resulting from the use of any part of this report without prior authorization or approval. This report provides actuarial advice and does not constitute legal, accounting, tax or investment advice. Determinations for other purposes, such as funding, bond ratings, or judging benefit security, may be significantly different from the results shown in this report.

Actuarial findings in this report are based on actuarial assumptions which reflect expected plan experience. Although the deviation of the actual future plan experience and the expected experience inherently creates some uncertainty with the results, in our opinion the actuarial assumptions reasonably reflect the expected future experience of the plan. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. All of these factors can cause volatility in the Net Pension Liability (Asset) over time.

Data

The calculations shown in this report have been prepared using employee data (including covered-employee payroll) and plan documentation furnished by the Tennessee Consolidated Retirement System as of June 30, 2019. Plan asset information was furnished by the Tennessee Consolidated Retirement System for the twelve month period ending June 30, 2019. While we have not audited the data, we have reviewed it for reasonableness and internal consistency. We have made reasonable assumptions with regard to any incomplete records, and to the best of our knowledge, there are no material limitations to the data provided. A complete summary of the census data utilized in this report is available upon request.

Assumptions, Methods, and Procedures

The results presented in this report comply with the assumptions, methods, and procedures under Statement No. 68. The results are based on a June 30, 2019 actuarial valuation date, a measurement date of June 30, 2019 and a reporting date of June 30, 2020. All assumptions are selected by the TCRS Board of Trustees. Statement No. 68 mandates the use of the Entry Age Normal actuarial funding method.

Subsequent Events

We are unaware of any subsequent events after the actuarial valuation date, measurement date or reporting date which would have a material effect on the results presented in this report.

Changes in Plan Provisions, Actuarial Assumptions, and Actuarial Methods

The mortality improvement assumption adopted with the 2016 experience study utilizes the most current projection scale published by the Society of Actuaries as of the actuarial valuation date. As of June 30, 2019, the projection scale was updated from Scale MP-2017 to Scale MP-2018. This change was included with other experience gains or losses.

No other changes were made to the plan provisions, actuarial assumptions or methods effective June 30, 2019.

Summaries of the plan provisions, actuarial assumptions and methods can be found in the Basis for Valuation section of this report.

Professional Qualifications

This report has been prepared under the supervision of Justin C. Thacker, a member of the American Academy of Actuaries, a Fellow of the Society of Actuaries, and a consulting actuary with Findley, who has met the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions herein. To the best of our knowledge this report has been prepared in accordance with generally accepted actuarial standards and our understanding of Government Accounting Standards Board Statement No. 68, including the overall appropriateness of the analysis, assumptions, and results and conforms to appropriate Standards of Practice as promulgated from time to time by the Actuarial Standards Board, which standards form the basis for the actuarial report. We are not aware of any direct or material indirect financial interest or relationship that could create, or appear to create, a conflict of interest that would impair the objectivity of our work. The undersigned are available to provide supplemental information or explanation.

Justin C. Thacker
Fellow, Society of Actuaries
Enrollment No. 20-6078
Phone 615.665.5387

August 7, 2020
Date

[redacted]
Fellow, Society of Actuaries
Enrollment No. 20-6745
Phone 615.665.5305

August 7, 2020
Date

Basis for Valuation

Summary of Plan Provisions

The actuarial valuation includes all benefits provided by the Tennessee Consolidated Retirement System to the current active and inactive plan members. Benefit provisions include retirement, death and disability benefits. If applicable, post-retirement cost of living adjustments are included. Tennessee state law provides full documentation of the plan provisions. The Tennessee Consolidated Retirement System actuarial valuation funding report as of June 30, 2019 includes a summary of plan provisions.

Summary of Actuarial Assumptions and Methods

Investment Rate of Return

7.25 percent per annum, compounded annually

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, 2016 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 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
U.S. equity	5.69%	31%
Developed market international equity	5.29%	14%
Emerging market international equity	6.36%	4%
Private equity and strategic lending	5.79%	20%
U.S. fixed income	2.01%	20%
Real estate	4.32%	10%
Short-term securities	0.00%	1%
		100%

Discount Rate

7.25 percent per annum, compounded annually

Paragraph 29 of Statement No. 68 provides for an alternative method to be used other than the projection of the pension plan's fiduciary net position based on projected contributions, benefit payments and investment earnings. The current contribution policy requires contributions of the normal cost plus a closed amortization of the unfunded liabilities (not to exceed 30 years from when the unfunded liability was created). In addition, the employer has a documented history of contributing 100 percent of the actuarially determined contribution requirement. The discount rate utilized assumes that employee contributions will be made at the current applicable rate and that contributions from the employer will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the pension funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on these assumptions and the actuarial methodology adopted, the employer's fiduciary net position is expected to remain positive and to be available to make projected future benefit payments of current active and inactive members and to cover administrative expenses. 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.

Actuarial Valuation Method

All liabilities and normal costs shown in this report are calculated based on the Entry Age Normal method.

Asset Valuation Method

Fair Market Value

Amortization Method for GASB Statement No. 68

Level Dollar

Amortization Period for GASB Statement No. 68

Investment gains or losses are amortized over five years. Experience gains or losses and changes in actuarial assumptions are amortized over the average working lifetime of all participants. Plan amendments are recognized immediately.

Additional Assumptions

The Tennessee Consolidated Retirement System actuarial valuation funding report as of June 30, 2019 includes a summary of actuarial assumptions.

Selection of Assumptions

The TCRS Board of Trustees selected the assumptions described above based on the review of plan experience in conjunction with an experience study conducted as of June 30, 2016. A complete plan experience study is conducted every four years.

GASB Statement No. 68

This section presents specific information required under Statement No. 68. The information in this report is to satisfy the employer reporting for the pension plan. This section contains the following:

- Summary of Key Actuarial Assumptions for Statement No. 68
- Employees Covered by Benefit Terms
- Contributions
- Schedule of Changes in the Net Pension Liability (Asset)
- Sensitivity of Net Pension Liability (Asset) to Changes in the Discount Rate
- Pension Expense (Income) and Deferred Outflows/Inflows of Resources
- Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
- Schedule of Contributions

Fiduciary Net Position is the amount of assets available for benefits in the Pension Plan.

Total Pension Liability is the plan liability determined using assumptions listed in the Summary of Actuarial Assumptions.

Net Pension Liability (Asset) is the difference in the Total Pension Liability and the Fiduciary Net Position.

Summary of Key Actuarial Assumptions for GASB Statement No. 68

Reporting Date	June 30, 2020
Measurement Date	June 30, 2019
Actuarial Valuation Date	June 30, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Level dollar
Asset valuation method	Fair market value
Inflation	2.5 percent
Salary increases	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return	7.25 percent, 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-2018 (generational projection)
Cost of living adjustments	2.25 percent, if provided

Employees Covered by Benefit Terms

Inactive employees or beneficiaries currently receiving benefits		0
Inactive employees entitled to but not yet receiving benefits		50
Active employees		144
	Total	194

A complete summary of the census data utilized in this report is available upon request.

Contributions

June 30, 2019 employer contributions	$344,345
Employer contribution rate	6.19%

Schedule of Changes in Net Pension Liability (Asset)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance at June 30, 2018	$335,776	$344,954	$(9,178)
Service cost	372,276		372,276
Interest	51,291		51,291
Changes of benefit terms	0		0
Differences between expected and actual experience	246,960		246,960
Changes of assumptions	0		0
Contributions-employer		344,345	(344,345)
Contributions-employee		278,151	(278,151)
Net investment income		48,394	(48,394)
Benefit payments, including refunds of employee contributions	(1,183)	(1,183)	
Administrative expense		(11,344)	11,344
Other		0	0
Net changes	669,344	658,363	10,981
Balance at June 30, 2019	$1,005,120	$1,003,317	$1,803

Sensitivity of Net Pension Liability (Asset) to Changes in the Discount Rate

The following represents the net pension liability (asset) calculated using the stated discount rate, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.25%)	**Current Rate (7.25%)**	**1% Increase (8.25%)**
Net Pension Liability (Asset)	$268,805	$1,803	$(199,779)

Pension Expense (Income) and Deferred Outflows/Inflows of Resources

	Pension Expense (Income)
Service cost	$372,276
Interest	51,291
Changes of benefit terms	0
Contributions-employees	(278,151)
Projected investment income	(47,121)
Recognition of experience (gains)/losses	37,140
Recognition of investment (gains)/losses	(795)
Recognition of assumption changes	0
Administrative expense	11,344
Other changes in plan fiduciary net position	0
Pension Expense (Income)	$145,984

For the year ended June 30, 2020, the recognized pension expense (income) is $145,984. At June 30, 2020, deferred outflows of resources and deferred inflows of resources related to pensions are from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$342,017	$0
Changes of assumptions	0	0
Net difference between projected and actual earnings of pension plan investments	0	2,487
Total	$342,017	$2,487

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Outflows (a)	Inflows (b)	Amount Reported (a) + (b)
2020	$37,140	$(795)	$36,345
2021	37,140	(795)	36,345
2022	37,140	(795)	36,345
2023	37,140	(645)	36,495
2024	37,140	(255)	36,885
2025	37,140	0	37,140
Thereafter	156,322	0	156,322

Development of Deferred Outflows and Deferred Inflows

	Original Amount	Date Established	Original Period	Amount Recognized in Expense	Deferred Outflow Amount	Deferred Inflow Amount
Experience (gains) / losses	$246,960	06/30/2020	11	$22,451	$224,509	$0
	$146,886	06/30/2019	10	$14,689	$117,508	$0
	$0	06/30/2018	11	$0	$0	$0
	$0	06/30/2017	0	$0	$0	$0
	$0	06/30/2016	0	$0	$0	$0
	$0	06/30/2015	0	$0	$0	$0
		Total		**$37,140**	**$342,017**	**$0**
Investment (gains) / losses	$(1,273)	06/30/2020	5	$(255)	$0	$(1,018)
	$(1,948)	06/30/2019	5	$(390)	$0	$(1,168)
	$(751)	06/30/2018	5	$(150)	$0	$(301)
	$0	06/30/2017	0	$0	$0	$0
	$0	06/30/2016	0	$0	$0	$0
	$0	06/30/2015	0	$0	$0	$0
		Total		**$(795)**	**$0**	**$(2,487)**
Assumption changes	$0	06/30/2020	0	$0	$0	$0
	$0	06/30/2019	0	$0	$0	$0
	$0	06/30/2018	11	$0	$0	$0
	$0	06/30/2017	0	$0	$0	$0
	$0	06/30/2016	0	$0	$0	$0
	$0	06/30/2015	0	$0	$0	$0
		Total		**$0**	**$0**	**$0**

Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios

(year shown is June 30 measurement date)

	2019
Total Pension Liability	
Service cost	$372,276
Interest	51,291
Changes of benefit terms	0
Differences between expected and actual experience	246,960
Changes of assumptions	0
Benefit Payments, including refunds of employee contributions	(1,183)
Net Change in Total Pension Liability (Asset)	669,344
Total Pension Liability (Asset) - beginning	335,776
Total Pension Liability (Asset) - ending (a)	$1,005,120
Plan Fiduciary Net Position	
Contributions - employer	$344,345
Contributions - employee	278,151
Net investment income	48,394
Benefit Payments, including refunds of employee contributions	(1,183)
Administrative expenses	(11,344)
Other	0
Net Change in Plan Fiduciary Net Position	$658,363
Plan Fiduciary Net Position - beginning	344,954
Plan Fiduciary Net Position - ending (b)	$1,003,317
Net Pension Liability (Asset) - ending (a) - (b)	$1,803
Plan Fiduciary Net Position as a % of the Total Pension Liability	99.82%
Covered-employee payroll	$5,563,006
Net Pension Liability (Asset) as a % of covered-employee payroll	0.03%

Schedule of Contributions

(Information to be inserted as of the employer's most recent fiscal year end)

	2019	2020
Actuarially determined contribution	$344,345	(Entity to insert)
Contributions in relation to the actuarially determined contribution	344,345	(Entity to insert)
Contribution deficiency (excess)	$0	(Entity to insert)
Covered-employee payroll	$5,563,006	(Entity to insert)
Contributions as a percentage of covered-employee payroll	6.19%	(Entity to insert)

Notes to Schedule

Actuarially determined contribution rates for the year ended June 30, 2020 are based on the results of the June 30, 2018 actuarial valuation. Detailed below are the methods and assumptions used in the June 30, 2018 actuarial valuation.

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar, closed (not to exceed 20 years)
Remaining amortization period (years)	Various
Asset valuation method	10-year smoothed within a 20 percent corridor to market value
Inflation	2.5 percent
Salary increases	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return	7.25 percent, 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 percent, if provided

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City of Franklin

Monthly Reports for October 2020

EXECUTIVE SUMMARY

Schedule 1: Local Sales Tax (July 2020)

The local sales tax remittance from the State of Tennessee for July 2020 sales (received by the City in September 2020) was $3,000,773 compared to $3,011,846 for the same month in 2019, a monthly year over year decrease of $11,073 or 0.4%.

The year-to-date decrease over last fiscal year is 0.4%.

Schedule 2: Building Permits (August 2020)

2021 year-to-date is more than 2020 by 22.8%, and compared to 2021 budget is more by 17.1%.

Schedule 3: Road Impact Fees * (August 2020)

Combined 2021 year-to-date compared to 2020 is 112.0% more, and compared to 2021 budget is more by 173.0%. By quadrant, Arterial Area 2021 year-to-date compared to 2020 is 85.5% more, and compared to 2021 budget is more by 119.3%. Coll Area 1 2021 year-to-date compared to 2020 is 712.6% more, and compared to 2021 budget is more by 279.0%; Coll Area 2 2021 year-to-date compared to 2020 is 153.0% more, and compared to 2021 budget is more by 876.5%; Coll Area 3 2021 year-to-date compared to 2020 is 7.4% less, and compared to 2021 budget is more by 45.1%; Coll Area 4 2021 year-to-date compared to 2020 is equal, and compared to 2021 budget is less by 78.6%.

Schedule 4: Facilities Tax (City) * (August 2020)

2021 year-to-date compared to 2020 is 112.7% more, and compared to 2021 budget is more by 238.5%.

Schedule 5: Facilities Tax (County) * (August 2020)

2021 year-to-date compared to 2020 is 1.5% more, and compared to 2021 budget is 45.2% more.

Schedule 6: Gasoline Taxes (State Street Aid Fund) (July 2020)

The gasoline tax remittance from the State of Tennessee for July 2020 sales (received by the City in September 2020) was $224,996 compared to $246,917 for the same month in 2019, a decrease of $21,922 or 8.9%.
For budget comparisons, the City anticipated collections of $207,151 for July 2020, a difference of $17,845 more, or 8.6%. The year-to-date increase over last fiscal year is 8.6%.

Schedule 7: Hotel/Motel Tax (July 2020)

2021 year-to-date compared to 2020 is 54.3% less, and compared for 2021 budget is less by 59.0%.

Schedule 8: Conference Center (August 2020)

The City's ½ share of the loss for August 2020 was $14,974. In August 2019, the City's ½ share of the profit was $49,885.

Schedule 9: City of Franklin Grants (July 2020)

The City currently has Thirty-seven (37) Grants totaling $70.2 million with $45.2 million remaining to be spent.

*** 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.**

City of Franklin

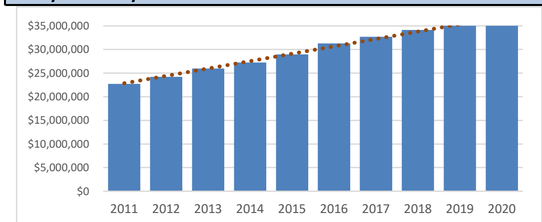
Finance Department - Monthly Reports

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 current 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 contributes its share of the .5% increase to the County's School Debt Service. The County withholds the contribution for school debt service from the amount remitted to the City. Finance will track the 36 month contribution period, to end with March 2021 sales (to be received in May 2021).

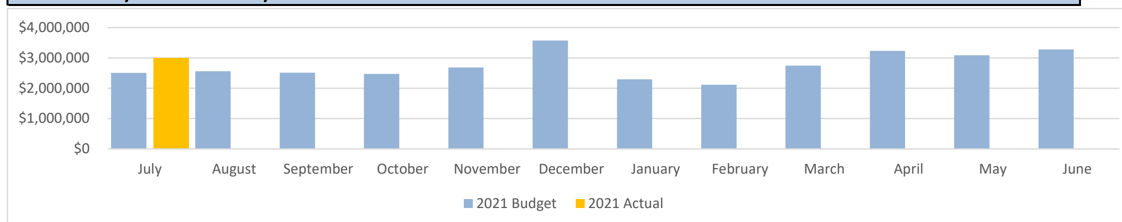
Monthly Report for October 2020: The local sales tax remittance from the State of Tennessee for July 2020 sales (received by the City in September 2020) was $3,000,773 compared to $3,011,864 for the same month in 2019, a monthly year over year decrease $11,073, or 0.4% less. September receipts (July sales) are the first month of the FY 2021 fiscal year for both the City of Franklin and the State of Tennessee.
The additional local option sales tax rate of 0.50%, for a total local rate of 2.75%, became effective April 1, 2018. The City of Franklin has pledged its 2nd half share of this additional tax to School Debt Service for a period of 3 years. For July 2020, the funds foregone by the City and contributed to Schools is $651,963. Total contribution to date to Schools from the City's portion is $16,826,489.

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
2011	$22,720,666	$1,750,845	8.3%	
2012	$24,197,413	$1,476,747	6.5%	
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%	$7,430,205
Average Increase (Decrease)		**$ 1,448,356**	**5.4%**	**$ 16,174,526**

FY20 Month by Month Summary



Month	2020 Actual	2021 Budget	2021 Actual	$ Inc./(Dec.) from 2020 Actual	% Inc./(Dec.) from 2020 Actual	$ Inc./(Dec.) from 2021 Budget	% Inc./(Dec.) from 2021 Budget	Contribution to County School Debt .5% Apr 2018-Mar 2021
July	$3,011,846	$2,502,756	$3,000,773	($11,073)	-0.4%	$498,017	19.9%	$651,963
August	$2,938,112	$2,563,855			0.0%		0.0%	
September	$2,947,162	$2,514,693			0.0%		0.0%	
October	$3,002,662	$2,470,211			0.0%		0.0%	
November	$3,109,876	$2,685,091			0.0%		0.0%	
December	$4,115,721	$3,570,374			0.0%		0.0%	
January	$2,822,778	$2,290,638			0.0%		0.0%	
February	$2,605,705	$2,118,785			0.0%		0.0%	
March	$2,744,230	$2,742,322			0.0%		0.0%	
April	$2,257,522	$3,229,288			0.0%		0.0%	
May	$2,781,549	$3,088,682			0.0%		0.0%	
June	$3,116,217	$3,278,691			0.0%		0.0%	
	$35,453,379	**$33,055,386**	**$3,000,773**	**($11,073)**	**-0.4%**	**$498,017**	**19.9%**	**$651,963**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*	*Total*
				($11,073)		**$498,017**		
				Total		*Total*		

City of Franklin

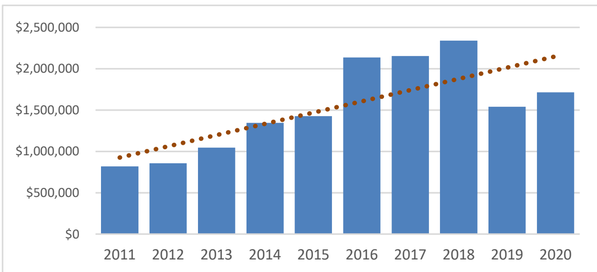
Finance Department - Monthly Reports

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.

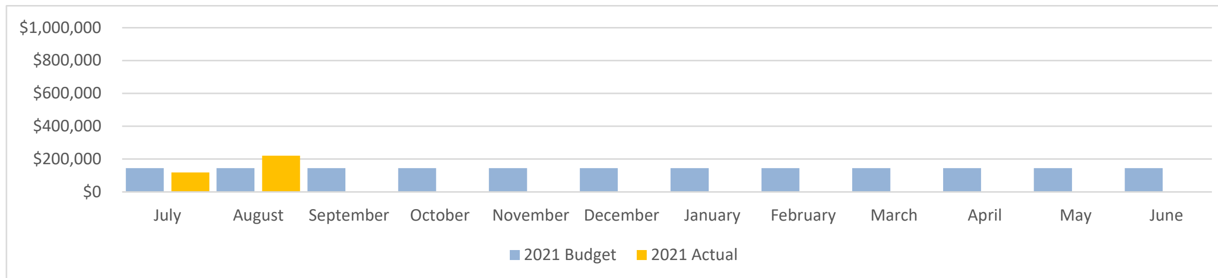
Monthly Report for October 2020: 2021 year-to-date is more than 2020 by 22.8%, and compared to 2021 budget is more by 17.1%.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2011	$820,111	$389,210	90.3%
2012	$855,409	$35,298	4.3%
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	$175,045	11.4%
Average Increase (Decrease)		**$ 128,380**	**18.8%**

FY20 Month by Month Summary



Month	2020 Actual	2021 Budget	2021 Actual	$ Inc./(Dec.) from 2020 Actual	% Inc./(Dec.) from 2020 Actual	$ Inc./(Dec.) from 2021 Budget	% Inc./(Dec.) from 2021 Budget
July	$134,388	$144,940	$118,573	($15,815)	-11.8%	($26,367)	-18.2%
August	$141,906	$144,940	$220,795	$78,889	55.6%	$75,855	52.3%
September	$121,752	$144,940			0.0%		0.0%
October	$265,909	$144,940			0.0%		0.0%
November	$203,955	$144,940			0.0%		0.0%
December	$111,335	$144,940			0.0%		0.0%
January	$84,128	$144,940			0.0%		0.0%
February	$124,555	$144,940			0.0%		0.0%
March	$129,053	$144,940			0.0%		0.0%
April	$133,885	$144,940			0.0%		0.0%
May	$82,245	$144,940			0.0%		0.0%
June	$181,589	$144,940			0.0%		0.0%
	$1,714,700 *Total*	**$1,739,284** *Total*	**$339,368** *Total*	**$31,537** *Average* **$63,074** *Total*	**22.8%** *Average*	**$24,744** *Average* **$49,487** *Total*	**17.1%** *Average*

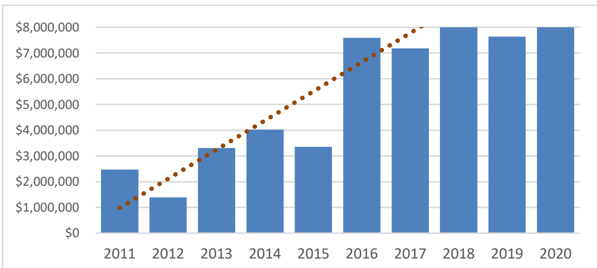
Schedule 3:	Road Impact Fees	Fund	Road Impact	Account:	128-(32800-32804)-00000

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 may begin. This report will be updated to show those collections when they occur.

Monthly Report for October 2020: 2021 year-to-date compared to 2020 is 112.0% more, and compared to 2021 budget is more by 173.0%.

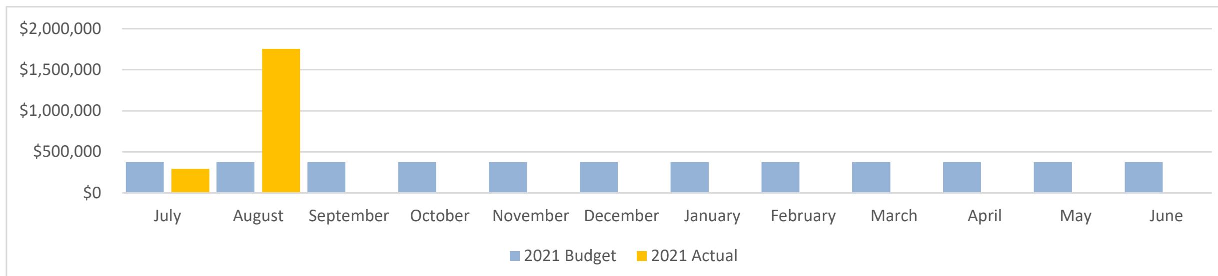
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2011	$2,466,846	$1,837,652	292.1%
2012	$1,391,645	($1,075,201)	-43.6%
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	$7,638,442	($3,947,058)	-34.1%
2020	$12,251,152	$4,612,710	60.4%
Average Increase (Decrease)		**$ 1,162,196**	**59.9%**

FY20 Month by Month Summary



Month	2020 Actual	2021 Budget	2021 Actual	$ Inc./(Dec.) from 2020 Actual	% Inc./(Dec.) from 2020 Actual	$ Inc./(Dec.) from 2021 Budget	% Inc./(Dec.) from 2021 Budget
July	$457,068	$375,000	$293,215	($163,853)	-35.8%	($81,785)	-21.8%
August	$508,801	$375,000	$1,754,297	$1,245,496	244.8%	$1,379,297	367.8%
September	$342,306	$375,000			0.0%		0.0%
October	$3,287,061	$375,000			0.0%		0.0%
November	$2,600,341	$375,000			0.0%		0.0%
December	$591,841	$375,000			0.0%		0.0%
January	$187,810	$375,000			0.0%		0.0%
February	$488,494	$375,000			0.0%		0.0%
March	$962,610	$375,000			0.0%		0.0%
April	$1,041,012	$375,000			0.0%		0.0%
May	$203,187	$375,000			0.0%		0.0%
June	$1,580,621	$375,000			0.0%		0.0%
	$12,251,152	**$4,500,000**	**$2,047,512**	**$540,821**	**112.0%**	**$648,756**	**173.0%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$1,081,643		**$1,297,512**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

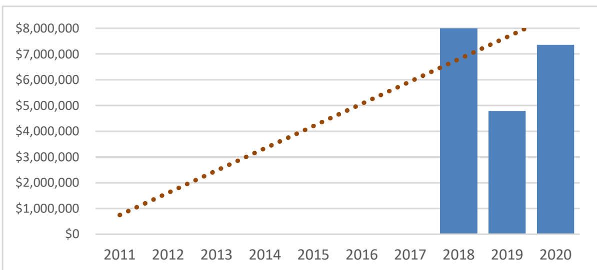
Schedule 3A:	**Arterial Area**	**Fund**	**Road Impact**	**Account:**	**128-32800-00000**

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. Effective 7/1/2017, collections pertaining to collector roads within the 4 quadrants of Franklin may begin. This report will be updated to show those collections when they occur.

Monthly Report for October 2020: 2021 year-to-date compared to 2020 is 85.5% more, and compared to 2021 budget is more by 119.3%.

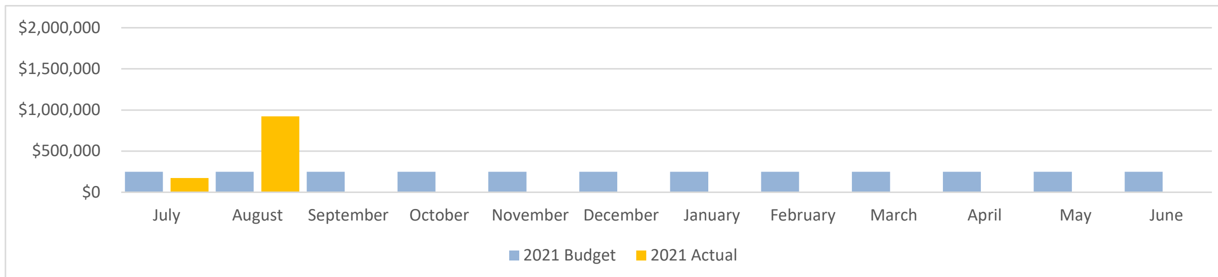
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2011			
2012			
2013			
2014	Breakdown between Quadrants began in FY 2019.		
2015			
2016			
2017			
2018	$11,585,500	$11,585,500	100.0%
2019	$4,785,438	($6,800,062)	-58.7%
2020	$7,359,092	$2,573,654	53.8%
Average Increase (Decrease)		**$ 2,453,031**	

FY20 Month by Month Summary



Month	2020 Actual	2021 Budget	2021 Actual	$ Inc./(Dec.) from 2020 Actual	% Inc./(Dec.) from 2020 Actual	$ Inc./(Dec.) from 2021 Budget	% Inc./(Dec.) from 2021 Budget
July	$280,019	$250,000	$174,511	($105,508)	-37.7%	($75,489)	-30.2%
August	$310,836	$250,000	$921,741	$610,905	196.5%	$671,741	268.7%
September	$205,476	$250,000			0.0%		0.0%
October	$1,973,736	$250,000			0.0%		0.0%
November	$1,552,456	$250,000			0.0%		0.0%
December	$354,347	$250,000			0.0%		0.0%
January	$117,719	$250,000			0.0%		0.0%
February	$299,720	$250,000			0.0%		0.0%
March	$573,930	$250,000			0.0%		0.0%
April	$622,588	$250,000			0.0%		0.0%
May	$126,099	$250,000			0.0%		0.0%
June	$942,166	$250,000			0.0%		0.0%
	$7,359,092	**$3,000,000**	**$1,096,252**	**$252,699**	**85.5%**	**$298,126**	**119.3%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$505,397		**$596,252**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

Schedule 3B:	Coll Area 1	Fund	Road Impact	Account:	128-32801-00000

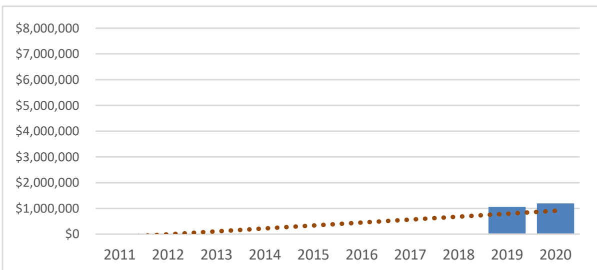
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds 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. Effective 7/1/2017, collections pertaining to collector roads within the 4 quadrants of Franklin may begin. This report will be updated to show those collections when they occur.

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 October 2020: 2021 year-to-date compared to 2020 is 712.6% more, and compared to 2021 budget are more by 279.0%.

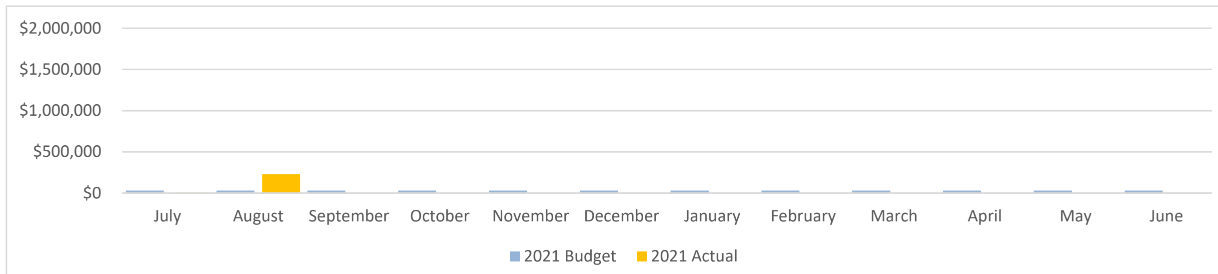
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2011	Breakdown between Quadrants began in FY 2019.		
2012			
2013			
2014			
2015			
2016			
2017			
2018	$0	$0	
2019	$1,057,313	$1,057,313	100.0%
2020	$1,200,036	$142,723	13.5%
Average Increase (Decrease)	$ 400,012		

FY20 Month by Month Summary



Month	2020 Actual	2021 Budget	2021 Actual	$ Inc./(Dec.) from 2020 Actual	% Inc./(Dec.) from 2020 Actual	$ Inc./(Dec.) from 2021 Budget	% Inc./(Dec.) from 2021 Budget
July	$18,633	$31,250	$8,484	($10,149)	-54.5%	($22,766)	-72.9%
August	$10,519	$31,250	$228,391	$217,872	2071.2%	$197,141	630.9%
September	$45,163	$31,250			0.0%		0.0%
October	$5,209	$31,250			0.0%		0.0%
November	$961,045	$31,250			0.0%		0.0%
December	$102,538	$31,250			0.0%		0.0%
January	$0	$31,250			0.0%		0.0%
February	$6,680	$31,250			0.0%		0.0%
March	$6,680	$31,250			0.0%		0.0%
April	$3,340	$31,250			0.0%		0.0%
May	$6,680	$31,250			0.0%		0.0%
June	$33,549	$31,250			0.0%		0.0%
	$1,200,036 *Total*	**$375,000** *Total*	**$236,875** *Total*	**$103,862** *Average* **$207,723** *Total*	**712.6%** *Average*	**$87,188** *Average* **$174,375** *Total*	**279.0%** *Average*

City of Franklin

Finance Department - Monthly Reports

Schedule 3C:	Coll Area 2	Fund	Road Impact	Account:	128-32802-00000

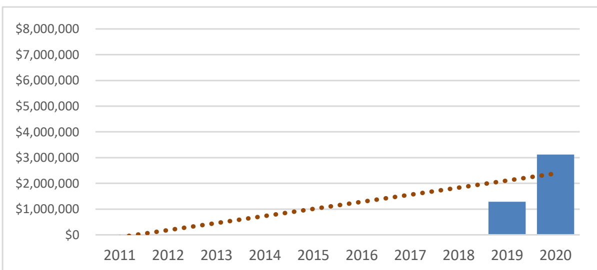
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds 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. Effective 7/1/2017, collections pertaining to collector roads within the 4 quadrants of Franklin may begin. This report will be updated to show those collections when they occur.

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 October 2020: 2021 year-to-date compared to 2020 is 153.0% more, and compared to 2021 budget is more by 876.5%.

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.

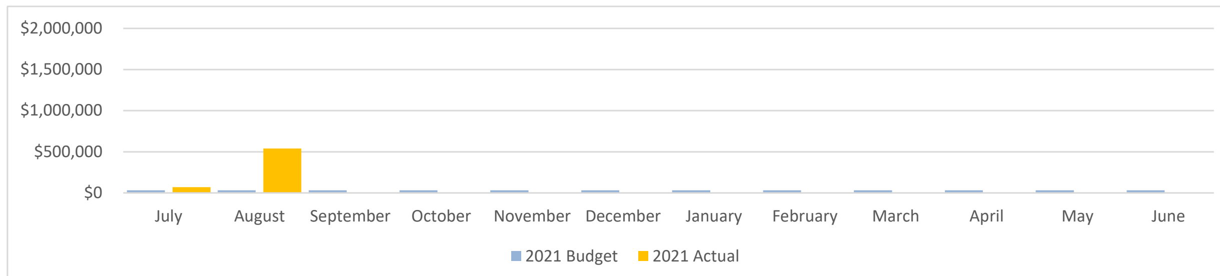
Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2011	Breakdown between Quadrants began in FY 2019.		
2012			
2013			
2014			
2015			
2016			
2017			
2018			
2019	$1,282,977	$1,282,977	100.0%
2020	$3,118,015	$1,835,038	143.0%

Average Increase (Decrease) $ 1,559,008

FY20 Month by Month Summary



Month	2020 Actual	2021 Budget	2021 Actual	$ Inc./(Dec.) from 2020 Actual	% Inc./(Dec.) from 2020 Actual	$ Inc./(Dec.) from 2021 Budget	% Inc./(Dec.) from 2021 Budget
July	$109,852	$31,250	$70,140	($39,712)	-36.2%	$38,890	124.4%
August	$131,411	$31,250	$540,169	$408,758	311.1%	$508,919	1628.5%
September	$30,060	$31,250			0.0%		0.0%
October	$1,203,446	$31,250			0.0%		0.0%
November	$53,440	$31,250			0.0%		0.0%
December	$63,460	$31,250			0.0%		0.0%
January	$54,927	$31,250			0.0%		0.0%
February	$120,170	$31,250			0.0%		0.0%
March	$351,940	$31,250			0.0%		0.0%
April	$381,684	$31,250			0.0%		0.0%
May	$47,028	$31,250			0.0%		0.0%
June	$570,597	$31,250			0.0%		0.0%
	$3,118,015	**$375,000**	**$610,309**	**$184,523**	**153.0%**	**$273,905**	**876.5%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$369,046		**$547,809**	
				Total		*Total*	

City of Franklin
Finance Department - Monthly Reports

Schedule 3D:	Coll Area 3	Fund	Road Impact	Account:	128-32803-00000

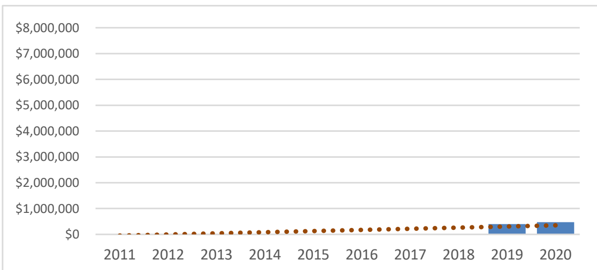
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds 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. Effective 7/1/2017, collections pertaining to collector roads within the 4 quadrants of Franklin may begin. This report will be updated to show those collections when they occur.

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 October 2020: 2021 year-to-date compared to 2020 is 7.4% less, and compared to 2021 budget are more by 45.1%.

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.

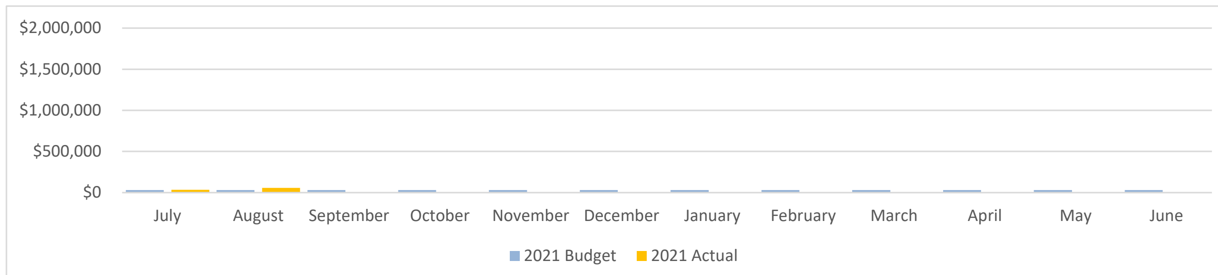
Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2011	Breakdown between Quadrants began in FY 2019.		
2012			
2013			
2014			
2015			
2016			
2017			
2018	$0	$0	
2019	$396,897	$396,897	100.0%
2020	$472,760	$75,863	19.1%

Average Increase (Decrease) $ 75,863

FY20 Month by Month Summary



Month	2020 Actual	2021 Budget	2021 Actual	$ Inc./(Dec.) from 2020 Actual	% Inc./(Dec.) from 2020 Actual	$ Inc./(Dec.) from 2021 Budget	% Inc./(Dec.) from 2021 Budget
July	$41,884	$31,250	$33,400	($8,484)	-20.3%	$2,150	6.9%
August	$56,035	$31,250	$57,316	$1,281	2.3%	$26,066	83.4%
September	$61,607	$31,250			0.0%		0.0%
October	$68,431	$31,250			0.0%		0.0%
November	$33,400	$31,250			0.0%		0.0%
December	$36,546	$31,250			0.0%		0.0%
January	$8,484	$31,250			0.0%		0.0%
February	$58,584	$31,250			0.0%		0.0%
March	$30,060	$31,250			0.0%		0.0%
April	$26,720	$31,250			0.0%		0.0%
May	$16,700	$31,250			0.0%		0.0%
June	$34,309	$31,250			0.0%		0.0%
	$472,760 *Total*	**$375,000** *Total*	**$90,716** *Total*	**($3,602)** *Average* **($7,203)** *Total*	**-7.4%** *Average*	**$14,108** *Average* **$28,216** *Total*	**45.1%** *Average*

City of Franklin

Finance Department - Monthly Reports

Schedule 3E:	Coll Area 4	Fund	Road Impact	Account:	128-32804-00000

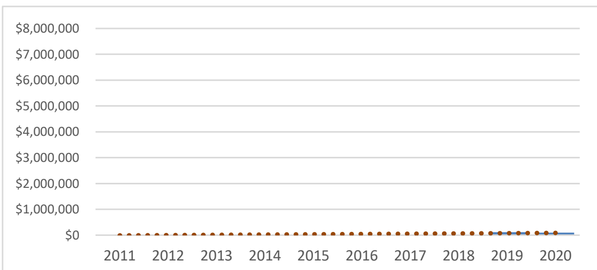
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds 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. Effective 7/1/2017, collections pertaining to collector roads within the 4 quadrants of Franklin may begin. This report will be updated to show those collections when they occur.

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 October 2020: 2021 year-to-date compared to 2020 is 100% more, and compared to 2021 budget are less by 78.6%.

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.

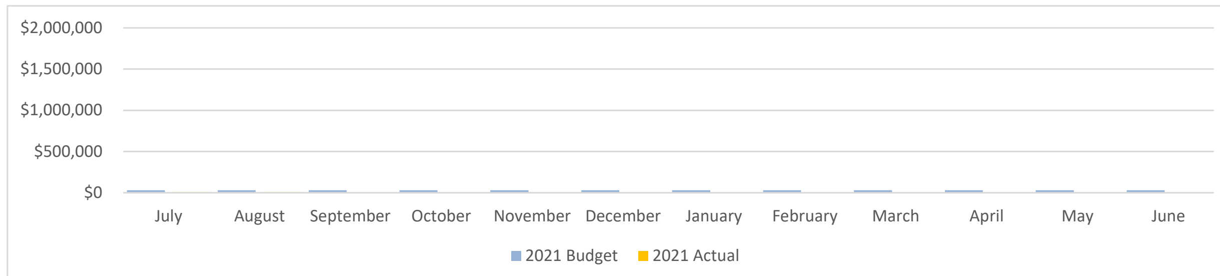
Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2011	Breakdown between Quadrants began in FY 2019.		
2012			
2013			
2014			
2015			
2016			
2017			
2018	$0	$0	
2019	$115,817	$115,817	100.0%
2020	$101,249	($14,568)	-12.6%

Average Increase (Decrease) $ (14,568)

FY20 Month by Month Summary



Month	2020 Actual	2021 Budget	2021 Actual	$ Inc./(Dec.) from 2020 Actual	% Inc./(Dec.) from 2020 Actual	$ Inc./(Dec.) from 2021 Budget	% Inc./(Dec.) from 2021 Budget
July	$6,680	$31,250	$6,680	$0	0.0%	($24,570)	-78.6%
August	$0	$31,250	$6,680	$6,680	0.0%	($24,570)	-78.6%
September	$0	$31,250			0.0%		0.0%
October	$36,239	$31,250			0.0%		0.0%
November	$0	$31,250			0.0%		0.0%
December	$34,950	$31,250			0.0%		0.0%
January	$6,680	$31,250			0.0%		0.0%
February	$3,340	$31,250			0.0%		0.0%
March	$0	$31,250			0.0%		0.0%
April	$6,680	$31,250			0.0%		0.0%
May	$6,680	$31,250			0.0%		0.0%
June	$0	$31,250			0.0%		0.0%
	$101,249	**$375,000**	**$13,360**	**$3,340**	**100.0%**	**($24,570)**	**-78.6%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$6,680		**($49,140)**	
				Total		*Total*	

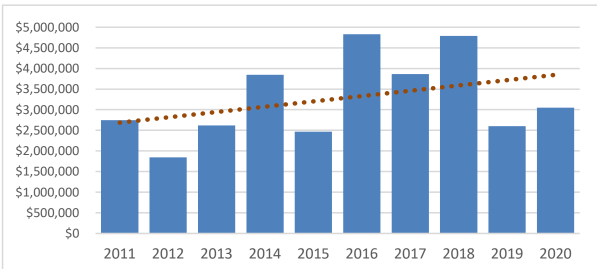
Schedule 4:	Facilities Tax (City)	Fund	Facilities Tax	Account:	130-31600-00000

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 October 2020: 2021 year-to-date compared to 2020 is 112.7% more, and compared to 2021 budget is more by 238.5%.

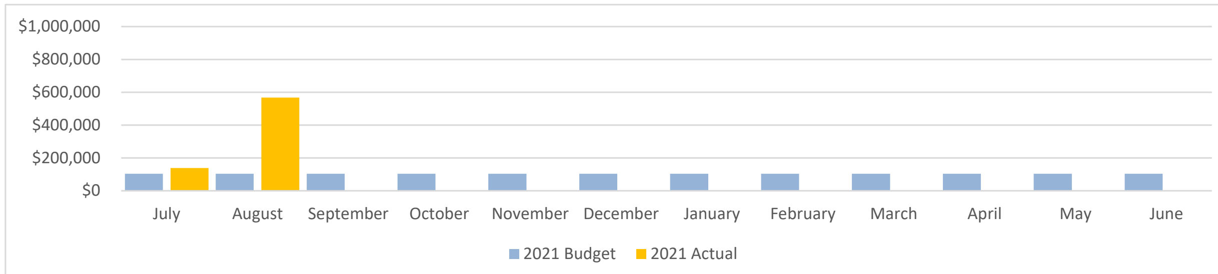
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2011	$2,748,927	$1,785,179	185.2%
2012	$1,845,690	($903,237)	-32.9%
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%
Average Increase (Decrease)		**$208,736**	**27.7%**

FY20 Month by Month Summary



Month	2020 Actual	2021 Budget	2021 Actual	$ Inc./(Dec.) from 2020 Actual	% Inc./(Dec.) from 2020 Actual	$ Inc./(Dec.) from 2021 Budget	% Inc./(Dec.) from 2021 Budget
July	$166,390	$104,167	$137,965	($28,425)	-17.1%	$33,798	32.4%
August	$165,263	$104,167	$567,347	$402,084	243.3%	$463,180	444.7%
September	$131,262	$104,167			0.0%		0.0%
October	$685,211	$104,167			0.0%		0.0%
November	$514,554	$104,167			0.0%		0.0%
December	$151,610	$104,167			0.0%		0.0%
January	$97,669	$104,167			0.0%		0.0%
February	$169,431	$104,167			0.0%		0.0%
March	$232,369	$104,167			0.0%		0.0%
April	$260,000	$104,167			0.0%		0.0%
May	$104,027	$104,167			0.0%		0.0%
June	$373,324	$104,167			0.0%		0.0%
	$3,051,110	**$1,250,000**	**$705,312**	**$186,830**	**112.7%**	**$248,489**	**238.5%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$373,659		**$496,979**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

Schedule 5:	Facilities Tax (County)	Fund	Facilities Tax (County)	Account:	132-31600-00000

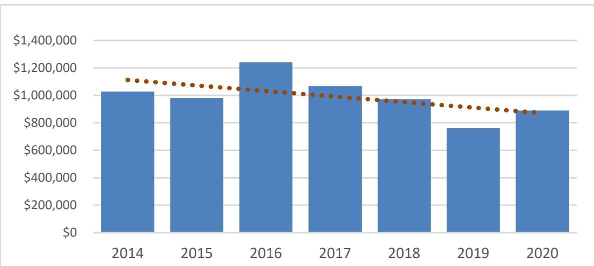
Summary: City's share of Williamson county's Adequate School Facilities Tax. 30% of the proceeds are distributed to the incorporated cities within the county, and an additional 30% is divided pro rata among the incorporated cities based on population in the last decennia census. All funds are to be used 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 October 2020: 2021 year-to-date compared to 2020 is 1.5% more, and compared to 2020 budget is 45.2% more.

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.

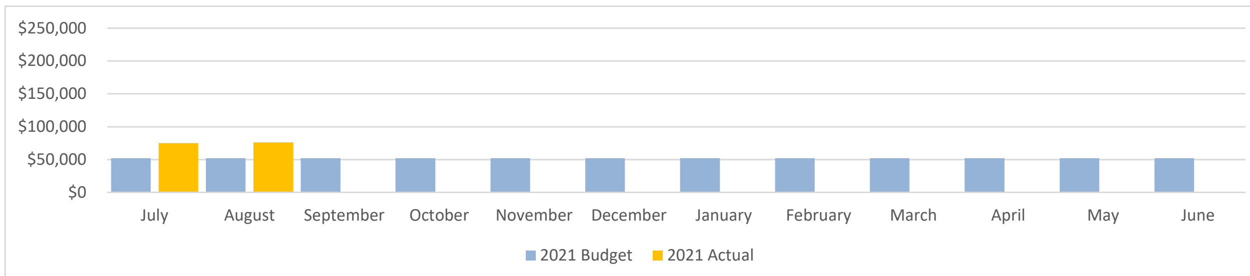
Note: Recorded in Capital Projects Fund beginning in FY 2011 (as per Resolution 2010-69). In June 2017, the County Facilities Tax Fund was created. Funds remaining in the Capital Projects Fund were transferred to the new fund.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2011	County Facilities Tax receipts began in FY 2012.		
2012	$672,961	$672,961	100.0%
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	$889,426	$129,553	17.0%
Average Increase (Decrease)		**$ 27,058**	**5.2%**

FY20 Month by Month Summary



Month	2020 Actual	2021 Budget	2021 Actual	$ Inc./(Dec.) from 2020 Actual	% Inc./(Dec.) from 2020 Actual	$ Inc./(Dec.) from 2021 Budget	% Inc./(Dec.) from 2021 Budget
July	$72,832	$52,083	$75,154	$2,322	3.2%	$23,070	44.3%
August	$76,092	$52,083	$76,068	($24)	0.0%	$23,985	46.1%
September	$87,657	$52,083			0.0%		0.0%
October	$57,229	$52,083			0.0%		0.0%
November	$99,791	$52,083			0.0%		0.0%
December	$88,107	$52,083			0.0%		0.0%
January	$118,070	$52,083			0.0%		0.0%
February	$59,955	$52,083			0.0%		0.0%
March	$58,136	$52,083			0.0%		0.0%
April	$78,441	$52,083			0.0%		0.0%
May	$52,045	$52,083			0.0%		0.0%
June	$41,071	$52,083			0.0%		0.0%
	$889,426	**$625,000**	**$151,222**	**$1,149**	**1.5%**	**$23,528**	**45.2%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$2,298		**$47,055**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

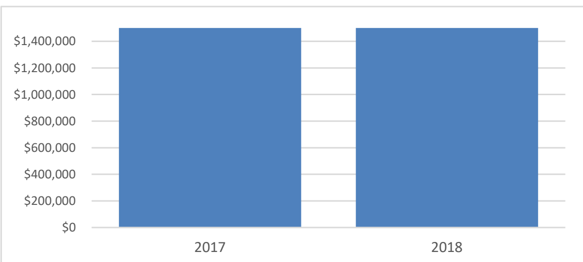
Schedule 6:	Gasoline Tax	Fund	Street Aid	Account:	121-33220-00000

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 for each of the next two years. The tax on diesel will increase a total of 10 cents over the next 3 years.

Monthly Report for October 2020: The gasoline tax remittance from the State of Tennessee for July 2020 sales (received by the City in September 2020) was $224,996 compared to $246,917 for the same month in 2019, a decrease of $21,922 or 8.9%.

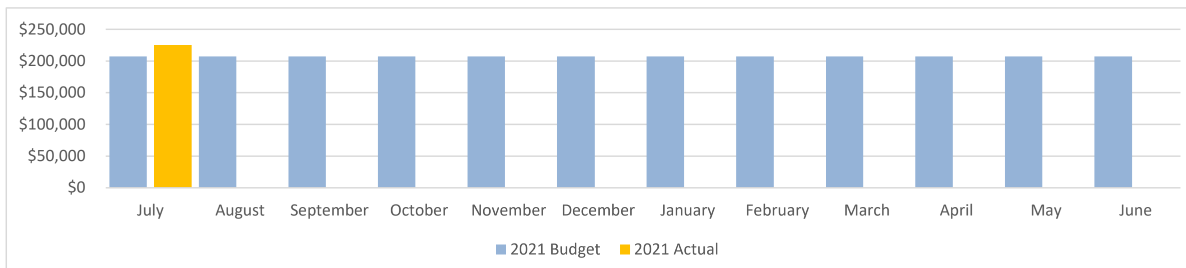
For budget comparisons, the City anticipated collections of $207,151 for July 2020, a difference of $17,845 more, or 8.6%.

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	$29,748	1.1%
Average Increase (Decrease)		**$ 175,237**	**8.5%**

FY20 Month by Month Summary



Month	2020 Actual	2021 Budget	2021 Actual	$ Inc./(Dec.) from 2020 Actual	% Inc./(Dec.) from 2020 Actual	$ Inc./(Dec.) from 2021 Budget	% Inc./(Dec.) from 2021 Budget
July	$246,917	$207,151	$224,996	($21,922)	-8.9%	$17,845	8.6%
August	$242,660	$207,151			0.0%		0.0%
September	$235,580	$207,151			0.0%		0.0%
October	$233,080	$207,151			0.0%		0.0%
November	$229,634	$207,151			0.0%		0.0%
December	$230,395	$207,151			0.0%		0.0%
January	$217,951	$207,151			0.0%		0.0%
February	$200,077	$207,151			0.0%		0.0%
March	$228,263	$207,151			0.0%		0.0%
April	$154,760	$207,151			0.0%		0.0%
May	$207,781	$207,151			0.0%		0.0%
June	$233,647	$207,151			0.0%		0.0%
	$2,660,745	**$2,485,811**	**$224,996**	**($21,922)**	**-8.9%**	**$17,845**	**8.6%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				($21,922)		**$17,845**	
				Total		*Total*	

City of Franklin

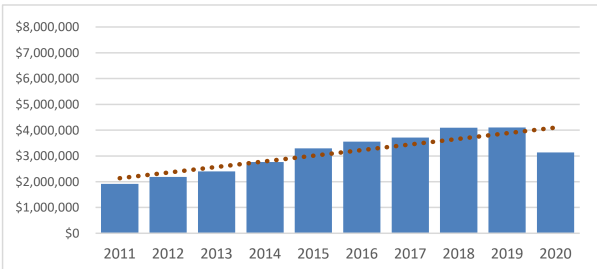
Finance Department - Monthly Reports

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%. During FY 2020, the fund is used to pay debt service on Harlinsdale Farm, Eastern Flank Battlefield and Carter Hill Parks.

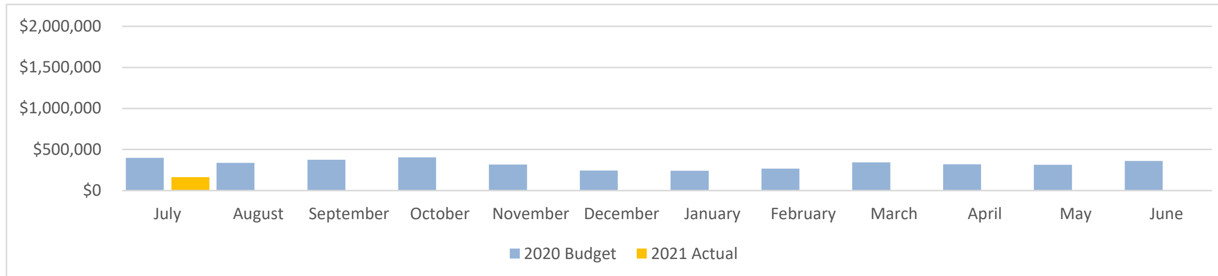
Monthly Report for October 2020: 2020 year-to-date compared to 2019 is 54.3% less, and compared to 2020 budget is less by 59.0%.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2011	$1,917,196	$253,893	15.3%
2012	$2,185,953	$268,757	14.0%
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	($964,421)	-23.5%
Average Increase (Decrease)		**$ 147,551**	**7.3%**

FY20 Month by Month Summary



Month	2020 Actual	2020 Budget	2021 Actual	$ Inc./(Dec.) from 2020 Actual	% Inc./(Dec.) from 2020 Actual	$ Inc./(Dec.) from 2021 Budget	% Inc./(Dec.) from 2021 Budget
July	$358,441	$399,210	$163,873	($194,568)	-54.3%	($235,337)	-59.0%
August	$335,061	$336,722			0.0%		0.0%
September	$379,962	$375,387			0.0%		0.0%
October	$420,494	$403,942			0.0%		0.0%
November	$318,100	$316,035			0.0%		0.0%
December	$261,294	$244,942			0.0%		0.0%
January	$276,512	$241,750			0.0%		0.0%
February	$319,269	$266,694			0.0%		0.0%
March	$201,971	$342,087			0.0%		0.0%
April	$37,682	$319,573			0.0%		0.0%
May	$75,021	$314,472			0.0%		0.0%
June	$155,008	$359,706			0.0%		0.0%
	$3,138,814 *Total*	**$3,920,520** *Total*	**$163,873** *Total*	**($194,568)** *Average* **($194,568)** *Total*	**-54.3%** *Average*	**($235,337)** *Average* **($235,337)** *Total*	**-59.0%** *Average*

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 October 2020: The loss for August 2020 was $14,794 compared to a gain of $44,885 for the same month in 2019, a decrease of $64,678.

MONTHLY - Conference Center Financials Jul 20-Jun 21

	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Total
Gross Revenue	145,334	142,794											288,128
House Profit	29,777	30,100											59,877
Less: Fixed Expenses	53,048	52,547											105,595
Net Income	(23,271)	(22,447)											(45,718)
Less: FF&E Reserve 5%	7,267	7,140											14,407
Net Cash Flow	(30,538)	(29,587)											(60,125)
City 1/2	(15,269)	(14,794)	-	-	-	-	-	-	-	-	-	-	(30,063)

MONTHLY - Conference Center Financials Jul 19-Jun 20

	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Total
Gross Revenue	327,717	660,449	824,870	893,814	562,467	675,497	634,452	751,327	244,394	45,812	16,968	108,147	5,745,914
House Profit	(32,143)	192,021	247,417	322,294	91,459	143,109	158,609	230,164	6,396	(4,647)	(39,424)	29,935	1,345,190
Less: Fixed Expenses	77,998	59,227	69,174	84,160	75,852	72,130	56,634	65,409	72,808	58,935	47,514	50,935	790,776
Net Income	(11,141)	132,794	178,243	238,134	15,607	70,979	101,975	164,755	(66,412)	(63,582)	(86,938)	(21,000)	653,414
Less: FF&E Reserve 5%	16,386	33,025	41,244	44,691	28,123	33,775	31,723	37,566	12,220	2,291	848	5,407	287,299
Net Cash Flow	(126,527)	99,769	136,999	193,443	(12,516)	37,204	70,252	127,189	(78,632)	(65,873)	(87,786)	(26,407)	267,115
City 1/2	(63,264)	49,885	68,500	96,722	(6,258)	18,602	35,126	63,595	(39,316)	(32,937)	(43,893)	(13,204)	133,558

MONTHLY Differences - Conference Center Financials

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
City 1/2 Difference	47,995	(64,678)										

City of Franklin
Finance Department - Monthly Reports

Schedule 9: **City of Franklin Grants - July 2020**

	Grant Name	Department	Department Contact	Grant Total	Reimbursable Amount Spent		Amount Reimbursed		Amount Requested		Amount Spent Not Yet Requested	Bal Remaining (Grant Total - Reimb Amt Spent)
1a	CBDG	BNS	Kathleen Sauseda	$246,747	$239,257	=	$239,257	+	$0	+	$0	$7,490
1b	CBDG	BNS	Kathleen Sauseda	$264,629	$264,478	=	$264,478	+	$0	+	$0	$151
1c	CBDG	BNS	Kathleen Sauseda	$274,706	$270,704	=	$270,704	+	$0	+	($0)	$4,002
1d	CBDG	BNS	Kathleen Sauseda	$280,410	$277,410	=	$277,410	+	$0	+	$0	$3,000
1e	CBDG	BNS	Kathleen Sauseda	$263,690	$253,690	=	$253,690	+	$0	+	$0	$10,000
1f	CBDG	BNS	Kathleen Sauseda	$318,360	$285,481	=	$335,860	+	$7,188	+	$0	$32,879
1g	CDBG - CARES Act	BNS	Kathleen Sauseda	$213,789	$0	=	$0	+	$0	+	$0	$213,789
2	Expansion of the City of Franklin's current ITS infrastructure network capabilities into areas with entensive congestion to include CCTV,DMS,Weather Communication and connect to TDOT and Brentwood systems	Engineering	Adam Moser	$720,000	$135,410	=	$118,885	+	$14,678	+	$0	$584,590
3	Expansion of the City of Franklin's current ITS infrastructure network capabilities into areas with	Engineering	Adam Moser	$1,280,000	$315,945	=	$298,565	+	$8,939	+	$9,381	$964,055
4	SR-96 (Murfreesboro Rd) Traffic Signal Improvements	Engineering	Adam Moser	$1,586,600	$71,575	=	$0	+	$0	+	$71,575	$1,515,025
5	SR-96 Multi-Use Trail	Engineering	David Hodnett	$1,800,000	$0	=	$0	+	$0	+	$0	$1,800,000
6	McEwen Drive from Cool Springs Boulevard/Oxford Drive to SR-252 Franklin, Williamson County	Engineering	David Hodnett	$10,000,000	$0	=	$0	+	$0	+	$0	$10,000,000
7	Safe Routes to School Project, Hunters Bend Elementary (SRTS)	Engineering (SRTS)	Jonathan Marston	$596,322	$559,823	=	$559,823	+	$0	+	$0	$36,499
8	Mack Hatcher Parkway West, From S-96 West of Franklin to SR-106 (US-431) North of Franklin, Williamson County	Engineering	Paul Holzen	$14,172,004	$12,081,633	=	$11,601,460	+	$54,260	+	$233,175	$2,090,371
9	SR-6 (Columbia Ave) from SR-397 (Mack Hatcher Pkwy) to Downs Blvd **ONLY DESIGN**	Engineering	William Banks	$21,000,000	$1,949,447	=	$1,383,211	+	$8,755	+	$9,375	$19,050,553
10	Gatlinburg Aid (Fire)	Fire	Joanne Finn	$31,161	$31,161	=	$0	+	$31,161	+	$0	$0
11	Florence Aid (Flood)	Fire	Joanne Finn	$89,497	$89,497	=	$44,748	+	$44,748	+	$0	$0
12	Florence Aid (Flood)	Fire	Joanne Finn	$2,924	$2,924	=	$0	+	$2,924	+	$0	$0
13	Hurricane Dorian	Fire	Joanne Finn	$16,892	$16,892	=	$8,446	+	$8,446	+	$0	$0

City of Franklin
Finance Department - Monthly Reports

Schedule 9:	City of Franklin Grants - July 2020

	Grant Name	Department	Department Contact	Grant Total	Reimbursable Amount Spent		Amount Reimbursed		Amount Requested		Amount Spent Not Yet Requested	Bal Remaining (Grant Total - Reimb Amt Spent)
14	Hurricane Dorian	Fire	Joanne Finn	$10,712	$10,712	=	$5,356	+	$5,356	+	$0	$0
15	Sound Off with Home Fire Safety Patrol	Fire	Joanne Finn	$1,000	$1,000		$1,000	+	$0	+	$0	$0
16	TAEP Community Tree Planting	Parks	Alyssa Dillon	$6,525	$5,448	=	$5,448	+	$0	+	$0	$1,077
17	Acquistion of Spivey Tract	Parks	Alyssa Dillon	$637,500	$637,500	=	$637,500	+	$0	+	$0	$0
18	Hayes House Window Restoration	Planning	Amanda Rose	$22,200	$14,280	=	$14,280	+	$0	+	$0	$7,920
19	Hincheyville Historic District	Planning	Amanda Rose	$6,000	$4,770	=	$4,770	+	$0	+	$0	$1,230
20	Tree Planting	Parks	Paige Cruse	$19,350	$18,884	=	$18,884	+	$0	+	($0)	$466
21	Harlinsdale Restoration - PREPAYMENT	Parks	Paige Cruse	$0	$0	=	($100,000)	+	$0	+	($100,000)	$0
22	Governor's Highway Safety Office-Franklin Fight Against Impaired Driving	Police	Rachel Gober	$25,000	$6,615	=	$6,615	+	$0	+	$0	$18,385
23	Governor's Highway Safety Office-Franklin Fight Against Impaired Driving	Police	Rachel Gober	$20,000	$0	=	$0	+	$0	+	$0	$20,000
24	Governor's Highway Safety Office-Network Coordinator	Police	Rachel Gober	$20,000	$11,753	=	$11,753	+	$0	+	$0	$8,247
25	Governor's Highway Safety Office-Network Coordinator	Police	Rachel Gober	$20,000	$5,435	=	$5,426	+	$0	+	$0	$14,565
26	Bulletproof Vest	Police	Will McCarville	$3,518	$3,518	=	$3,518	+	$0	+	$0	$0
27	Replacement Vehicle - PM- Planning & Equipment	Transit	Kelly Bair	$714,640	$685,850	=	$685,850	+	$0	+	$0	$28,790
28	Allocation for 5307 FY2012	Transit	Kelly Bair	$1,915,995	$1,323,870	=	$1,323,870	+	$0	+	$0	$592,125
29	FY 14 5307 Allocation	Transit	Kelly Bair	$1,715,113	$871,227	=	$854,690	+	$0	+	$0	$843,886
30	FY 16 5307 Allocation	Transit	Kelly Bair	$995,235	$721,428	=	$720,599	+	$2,918	+	$0	$273,807
31	FY 2015 5339 - Capital Cost of Leasing	Transit	Kelly Bair	$112,500	$84,875	=	$93,598	+	$0	+	$0	$27,625
32	5307 FY Application	Transit	Kelly Bair	$969,118	$969,118	=	$969,118	+	$0	+	$0	$0
33	5307 FY Application	Transit	Kelly Bair	$1,325,546	$944,591	=	$906,455	+	$0	+	$38,136	$380,955
34	5307 Operating and Capital	Transit	Kelly Bair	$1,869,577	$287,749	=	$287,749	+	$0	+	$0	$1,581,828
35	CARES Act 5307 Funding	Transit	Kelly Bair	$6,127,078	$985,932	=	$794,052	+	$191,880	+	$0	$5,141,146
36	FY 2019 Urban Operating Assistance Program	Transit	Kelly Bair	$266,900	$266,900	=	$266,900	+	$0	+	$0	$0
37	FY 2020 Urban Operating Assistance Program	Transit	Kelly Bair	$270,900	$270,900	=	$270,900	+	$0	+	$0	$0
	TOTALS			**$70,232,137**	**$24,977,680**		**$23,444,867**		**$381,253**		**$261,643**	**$45,254,457**