City of Franklin

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

Meeting Agenda

Budget & Finance Committee

Thursday, October 16, 2025	**3:00 PM**	**Eastern Flank Event Facility**

MEETING LOCATION
Eastern Flank Event Facility
1368 Eastern Flank Circle

CALL TO ORDER

SETTING OF THE AGENDA

1. Consideration Of Changes In Agenda And Setting The Agenda
   i. Discussion Of Removal Of Items From Consent/Changes Not Requiring A Vote
   ii. Proposed Changes To The Agenda
   iii. Approval Of Agenda As Submitted Or Changed

CITIZEN COMMENTS (Open for citizens to be heard on any issue or concern, including those related to items on the agenda. Please submit a Speaker Card at the beginning of the meeting if you would like to address the Board/Commission. If you would like to speak on an agenda item, the Chair will hold your comment until the public comment period associated with the item. As provided by law, Boards/Commissions shall make no decisions or consideration of action of citizen comments for items not on the agenda, except to refer the matter to the City Administrator/Staff for administrative consideration, or to a schedule the matter for consideration at a later date. Those addressing the Board/Commission are requested to come to the microphone and identify themselves by name and address for the official record. The Chair may restrict the period for public comment, including the length of the public comment period, the number of individuals who can speak and the length of time each individual may speak. When time allows, the standard individual public comment time is two minutes.)

Comments on agenda items may be made in person or by emailing recorder@franklintn.gov before noon on the day of the meeting. Comments will be submitted for the record.

APPROVAL OF MINUTES

2. Consideration Of Approval Of Minutes
   September 11, 2025 Budget & Finance Committee Meeting

NEW BUSINESS

3. Report Of The Actuary On The City's Defined Benefit Pension Plans

   Sponsors: Kristine Brock

4. Consideration Of Resolution 2025-64, A Resolution To Adopt An Amended Customer Service Policy
   Finance 9/11/25, 4-0

Sponsors: Kristine Brock, Jessica Davey

5. Consideration Of Resolution 2025-88, A Resolution Authorizing The City Of Franklin, Tennessee, To Issue Its General Obligation Bonds In The Aggregate Principal Amount Of Not To Exceed $118,000,000

Sponsors: Kristine Brock

6. Consideration Of Resolution 2025-90, A Resolution Authorizing The Issuance Of Not To Exceed $118,000,000 In Aggregate Principal Amount Of General Obligation Bonds Of The City Of Franklin, Tennessee; Making Provision For The Issuance, Sale And Payment Of Said Bonds; Establishing The Terms Thereof And The Disposition Of Proceeds Therefrom; And Providing For The Levy Of Taxes For The Payment Of Principal Of, Premium, If Any, And Interest On The Bonds

Sponsors: Kristine Brock

7. Consideration Of Guidance On Appropriations To Outside Agencies

Sponsors: Michael Walters Young, Norma Lockney

8. Monthly Reports For October 2025

Sponsors: Margaret Wilson, Kristine Brock

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.

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

City of Franklin

Meeting Minutes

Budget & Finance Committee

Thursday, September 11, 2025	3:00 PM	Eastern Flank Event Facility

CALL TO ORDER
Chair Clyde Barnhill called the meeting to order at 03:00 PM

Board Members Present: Patrick Baggett (arrived at 3:03pm), Clyde Barnhill, Ann Petersen, Jason Potts

Board Members Absent: None

Staff Present: Eric Stuckey, Kristine Brock, Angie Skarp

SETTING OF THE AGENDA

1. **Consideration Of Changes In Agenda And Setting The Agenda**
   i. Discussion Of Removal Of Items From Consent/Changes Not Requiring A Vote
   ii. Proposed Changes To The Agenda
   iii. Approval Of Agenda As Submitted Or Changed
   Sponsors:

   A motion was made by Alderman Jason Potts, seconded by Vice Chair Ann Petersen to Approve the Agenda as Submitted. The motion passed 3-0.

CITIZEN COMMENTS (Open for citizens to be heard on any issue or concern, including those related to items on the agenda. Please submit a Speaker Card at the beginning of the meeting if you would like to address the Board/Commission. If you would like to speak on an agenda item, the Chair will hold your comment until the public comment period associated with the item. As provided by law, Boards/Commissions shall make no decisions or consideration of action of citizen comments for items not on the agenda, except to refer the matter to the City Administrator/Staff for administrative consideration, or to a schedule the matter for consideration at a later date. Those addressing the Board/Commission are requested to come to the microphone and identify themselves by name and address for the official record. The Chair may restrict the period for public comment, including the length of the public comment period, the number of individuals who can speak and the length of time each individual may speak. When time allows, the standard individual public comment time is two minutes.)

Comments on agenda items may be made in person or by emailing recorder@franklintn.gov before noon on the day of the meeting. Comments will be submitted for the record.

APPROVAL OF MINUTES

2. **Consideration Of Approval Of Minutes**
   May 15, 2025 Budget & Finance Committee Meeting
   June 12, 2025 Budget & Finance Committee Meeting
   Sponsors:

   A motion was made by Vice Chair Ann Petersen, seconded by Alderman Jason Potts to Approve the June 12, 2025 Budget & Finance Meeting Minutes. The motion passed 3-0.

NEW BUSINESS

3. **Consideration Of Resolution 2025-64, A Resolution To Adopt An Amended Customer Service Policy**

   Sponsors: Jessica Davey

   A motion was made by Alderman Jason Potts, seconded by Vice Chair Ann Petersen to Recommend Approval of the Resolution to the Board of Mayor and Aldermen. The motion passed 4-0.

4. **Annual Report From The City's Investment Advisor**

   Sponsors: Kristine Brock

   The item was acknowledged.

5. **Consideration Of Draft Guidance On Appropriations To Outside Agencies**

   Sponsors: Michael Walters Young, Norma Lockney

   The item was acknowledged.

6. **Report On State Comptroller's Review, Acceptance and Approval Of The City's FY 2026 Annual Operating Budget.**

   Sponsors: Michael Walters Young

   The item was acknowledged.

7. **Financial Report For 4th Quarter Of FY 2025 (Unaudited)**

   Sponsors: Margaret Wilson, Kristine Brock

   The item was acknowledged.

8. **Monthly Reports For September 2025**

   Sponsors: Margaret Wilson, Kristine Brock

   The item was acknowledged.

OTHER BUSINESS

ADJOURN

A motion was made by Vice Chair Ann Petersen, seconded by Alderman Jason Potts to Adjourn the Meeting. The motion passed 4-0.

Meeting Adjourned @ 04:14 PM

____

Clyde Barnhill, Chair

Minutes Prepared by Sarah Schilling, Deputy City Recorder, City Recorder's Office - 10/8/25, 9:58AM

City of Franklin

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

File #: 21-01213

DATE: 10/16/2025 3:00:00 PM

TO: Budget & Finance Committee

FROM: Kristine Brock, Asst. City Administrator/CFO

SUBJECT:

Report Of The Actuary On 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 2025 actuarial reports for the City's two defined benefit pension plans.

BACKGROUND/STAFF COMMENTS:

Both State of Tennessee statute and Generally Accepted Accounting Principles require public sector defined benefit pension plans to engage a licensed actuary to perform an annual valuation. USI Consulting Group serves as the actuary to both the City's closed single employer pension plan and the State of Tennessee Consolidated Retirement System.

FINANCIAL IMPACT:

Results of the actuarial reports are 1) reported as part of the City's FY 2025 audited financial report and 2) determines the employer's contribution to each pension plan in FY 2026.

RECOMMENDATION:

For information purposes.

City of Franklin Employees’ Pension Plan

2025 Funding Valuation

October 16, 2025

Kevin Sullivan, FSA, MAAA, EA | Principal

CONSULTING GROUP

COF Employees' Pension Plan Agenda

- Background on the Plan/Active Populations
- Assumption Update
- Key Results – 2025 Funding
- Key Demographics
- TCRS Open Plan Update

COF Employees' Pension Plan Background

The Pension Plan and Benefit of a City Employee is Determined by Their Hire Date

Hired Before January 1, 2017 (City of Franklin Pension Plan – the "Closed Plan")

There are four Tiers within the Plan

Hired on or After January 1, 2017 - TCRS Plan

Tier 1

(Hired before 7/1/2006)

Tier 2

(Hired between 7/1/2006 and 2/15/2010)

Tier 3

(Hired after 2/15/2010 and elected to contribute to the Plan)

Tier 4

(Hired after 2/15/2010 and did not elect to contribute to the Plan)

COF Employees' Pension Plan
Background

Employee classification

- Tier I
  - Employees hired before July 1, 2006 (Voluntary contribution - pre/post tax)
  - Normal retirement as early as 25 years of Credited Service
- Tier II
  - Employees hired between July 1, 2006 and February 15, 2010
  - Normal retirement at 65/5 years of service
- Tier III
  - Employees hired after February 15, 2010 who elected to contribute to the Plan.
- Tier IV
  - Employees hired after February 15, 2010 who elected to contribute to a defined contribution plan. This valuation holds no liability for this group.

- Effective January 1, 2017, the Plan was closed to new Participants. Census data for those employees was not provided.

COF Employees' Pension Plan

Assumption/Method Updates

- In 2025, the discount rate changed from 6.80% to 6.75%.
  - Based on Resolution 2025-18
  - Matches current investment earnings assumption for TCRS
    - TCRS did not lower their assumption with their recent experience study
  - The change in discount rate caused an increase in the liability of $1.2MM and $0.2MM in the contribution
- For the 2025 valuation, we have continued to use the mortality assumption that includes projected mortality improvement in accordance with TCA §9-3-501
  - 105% RP-2014 Healthy Annuitants/Non-Annuitants (Blue Collar)
  - Ten Years of Mortality Improvements with Scale MP-2021

COF Employees' Pension Plan

Experience Study Results

- Assumptions Already Reviewed and Updated
  - Discount Rate
    - (Decline from 6.80% to 6.75%)
  - Mortality and Mortality Projection
    - (105% RP 2014 Blue Collar Mortality with MP21 Projection for 10 Years)
  - COLA
    - Maintain at 2.0%
  - Additional Assumptions
    - No changes to Salary Increase Assumption, Rates of Retirement, and Rates of Termination
      - Since 2017, the active population is down 38% while the retiree population is up 80%
      - Mortality will becoming an increasingly important assumption while active assumptions (salary increase, retirement and termination) will become less significant

COF Employees’ Pension Plan
Actuarial Value of Assets

Determination of Valuation Assets

Market Assets, January 1, 2024	$159,374,145
Weighted Prior Year Contributions	2,729,027
Weighted Prior Year Distributions	(4,983,295)
Subtotal	157,119,878
Expected Interest	10,684,152
Total Contributions	11,785,734
Total Distributions	(10,565,326)
Expected Asset Value, January 1, 2025	$171,278,705
Market Asset Value, January 1, 2025	173,765,612
Variance from Expected Asset Value	$2,486,907

2024	$(2,486,907)
2023	(6,355,153)
2022	27,798,593
2021	(15,371,000)

Market Asset Value for January 1, 2025	$173,765,612
-80% of 2024 Variance	(1,989,526)
-60% of 2023 Variance	(3,813,092)
-40% of 2022 Variance	11,119,437
-20% of 2021 Variance	(3,074,200)
Actuarial Valuation Assets Before Limits	$176,008,231
Limits of Actuarial Value of assets	
a. 90% of Market Value including accruals	$156,389,051
b. 110% of Market Value including accruals	191,142,173
Actuarial Value of Assets after limits	**176,008,231**

COF Employees' Pension Plan

How Well Funded is the Plan?

All measures using 6.75% Discount Rate

Liability Measure	Liability	Asset Value (Actuarial Value)	2025 Funded Ratio	2024 Funded Ratio	Comments
Present Value of Benefits – Value of all benefits expected to be earned by all current participants	$276.5MM	$176.0MM	63.7%	64.3%	Not a useful measure of the funded status
Entry Age Normal Accrued Liability – Liability to date under the required funding method	$259.6MM	$176.0MM	67.8%	68.8%	The best measure of funded status. Generally considered "well funded" to be above 80%
Accumulated Benefit Obligation – Liability if everyone terminated on the valuation date	$214.1MM	$176.0MM	82.2%	83.8%	Includes nonvested benefits

COF Employees' Pension Plan

Key Results - Funding

	2025	2024	2023	2022
Number of Participants				
Active	347	370	397	406
Deferred Vested	165	189	183	193
Retired and Disabled	341	312	292	274
Annual Covered Payroll	$ 37,641,024	$ 37,030,890	$ 30,238,979	$ 29,370,570
Average Annual Earnings	$ 108,476	$ 100,083	$ 76,169	$ 72,341
Present Value of Benefits	$ 276,455,124	$ 254,505,653	$ 209,723,952	$191,134,494
Entry Age Normal Past Service Liability	$ 259,552,351	$ 237,729,906	$ 195,578,819	$177,338,994
Actuarial Value of Assets	$176,008,231	$ 163,626,923	$ 152,073,912	$160,783,824
Unfunded Supplemental Liability	$ 83,544,120	$ 74,102,983	$ 43,504,907	$ 16,555,170
Annual Funding Levels				
Normal Cost	$ 2,944,036	$ 2,818,765	$ 2,354,516	$ 2,257,541
Normal Cost Rate	7.82%	7.61%	7.79%	7.69%
Expected Employee Contribution	$ (381,366)	$ (379,119)	$ (324,394)	$ (300,756)
Net Normal Cost	$ 2,562,670	$ 2,439,646	$ 2,030,122	$ 1,956,785
Net Normal Cost % of Payroll	6.81%	6.59%	6.71%	6.66%
Recommended Contribution	$ 11,378,088	$ 10,159,294	$ 7,019,361	$ 4,117,466
% of Payroll	30.23%	27.43%	23.21%	14.02%
Present Value of Accrued Benefits	$214,133,869	$195,216,337	$164,765,127	$147,795,574
Security Ratio	82.20%	83.82%	92.30%	108.79%

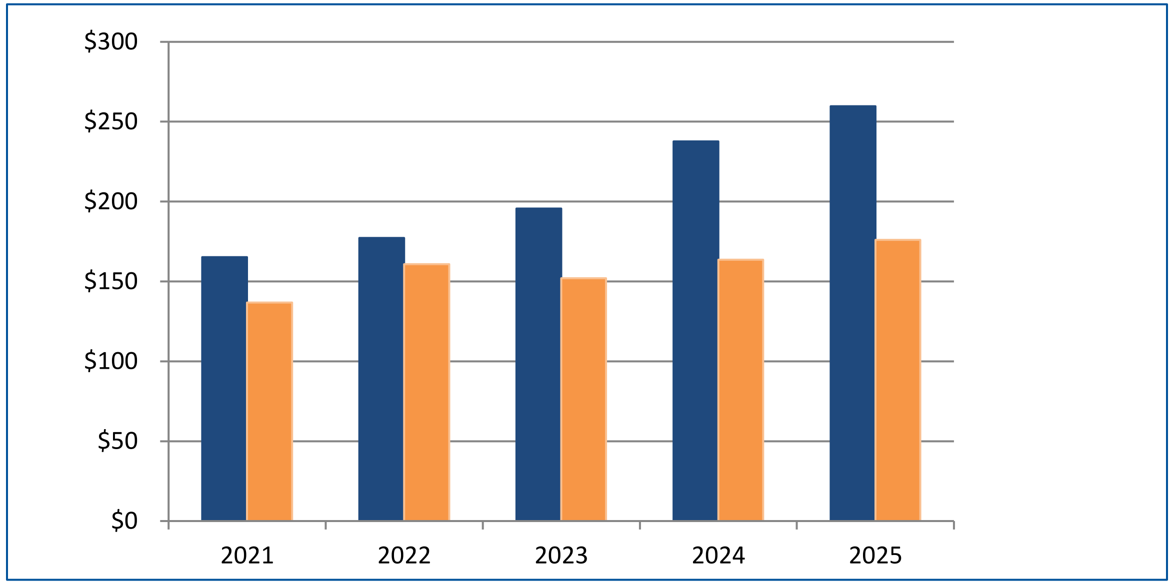
COF Employees' Pension Plan

Funded Status (in millions)

- The funded status decreased from 2024 to 2025.

Key Factors

- Discount rate decline increased the liability
- Payroll increases higher than expected increased the past service liability

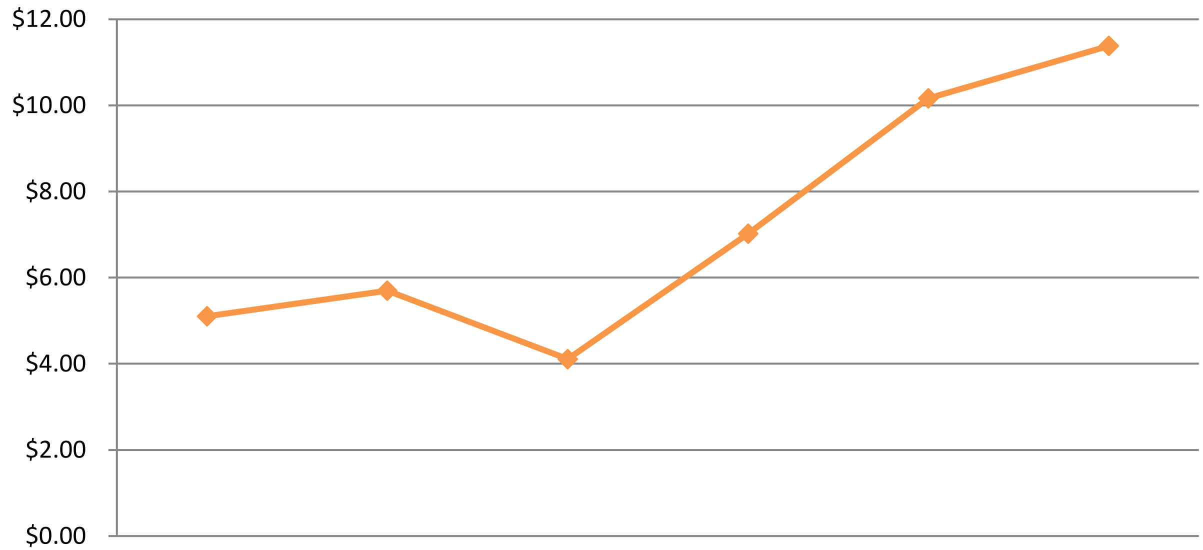


	2021	2022	2023	2024	2025
Liability	$165.2	$177.4	$195.6	$237.7	$259.6
Asset Value	$136.8	$160.8	$152.1	$163.6	$176.0
Funded Ratio	82.81%	90.7%	77.8%	68.8%	67.8%
Interest Rate	7.10%	7.00%	6.90%	6.80%	6.75%

COF Employees' Pension Plan

Recommended Cash Contribution (in millions)

- The Total contribution is [Normal cost - Expected Employee contribution + Amortization of Unfunded Liabilities]

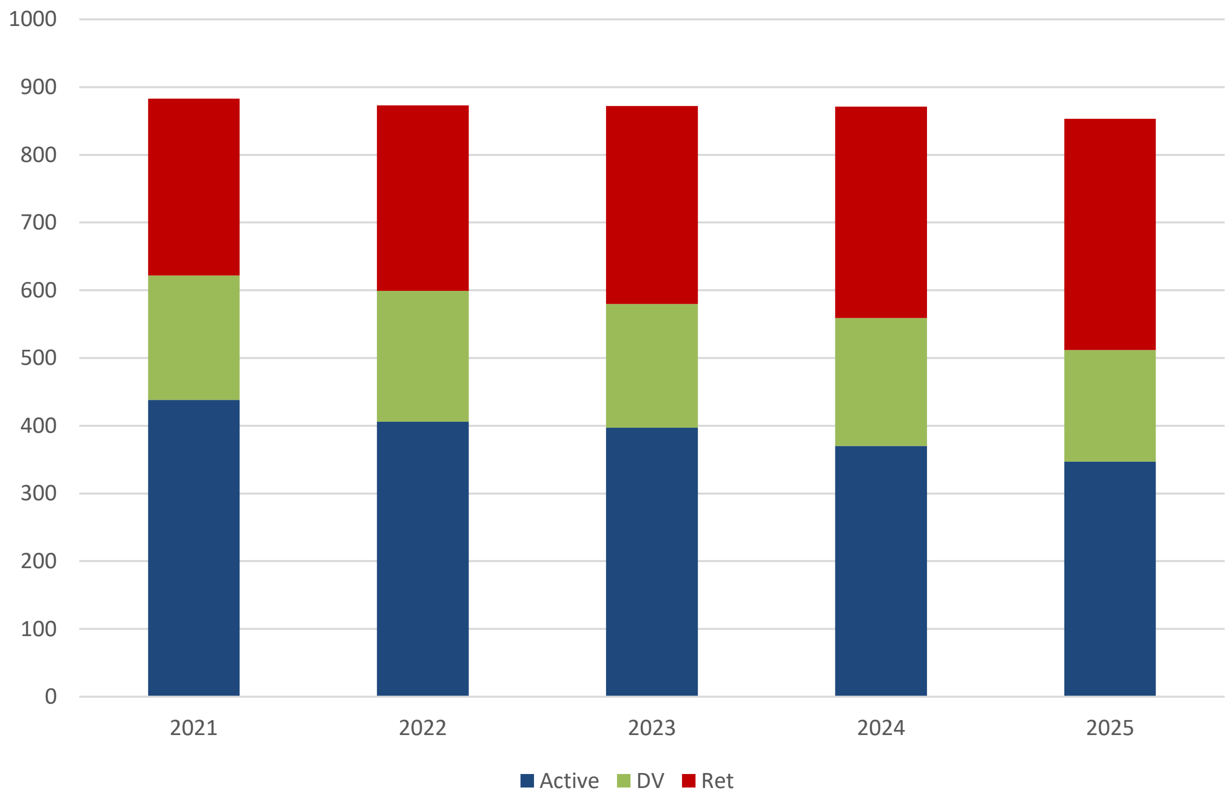


Year	2020	2021	2022	2023	2024	2025
Contribution	$5.10	$5.70	$4.11	$7.02	$10.16	$11.38

COF Employees' Pension Plan

Demographics

- No new entrants beginning on January 1, 2017



COF Employees' Pension Plan

Gain/Loss Summary for 2024

	Gain/(Loss)
Investment (AVA basis)	187,559
Retirement Decrement	(4,963,432)
Termination Decrement	(4,581,291)
Disability	(101,594)
Retiree Mortality	1,640,081
Compensation & COLA Increase	(4,011,424)
Other Mortality	29,507
Transfers	(36,030)
Data Corrections	183,449
Other Asset due to AVA smoothing	(330,512)
Other Gains	443,435
Total Gain/(Loss)	**(11,540,252)**

TCRS Open Plan Summary

	2024	2023	2022
Valuation Date	June 30, 2024	June 30, 2023	June 30, 2022
Contribution Period	7/1/2025 – 6/30/2026	7/1/2024 – 6/30/2025	7/1/2023 – 6/30/2024
Active Members	352	319	273
Annualized Salary	$24,353,698	$21,398,286	$14,092,368
Inactive Members	161	132	103
Discount Rate	6.75%	6.75%	6.75%
Present Value of Benefits	$43,679,203	$36,582,562	$23,228,626
Employee Contribution Rate	5.00%	5.00%	5.00%
Employer ADC Rate	7.44%	7.62%	7.35%
Actuarial Accrued Liability	$12,098,051	$8,936,700	$5,164,298
Actuarial Value of Assets	$10,861,279	$7,503,134	$4,671,539
Funded Ratio	89.8%	84.0%	90.5%

Questions/Discussion

- ____
- ____
- ____
- ____
- ____

City of Franklin

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

File #: 21-01081

DATE: 10/16/2025 3:00:00 PM

TO: Board of Mayor and Aldermen

FROM: Kristine Brock, Asst. City Administrator/CFO
Jessica Davey, Director of Billing & Licensing/Asst City Recorder

SUBJECT:

Consideration Of Resolution 2025-64, A Resolution To Adopt An Amended Customer Service Policy
Finance 9/11/25, 4-0

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Resolution 2025-64.

BACKGROUND/STAFF COMMENTS:

The City services approximately 30,000 residential and commercial water, sewer, stormwater, and solid waste customers. The Billing and Licensing Department is responsible for account creation, billing, and payment collection for these customers. The Franklin Municipal Code provides some rules and regulations regarding these services. However, on November 22, 2022, a detailed written customer service policy was adopted to ensure consistent treatment of the City's utility customers. Additional amendments to the customer service policies were adopted on October 10, 2023, and again on September 24, 2024. To maintain the policy's relevance, provide further guidance, and accurately reflect best practices, updates are necessary.

FINANCIAL IMPACT:

There is no financial impact.

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen approve Resolution 2025-64.

RESOLUTION 2025-64

A RESOLUTION ADOPTING AN AMENDED CUSTOMER SERVICE POLICY FOR THE CITY OF FRANKLIN.

WHEREAS, the City of Franklin services approximately 30,000 residential and commercial water, sewer, stormwater, and solid waste customers within the City; and

WHEREAS, the City of Franklin desires to provide consistent and exceptional customer service to these utility customers; and

WHEREAS, on November 22, 2022, the Board of Mayor and Alderman adopted Resolution No. 2022-67, a resolution adopting a customer service policy; and

WHEREAS, on October 10, 2023, the Board of Mayor and Alderman adopted Resolution No. 2023-60, a resolution adopting an amended customer service policy; and

WHEREAS, on September 24, 2024, the Board of Mayor and Alderman adopted Resolution No. 2024-73, a resolution adopting an amended customer service policy; and

WHEREAS, the Board of Mayor and Aldermen believes it is in the best interest of the City of Franklin for the customer service policy to be amended to provide further guidance and to ensure equitable treatment of the City's utility customers.

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

Section 1. The customer service policy for the City of Franklin adopted by Resolution No. 2024-73, is hereby repealed in its entirety. In place thereof, the customer service policy, which is attached as Exhibit A, is now hereby adopted for the City of Franklin.

Section 2. Changes or revisions to the policy hereby adopted shall be made only by resolution of the Board of Mayor and Aldermen of the City of Franklin.

Section 3. The effective date of the policy hereby adopted shall be immediate upon passage and adoption of the resolution, the public welfare and the welfare of the City requiring it.

IT IS SO RESOLVED AND DONE on this ____ day of _______________, 20__.

ATTEST:

By:______________________________
Angie Skarp
City Recorder

CITY OF FRANKLIN, TENNESSEE:

By:____________________________
Dr. Ken Moore
Mayor

Approved as to Form:

By: ______________________________
J. Blake Harper
Assistant City Attorney

CITY OF FRANKLIN

Customer Service Policy

Customer Service Policy

Table of Contents

Updated: July 15, 2025

Customer Service Policy

1. General Policy

This policy applies to utility customer service within The City of Franklin.

2. Application for Service

Residential

Residential customers shall be required to make application for new service or changes to existing service. A copy of a photo ID is required for identification verification. A requirement of three (3) business days prior notice to connect service applies. Customers who are leasing must provide a copy of the lease signed by the lessor listing all tenants before service will be provided. The application for service must be completed and signed by the exact same name or names on the lease. If the information does not match, the application will not be accepted. In the case that no lease has been generated, the lessor must provide a signed lease verification form (available in Customer Service). In any case that the customer is unable to sign the required documents, whether physically or geographically, their representative must present a notarized Power of Attorney to complete the transaction. Application and service charges established by City ordinance may be charged to the customer's first utility bill provided that the customer does not have a delinquent account with the City of Franklin.

Non-Residential

Commercial and Industrial customers must make application for new utility service or changes to existing service. A requirement of three (3) business days prior notice to connect service applies. Applicants must provide satisfactory documentation before utility service is provided. The documentation must include a signature of the owner or an officer of the business. Application and service charges established by City ordinance may be charged to the customer's first utility bill provided that the customer does not have a delinquent account with the City of Franklin.

3. Application and Service Fees

An application fee will be applied to any new, re-established, or additional account. Customers who provide an incorrect service address when applying for service shall be required to pay an additional service charge if the City's service employee is required to make more than one trip to establish service.

A service reconnection charge must be paid at the time of reconnection after disconnection due to non-payment of a bill in accordance with non-payment provisions.

Fee amounts are set by City ordinance.

4. Eligible Applicants and Occupants

The City of Franklin will provide service to applicants who are of majority age, have no prior outstanding delinquency with the City, and who provide satisfactory proof of identity. Each customer will be required to execute a utility service agreement.

When a customer's utility service has been terminated for nonpayment, the utility service will not be restored to the consumer until his or her delinquent account is satisfied in accordance with City policy.

Both parties in a marriage are responsible for payment of a utility bill at the residence they share. However, one spouse is not held liable for a past debt at a location inhabited by the other spouse prior to the marriage and if requested, service may be provided in the name of the new spouse. Collection of the former debt should commence immediately.

Occupants are not responsible for utility accounts unless they are parties to a residential utility contract. It is the City's practice to require all responsible occupants to execute a utility contract (application for service). In the event a customer executes a new utility contract, the City may add any unpaid amounts to the customer's bill even if the services were incurred at a different address and the City discovers the existence of an unpaid account later.

In case of the death of a customer, service will be removed from the deceased's name as quickly as possible. Anyone requesting a change to a deceased customers' account must provide a death certificate, Letter of Testamentary, or other court document related to the deceased. During probate, the account will be billed to the personal representative of the estate of the customer. Following disposition of the estate, the service will be billed in the name of the occupant of the premises. In the case of an immediate family member, the change of name will be arranged without charge. Standard identification questions will be asked.

5. Change in Customer of Record

Changes in the customer of record for existing residential accounts may be granted under the following conditions:

a. The change in customer name or status is because of marriage, divorce, legal name change, or death. Name change requests should be made in writing by the account holder. No fee applies.

b. If existing account is under more than one name, the person who will remain at the residence shall complete a new customer application. No fee applies.

c. The customer has satisfactory identification or documentation in the new name or status. A copy of a court order for name change is acceptable.

Changes in the customer of record for existing Commercial and Industrial accounts may be granted under the following conditions:

a. The customer requests the name change in writing. The request should be accompanied by proper documentation verifying that there is no change in ownership. The documentation must include the signature of the owner or office of the business.

b. If the customer's Federal ID number changes, the customer shall complete a new customer application.

6. Services Billed

Bills shall be rendered monthly, at intervals between 28 and 34 days, unless unusual circumstances preclude that action. The City will mail or email all utility bills approximately 15 days before the net due date. The statement will reflect the net amount due and the gross amount due if paid after the due date.
Bills shall be sent to the address or email address designated by the customer.

The customer is responsible for all utility consumption at his/her premise. If it is found that the service has not been billed properly, the City will back bill for utilities consumed or refund over-charges, up to the limitations defined in Tennessee Code Annotated §§ 28-3-301–303.

7. Estimated Bills

If representatives of the City are unable to obtain access to the customer's meter during regular working hours, if a meter fails to register, or if for any other reason actual consumption cannot be determined, the City will render an estimated bill based on past usage in accordance with industry accepted estimation practices.

8. Rates

The City reserves the right to determine the correct rate classification for each account. If a customer can establish that they are being billed at the wrong rate, their rate classification will be corrected at the sole discretion of the City. A refund will be made for the applicable period, up to a maximum allowed by law, (36 months) for the amount the customer was overbilled unless the incorrect rate was based on information furnished by the customer. If it is found that a customer has been under billed, the City may collect for all such prior service, up to a maximum allowed by law.

9. Payment Methods

Cash, business or personal checks, money orders, or credit/debit cards may be accepted for payment of any bills owed to the City and any amount over the actual amount of the bill will be credited to the customer's account. Checks returned by the bank shall be immediately charged back to the customer's account, and a returned check charge will be assessed. Any account with three (3) returned checks within a twelve (12)month period will be required to make future payments, for a twelve (12) month period, in the form of cash, a cashier's check, money order, or credit/debit card.

Bankrupt Accounts

Upon receipt of notice of bankruptcy, the customer's account(s) is/are terminated, and a new account is established for future billing. Once notification of dismissal of the bankruptcy is received, funds are collectible. In the case of discharge, funds are not collectible.

Delinquent Utility Accounts

The City will mail all utility bills approximately fifteen (15) days before the net due date. The late charges will be assessed on any account which remains unpaid after the net payment date shown on the bills. The late charge rate will be set by City ordinance.

If the bill remains unpaid after collection attempts have been made, the account may be referred to a collection agency.

10. Voluntary Disconnection of Service

Customers who wish to discontinue service may do so in person at the Customer Service Department, via fax, e-mail or by downloading the termination request form from the City of Franklin's website. Requests for termination of service shall be given in writing three (3) business days in advance. No service disconnection will be completed on Fridays to prevent loss of water usage for a weekend.

The City shall not be liable for damages resulting from discontinuing service at any time after the delinquent date.

If a final bill remains unpaid after sixty (60) days past the due date, and the customer has an active service account with the City, the final bill balance shall be transferred to the active account.

11. Disconnection of Service Due to Non-Payment

Failure to receive a bill does not relinquish the customer's responsibility for timely payment of the bill. Accounts that become thirty (30) days delinquent will have service disconnected for non-payment. Any request to make payment arrangements to prevent disconnection must be made prior to the date of the cutoff. Payment arrangements shall be directed to the Billing and Licensing Manager, Billing and Licensing Director, or Finance Director.

The City shall not be liable for any loss or damage resulting from cutoff.

If an account remains unpaid after cutoff, the meter will be locked during the next cutoff cycle and the City of Franklin Building and Neighborhood Services Department will be notified that the residence has no water, and the customer could be subject to a violation.

In such cases where payment has not been received on an account that has been cutoff for non-payment, and continues to be delinquent for three consecutive months, every possible attempt to reach the customer is made by customer service. If these attempts are unsuccessful and the customer cannot be contacted by our department, then a forced termination will occur. Once an account is terminated, the customer will be required to make payment in full, complete a new application, and pay the application fee before service would be restored to the property.

Disconnections for non-payment shall not be initiated when daytime temperatures fall below thirty-two (32) degrees Fahrenheit. At any time that temperatures indicate danger of water lines freezing due to below freezing temperatures, the decision to cutoff for non-payment will be that of the Director of Water & Wastewater department.

12. Reconnection of Service Disconnected for Non-Payment

Service will be restored upon receipt of the full amount due for which the service was disconnected. Payment must be made to City of Franklin in the form of cash, cashier's check, money order, business or personal check, or credit/debit card.

A service reconnection charge shall apply to any account that was disconnected for non-payment, unless the customer shows a validated receipt showing that the bill had been paid on a day prior to the date of disconnection.

13. Payment Arrangements

Payment in full is expected by the date due. However, in unusual cases, payment arrangements are available to customers who have incurred a large bill and are having difficulty meeting their financial obligations. In any situation, the customer requesting assistance must be the same as the utility account holder. A down payment is required and the customer must sign a promissory note to pay the remainder in monthly payments along with their regular current bill for each month. If the customer fails to meet this obligation, the account will be subject to disconnection for non-payment and the customer shall not be allowed to make payment arrangements for a full calendar year.

Payment of all overdue amounts or satisfactory payment arrangements must be made before service will be provided at a change of address for the delinquent customer.

All payment arrangements must be made in writing and have supervisor approval.

a. Payment arrangements for three (3) months must be approved by the Billing and Licensing Manager or
b. Payment arrangements for six (6) months must be approved by the Billing and Licensing Director.
c. Payment arrangements for twelve (12) months must be approved by an Assistant City Administrator or the City Administrator.

14. Disputed Bills

If a customer disputes a bill and alleges erroneous meter reading, the Customer Service Representative shall investigate the accuracy of the bill by performing an analysis of past usage and possible changes in consumption patterns; the possibility of a leak, faulty meter reading, or customer equipment failure. If no error in billing is discovered, the customer shall pay the balance.

If, after initial investigation, a customer still wishes to dispute their charges, they shall be required to present the dispute in writing for review by the Water and Wastewater Management Department.

The disputed amount will be noted on the billing records and the customer is only required to pay the undisputed amount until the issue is resolved. A dispute shall not preclude further billing activities or obligation to pay subsequent bills.

If a customer still disputes a bill after review by the Water and Wastewater Management Department, a request can be made in writing for further review by the City Administrator or an Assistant City Administrator.

If the customer is not satisfied with the outcome of this review, an appeal may be made in writing to the Board of Mayor & Aldermen (BOMA). The decision of the BOMA will be final.

15. Meter Access

City of Franklin service employees and meter readers shall have free access to the customer's premises at all times for the purpose of reading meters and testing, repairing, removing, or exchanging any or all equipment belonging to the City of Franklin. It is the responsibility of the customer to ensure free access. A service charge established by City ordinance will be added to the customer's bill if, due inaccessibility, a second trip is required to read or test a meter. If accessibility problems persist, utility service may be interrupted until accessibility is granted. Any additional costs to restore service after interruption or to maintain proper access will be at the customer's expense. Once access is obtained, the customer will be responsible for all water usage.

16. Payment Locations

Payments may be made at the Billing and Licensing Department inside Franklin City Hall. For the convenience of the customers, a night depository has been provided for the payment of bills when the office is closed, and any payments made therein will be accepted for the customer's account and posted the next working day. Any customer using the depository does so at his or her own risk and must accept the City's accounting for the amount received by the City.

17. New Connection

Customers requesting water and/or sewer service at new construction must complete an application with the Building and Neighborhood Services ("BNS") department.

18. Temporary Fire Hydrant Meters

In cases where water is needed on a temporary basis and a fire hydrant is nearby, temporary fire hydrant meters will be available for a deposit, a non-refundable setup fee, and an application fee set by City ordinance. The total fee shall be paid by certified check or money order. Water use will be billed at the inside commercial rate. After the meter is removed per request of customer, a request for the deposit refund shall be submitted in writing to the Accounts Payable division in the Finance Department by the Customer Service Supervisor. If the meter is damaged, the cost of the damaged meter will be deducted from the deposit. Temporary fire hydrant meters will be assigned to a designated fire hydrant. Removal of the fire hydrant to any other location will require approval by the Water Management Department.

19. Customer Programs

Critical Care Program

Upon receipt of documentation from a licensed physician that a customer relies upon an uninterrupted water supply for medical purposes the customer's account will be notated and special efforts will be taken to maintain and/or restore utility service. Nothing in this section shall be construed to mean that customers are exempt from timely payment of their bill or that service may not be disconnected for failure to pay.

Bank Draft Program

Payment by automatic bank draft is offered as a convenience to customers. Customers desiring to have their utility bill payments electronically debited from their bank accounts on the net due date are required to complete a bank draft form and provide a copy of a voided check. Any payment refused by the financial institution will be assessed a return check charge unless the return was due to bank error.

Tax Relief

State law provides property tax relief to certain elderly or disabled low-income homeowners and certain disabled veterans.

City of Franklin sanitation customers who qualify for property tax relief shall have their monthly sanitation service charge waived for as long as they remain on the program. The property tax relief program is administered by the Williamson County Trustee's office and their records will determine who receives this waiver.

Sales Tax Exemption

A current State of Tennessee sales tax exemption certificate must be on file with the Billing and Licensing Department to qualify for waiver of sales tax on water.

20. Adjustments

All adjustments must have supervisor approval:

a. Adjustments up to $999.00 must be approved by the Billing and Licensing Manager.
b. Adjustments between $999.00 and $2,499.00 must be approved by the Billing and Licensing Director.

c. Adjustments $2,500.00 or more must be approved by an Assistant City Administrator or the City Administrator.

Leak Adjustments

Customers are responsible for maintaining their plumbing system. The customer shall be responsible for all water that passes through a water meter and corresponding sewer charges. If the City of Franklin detects unusually high consumption, the City will attempt to notify the customer. Lack of notification will not release a customer from payment obligations, nor extend the due date. The customer is responsible for maintenance of their plumbing and failure to make timely repairs may disqualify a customer for a leak adjustment.

No leak adjustments will be allowed for a property until a certificate of occupancy has been issued.

Each customer generally shall be allowed no more than one (1) billing adjustment during a three hundred sixty-five (365) day period for leaks on the customers' premises. On occasion two (2) consecutive months may be adjusted if the leak occurs over a two (2) month period. Adjustments can only be calculated on bills issued within ninety (90) days. Should a customer request a leak adjustment, the customer must provide proof of repair. A receipt of purchase of a repair part, signed plumber's affidavit, or copy of receipt from plumber indicating repairs completed will be required.

Calculating Adjustment

The amount of adjustment will be based upon the average bill over the previous twelve (12) months. If twelve (12) months' usage is not available, the amount of adjustment will be based on city-wide average consumption. The customer's average usage is first deducted from the high bill. The new balance is then divided by two (2), and the quotient added back to the average usage, resulting in one half of the high usage becoming the responsibility of the customer and one half being absorbed by the City. If the customer can satisfactorily document that the leak occurred in the property's irrigation system, supply lines to the dwelling, or service lines to outbuildings, the sewer charges will be adjusted to the customer's average usage for the previous twelve (12) months. The water charges will be adjusted as described above.

Pool Adjustments

Customers are allowed one pool fill adjustment in a three hundred sixty-five (365)day period. A completed pool fill affidavit must be submitted detailing the pool size, date of fill, and total gallons used. Pool fill adjustments are calculated on bills issued ninety (90) days prior for sewer only. Customers are responsible for all the water used to fill the pool.

MVUD Adjustments

The City of Franklin provides sewer and trash service to many Mallory Valley Utility District ("MVUD") water customers. If MVUD notifies the City of Franklin that a leak adjustment has been issued to a mutual customer, the City will adjust the customer's sewer charges according to the City's leak adjustment policy.

HB&TS Adjustments

The City of Franklin provides sewer and trash service to many HB&TS water customers. If HB&TS notifies the City of Franklin that a leak adjustment has been issued to a mutual customer, the City will adjust the customer's sewer charges according to it's the City's leak adjustment policy.

Milcrofton Adjustments

The City of Franklin provides sewer and trash service to many Milcrofton Utility District water customers. If a Milcrofton customer experiences a water leak, they may apply to the City of Franklin for a sewer adjustment following the City's leak adjustment policy.

21. Procedures

The Billing and Licensing Department will implement procedures that are in accordance with this policy.

City of Franklin Billing and Licensing Department

109 3rd Ave South | Franklin, TN 37064 | Phone (615) 794-4572 | Fax (615) 550-1954

COF Contract No. _________

PROMISSORY AGREEMENT TO PAY MONTHLY INSTALLMENTS

I, ____________________ ("Customer"), agree to pay the City of Franklin, Tennessee (the "City"), the total amount I owe of _______________________ for my utility service account number ____________________ located at _______________________________________. This payment will be made in . 3 monthly installments of ___________________________. Payment shall be made in the above amount on or before the 15th of each month, commencing __________ and ending __________.

I understand that penalty will accrue in accordance with City policy.

I understand that if this payment is not made in addition to my regular utility bill payment, my utility service is subject to disconnection in accordance with City policy.

I understand that if I fail to meet this obligation, I will not be permitted to make new or alternative payment arrangements for a full calendar year from the date of the execution of this Agreement.

CUSTOMER:

____
Printed Name

___________________________________ ___________________________
Address Phone Number

___________________________________ ___________________________
Signature Date

CITY OF FRANKLIN, TN

___________________________________ ___________________________
Billing and Licensing Manager (up to 3 months) Date

___________________________________ ___________________________
Billing and Licensing Director (up to 6 months) Date

___________________________________ ___________________________
City Administrator (over 6 months) Date

Law Approved Template 08.16.24

HISTORIC FRANKLIN TENNESSEE

City of Franklin

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

File #: 21-01184

DATE: 10/16/2025 3:00:00 PM

TO: Budget & Finance Committee

FROM: Kristine Brock, Asst. City Administrator/CFO

SUBJECT:

Consideration Of Resolution 2025-88, A Resolution Authorizing The City Of Franklin, Tennessee, To Issue Its General Obligation Bonds In The Aggregate Principal Amount Of Not To Exceed $118,000,000

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Res 2025-88, an initial resolution authorizing the issuance of general obligation bonds in the aggregate principal amount of not to exceed $118,000,000.

BACKGROUND/STAFF COMMENTS:

The City's Capital Improvement Plan is funded from multiple revenue sources including currently available resources (cash reserves), long term debt, state and federal grants and one-time contributions. The Series 2026 Bonds will fund projects already approved in the CIP.

FINANCIAL IMPACT:

Debt service for the Series 2026 GO Bonds will begin in FY 2027. The City Administrator's Proposed FY 2027 Budget will include funding for first year interest and principal.

RECOMMENDATION:

Staff recommends that Resolution 2025-88 be recommended to the Board of Mayor and Aldermen for approval.

RESOLUTION NUMBER 2025-88

INITIAL RESOLUTION AUTHORIZING THE CITY OF FRANKLIN, TENNESSEE, TO ISSUE ITS GENERAL OBLIGATION BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $118,000,000

WHEREAS, the Board of Mayor and Aldermen (the “Board”) of the City of Franklin, Tennessee (the “Municipality”), desires to authorize not to exceed $118,000,000 in general obligation bonds to finance the general improvement projects described below; and

WHEREAS, the Board of Mayor and Aldermen believes it is in the best interest of the City of Franklin to issue general obligation bonds.

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

BE IT RESOLVED by the Board that for the purpose of financing the (i) acquisition, construction, improvement, repair, renovation, maintenance and/or equipping of (a) a new City Hall building and facilities, (b) parks and recreational facilities, (c) streets, roads and bridges, including but not limited to sidewalks, signage, signalization, related facilities, lighting and drainage improvements and (d) public safety equipment and vehicles, including but not limited to fire apparatus; (ii) acquisition of all property real or personal, appurtenant thereto, or connected with the foregoing; (iii) payment of architectural, engineering, legal, fiscal and administrative costs incident to the foregoing (collectively, the “Projects”); (iv) reimbursement to the appropriate fund of the Municipality for prior expenditures for the Projects and (v) payment of costs incident to the issuance and sale of the indebtedness described herein, the Municipality shall borrow money and incur indebtedness through the issuance of general obligation bonds in the aggregate principal amount of not to exceed $118,000,000, which shall bear interest at a rate or rates not to exceed the maximum rate permitted by applicable law and which shall be payable from ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality.

BE IT FURTHER RESOLVED by the Board that the City Recorder of the Municipality be, and is, hereby directed and instructed to cause the foregoing initial resolution relative to the issuance of general obligation bonds in an aggregate principal amount not to exceed $118,000,000 to be published in full in a newspaper having a general circulation in the Municipality, for one issue of said paper followed by the statutory notice, to-wit:

N O T I C E

The foregoing resolution has been adopted. Unless within twenty (20) days from the date of publication hereof a petition signed by at least ten percent (10%) of the registered voters of the Municipality shall have been filed with the City Recorder of the Municipality protesting the issuance of the general obligation bonds, such bonds will be issued as proposed.

Angie Skarp,
City Recorder

IT IS SO RESOLVED AND DONE on this ____ day of _______________, 20__.

ATTEST:

By:______________________________
Angie Skarp
City Recorder

CITY OF FRANKLIN, TENNESSEE:

By:____________________________
Dr. Ken Moore
Mayor

Approved as to Form:

By: ______________________________
Shauna R. Billingsley
City Attorney

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

File #: 21-01211

DATE: 10/16/2025 3:00:00 PM

TO: Budget & Finance Committee

FROM: Kristine Brock, Asst. City Administrator/CFO

SUBJECT:

Consideration Of Resolution 2025-90, A Resolution Authorizing The Issuance Of Not To Exceed $118,000,000 In Aggregate Principal Amount Of General Obligation Bonds Of The City Of Franklin, Tennessee; Making Provision For The Issuance, Sale And Payment Of Said Bonds; Establishing The Terms Thereof And The Disposition Of Proceeds Therefrom; And Providing For The Levy Of Taxes For The Payment Of Principal Of, Premium, If Any, And Interest On The Bonds

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Resolution 2025-90 authorizing the issuance of not to exceed $118,000,000 in aggregate principal amount of general obligation bonds of the City of Franklin.

BACKGROUND/STAFF COMMENTS:

This resolution authorizes the issuance of general obligation bonds by the City for funding of certain capital improvement projects. The Series 2026 Bonds will fund replacement Fire Apparatus, Major Road Resurfacing, New City Hall, Bransford Park construction and road improvements.

FINANCIAL IMPACT:

Debt service for the Bonds are paid from property tax revenues of the City and will begin in FY 2027. The City Administrator's Proposed FY 2027 Budget will include funding for first year debt service.

RECOMMENDATION:

Staff recommends that Resolution 2025-90 be recommended to the Board of Mayor and Aldermen for approval.

RESOLUTION 2025-90

A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $118,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE CITY OF FRANKLIN, TENNESSEE; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID BONDS; ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS.

WHEREAS, pursuant to Sections 9-21-101, et seq., Tennessee Code Annotated, as amended, municipalities in Tennessee are authorized through their respective governing bodies to issue and sell bonds of said municipalities to finance public works projects of said municipalities; and

WHEREAS, the Board of Mayor and Aldermen (the "Governing Body") of the City of Franklin, Tennessee (the "Municipality"), hereby determines that it is necessary and desirable to issue general obligation bonds of the Municipality to provide the funds necessary to finance the (i) acquisition, construction, improvement, repair, renovation, maintenance and/or equipping of (a) a new City Hall building and facilities, (b) parks and recreational facilities, (c) streets, roads and bridges, including but not limited to sidewalks, signage, signalization, related facilities, lighting and drainage improvements and (d) public safety equipment and vehicles, including but not limited to fire apparatus; (ii) acquisition of all property real or personal, appurtenant thereto, or connected with the foregoing; (iii) payment of architectural, engineering, legal, fiscal and administrative costs incident to the foregoing (collectively, the "Projects"); (iv) reimbursement to the appropriate fund of the Municipality for prior expenditures for the Projects and (v) payment of costs incident to the issuance and sale of the bonds authorized herein; and

WHEREAS, on the date hereof, the Governing Body has adopted an initial resolution (the "Initial Resolution") authorizing the issuance of not to exceed $118,000,000 in aggregate principal amount of general obligation bonds for the purposes hereinabove described; and

WHEREAS, it is the intention of the Governing Body to adopt this resolution for the purpose of authorizing not to exceed $118,000,000 in aggregate principal amount of general obligation bonds of the Municipality, in one or more series, providing for the issuance, sale and payment of said bonds, establishing the terms thereof and the disposition of proceeds therefrom and providing for the levy of a tax for the payment of principal thereof, premium, if any, and interest thereon.

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

Section 1. Authority. The bonds authorized by this resolution are issued pursuant to Sections 9-21-101 et seq., Tennessee Code Annotated, as amended, and other applicable provisions of law.

Section 2. Definitions. The following terms shall have the following meanings in this resolution unless the text expressly or by necessary implication requires otherwise:

(a) "Assistant City Administrator/Chief Financial Officer" means the duly acting Assistant City Administrator/Chief Financial Officer of the Municipality or, in the event that the Assistant City Administrator/Chief Financial Officer is incapable of acting, her duly authorized designee;

(b) "Bonds" shall mean not to exceed $118,000,000 in aggregate principal amount of General Obligation Bonds of the Municipality, to be dated their date of delivery, with such series designation and such other dated date as the Mayor shall determine pursuant to Section 8 hereof;

(c) "Book-Entry Form" or "Book-Entry System" means a form or system, as applicable, under which physical bond certificates in fully registered form are issued to a Depository, or to its nominee as Registered Owner, with the certificate of bonds being held by and "immobilized" in the custody of such Depository, and under which records maintained by persons, other than the Municipality or the Registration Agent, constitute the written record that identifies, and records the transfer of, the beneficial "book-entry" interests in those bonds;

(d) "City Recorder" means the duly acting City Recorder of the Municipality or, in the event that the City Recorder is incapable of acting, her duly authorized designee;

(e) "Code" means the Internal Revenue Code of l986, as amended, and all regulations promulgated thereunder;

(f) "Debt Management Policy" means the Debt Management Policy adopted by the Governing Body as required by the State Funding Board of the State of Tennessee;

(g) "Depository" means any securities depository that is a clearing agency under federal laws operating and maintaining, with its participants or otherwise, a Book-Entry System, including, but not limited to, DTC;

(h) "DTC" means The Depository Trust Company, a limited purpose company organized under the laws of the State of New York, and its successors and assigns;

(i) "DTC Participant(s)" means securities brokers and dealers, banks, trust companies and clearing corporations that have access to the DTC System;

(j) "Mayor" means the duly acting Mayor of the Municipality or, in the event that the Mayor is incapable of acting, his duly authorized designee;

(k) "Municipal Advisor" means PFM Financial Advisors LLC;

(l) "Municipality" means the City of Franklin, Tennessee;

(m) "Governing Body" means the Board of Mayor and Aldermen of the Municipality;

(n) "Projects" shall have the meaning ascribed to it in the above preamble; and

(o) "Registration Agent" means the registration and paying agent for the Bonds, appointed by the Mayor pursuant to Section 4 hereof, or any successor designated by the Governing Body.

Section 3. Findings of the Governing Body; Compliance with Debt Management Policy.

(a) In conformance with the directive of the State Funding Board of the State of Tennessee, the Municipality has heretofore adopted its Debt Management Policy. The Governing Body hereby finds that the issuance and sale of the Bonds, as proposed herein, is consistent with the Municipality's Debt Management Policy.

(b) Preliminary estimates of approximate debt service and costs of issuance of the Bonds have been made available to the Governing Body and are attached hereto as Exhibit A. Actual debt service amounts and costs of issuance depend upon market conditions at the time of sale of the Bonds.

Section 4. Authorization and Terms of the Bonds.

(a) For the purpose of providing funds to (i) finance the cost of the Projects, (ii) reimburse the appropriate fund of the Municipality for prior expenditures for the foregoing costs, if applicable; and (iii) pay costs incident to the issuance and sale of the Bonds, there is hereby authorized to be issued general obligation bonds, in one or more series, of the Municipality in the aggregate principal amount of not to exceed $118,000,000. The Bonds shall be issued in fully registered, book-entry form (except as otherwise provided herein), without coupons, shall be known as "General Obligation Bonds" and shall be dated their date of issuance and have such series designation or such other dated date as shall be determined by the Mayor pursuant to Section 8 hereof. Subject to adjustments permitted pursuant to Section 8 hereof, the Bonds shall bear interest at a rate or rates not to exceed the maximum interest rate permitted by applicable law, payable semi-annually on March 1 and September 1 in each year, commencing September 1, 2026. Subject to adjustments permitted in Section 8 hereof, the Bonds shall be issued initially in $5,000 denominations or integral multiples thereof, as shall be requested by the purchaser thereof, and shall mature on March 1 of each year, subject to prior optional redemption as hereinafter provided, either serially or through mandatory redemption, in the years 2027 through 2051.

(b) Subject to adjustments permitted in Section 8 hereof, Bonds maturing on or before March 1, 2036 shall mature without option of prior redemption and Bonds maturing March 1, 2037 and thereafter, shall be subject to redemption prior to maturity at the option of the Municipality on March 1, 2036 and thereafter, as a whole or in part at any time at the redemption price of par plus accrued interest to the redemption date.

If less than all of the Bonds shall be called for redemption, the maturities to be redeemed shall be selected by the Governing Body in its discretion. If less than all of the Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

(c) Pursuant to Section 8 hereof, the Mayor is authorized to sell the Bonds, or any maturities thereof, as term bonds ("Term Bonds") with mandatory redemption requirements corresponding to the maturities set forth herein or as determined by the Mayor. In the event any or all the Bonds are sold as Term Bonds, the Municipality shall redeem Term Bonds on redemption dates corresponding to the maturity dates set forth in Exhibit A, in aggregate principal amounts equal to the maturity amounts established pursuant to Section 8 hereof for each redemption date, as such maturity amounts and dates may be adjusted pursuant to Section 8 hereof, at a price of par plus accrued interest thereon to the date of redemption. The Term Bonds to be redeemed within a single maturity shall be selected in the manner described in subsection (b) above.

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such mandatory redemption date, the Municipality may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and canceled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the Municipality on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The Municipality shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

(d) Notice of call for redemption, whether optional or mandatory, shall be given by the Registration Agent on behalf of the Municipality not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Bonds for which proper notice was given. An optional redemption notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to affect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the Municipality nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant or Beneficial Owner will not affect the validity of such redemption. The Registration Agent shall mail said notices as and when directed by the Municipality pursuant to written instructions from an authorized representative of the Municipality (other than for a mandatory sinking fund redemption, notices of which shall be given on the dates provided herein) given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be satisfactory to the Registration Agent). From and after the redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth herein. In the case of a Conditional Redemption, the failure of the Municipality to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

(e) The Mayor is hereby authorized and directed to appoint the Registration Agent for the Bonds, and the Registration Agent, so appointed, is hereby authorized and directed to maintain Bond registration records with respect to the Bonds, to authenticate and deliver the Bonds as provided herein, either at original issuance or upon transfer, to effect transfers of the Bonds, to give all notices of redemption as required herein, to make all payments of principal and interest with respect to the Bonds as provided herein, to cancel and destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer, to furnish the Municipality at least annually a certificate of destruction with respect to Bonds canceled and destroyed, and to furnish the Municipality at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds. The Mayor is hereby authorized to execute and the City Recorder is hereby authorized to attest such written agreement between the Municipality and the Registration Agent as they shall deem necessary and proper with respect to the obligations, duties and rights of the Registration Agent. The payment of all reasonable fees and expenses of the Registration Agent for the discharge of its duties and obligations hereunder or under any such agreement is hereby authorized and directed.

(f) The Bonds shall be payable, both principal and interest, in lawful money of the United States of America at the main office of the Registration Agent. The Registration Agent shall make all interest payments with respect to the Bonds by check or draft on each interest payment date directly to the registered owners as shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by depositing said payment in the United States mail, postage prepaid, addressed to such owners at their addresses shown on said Bond registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the Municipality in respect of such Bonds to the extent of the payments so made. Payment of principal of and premium, if any, on the Bonds shall be made upon presentation and surrender of such Bonds to the Registration Agent as the same shall become due and payable. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each. In the event the Bonds are no longer registered in the name of DTC, or a successor Depository, if requested by the Owner of at least $1,000,000 in aggregate principal amount of the Bonds, payment of interest on such Bonds shall be paid by wire transfer to a bank within the continental United States or deposited to a designated account if such account is maintained with the Registration Agent and written notice of any such election and designated account is given to the Registration Agent prior to the record date.

(g) Any interest on any Bond that is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the Municipality to the persons in whose names the Bonds are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: the Municipality shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the Municipality shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which Date shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment to the registered owners. The Registration Agent shall promptly notify the Municipality of such Special Record Date and, in the name and at the expense of the Municipality, not less than ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each registered owner at the address thereof as it appears in the Bond registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in this Section or in the Bonds shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the Municipality to punctually pay or duly provide for the payment of principal of, premium, if any, and interest on the Bonds when due.

(h) The Bonds are transferable only by presentation to the Registration Agent by the registered owner, or his legal representative duly authorized in writing, of the registered Bond(s) to be transferred with the form of assignment on the reverse side thereof completed in full and signed with the name of the registered owner as it appears upon the face of the Bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Bond(s) in such form and with such documentation, if any, the Registration Agent shall issue a new Bond or the Bond to the assignee(s) in $5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the notice calling such Bond for redemption has been made, nor to transfer or exchange any Bond during the period following the receipt of instructions from the Municipality to call such Bond for redemption; provided, the Registration Agent, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Bond, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. The Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in any authorized denomination or denominations.

(i) The Bonds shall be executed in such manner as may be prescribed by applicable law, in the name, and on behalf, of the Municipality with the manual or facsimile signature of the Mayor and with the official seal, or a facsimile thereof, of the Municipality impressed or imprinted thereon and attested by the manual or facsimile signature of the City Recorder.

(j) Except as otherwise provided in this resolution, the Bonds shall be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds. References in this Section to a Bond or the Bonds shall be construed to mean the Bond or the Bonds that are held under the Book-Entry System. One Bond for each maturity shall be issued to DTC and immobilized in its custody. A Book-Entry System shall be employed, evidencing ownership of the Bonds in authorized denominations, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants pursuant to rules and procedures established by DTC.

Each DTC Participant shall be credited in the records of DTC with the amount of such DTC Participant's interest in the Bonds. Beneficial ownership interests in the Bonds may be purchased by or through DTC Participants. The holders of these beneficial ownership interests are hereinafter referred to as the "Beneficial Owners." The Beneficial Owners shall not receive the Bonds representing their beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the DTC Participant from which such Beneficial Owner purchased its Bonds. Transfers of ownership interests in the Bonds shall be accomplished by book entries made by DTC and, in turn, by DTC Participants acting on behalf of Beneficial Owners. SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE BONDS, THE REGISTRATION AGENT SHALL TREAT CEDE & CO., AS THE ONLY HOLDER OF THE BONDS FOR ALL PURPOSES UNDER THIS RESOLUTION, INCLUDING RECEIPT OF ALL PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE REGISTRATION AGENT TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THIS RESOLUTION.

Payments of principal, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid by the Registration Agent directly to DTC or its nominee, Cede & Co. as provided in the Letter of Representation relating to the Bonds from the Municipality and the Registration Agent to DTC (the "Letter of Representation"). DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners. The Municipality and the Registration Agent shall not be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants.

In the event that (1) DTC determines not to continue to act as securities depository for the Bonds or (2) the Municipality determines that the continuation of the Book-Entry System of evidence and transfer of ownership of the Bonds would adversely affect their interests or the interests of the Beneficial Owners of the Bonds, the Municipality shall discontinue the Book-Entry System with DTC. If the Municipality fails to identify another qualified securities depository to replace DTC, the Municipality shall cause the Registration Agent to authenticate and deliver replacement Bonds in the form of fully registered Bonds to each Beneficial Owner.

THE MUNICIPALITY AND THE REGISTRATION AGENT SHALL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO ANY DTC PARTICIPANT OR ANY BENEFICIAL OWNER WITH RESPECT TO (i) THE BONDS; (ii) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (iii) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; (iv) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE DUE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED UNDER THE TERMS OF THIS RESOLUTION TO BE GIVEN TO BENEFICIAL OWNERS, (v) THE SELECTION OF BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (vi) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC, OR ITS NOMINEE, CEDE & CO., AS OWNER.

If the Bonds are sold to a single purchaser that certifies that it does not intend to re-offer the Bonds to the public, then the Registration Agent may deliver fully registered Bonds to the purchaser without utilizing the Book-Entry System and the form of the Bond in Section 6 hereof shall be so conformed.

(k) The Registration Agent is hereby authorized to take such action as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including but not limited to, wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book-entry data received from DTC in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC (or any of its designees identified to the Registration Agent) by overnight delivery, courier service, telegram, telecopy or other similar means of communication. No such arrangements with DTC may adversely affect the interest of any of the owners of the Bonds, provided, however, that the Registration Agent shall not be liable with respect to any such arrangements it may make pursuant to this section.

(l) The Registration Agent is hereby authorized to authenticate and deliver the Bonds to the original purchaser, upon receipt by the Municipality of the proceeds of the sale thereof and to authenticate and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bond(s) to be transferred in proper form with proper documentation as hereinabove described. The Bonds shall not be valid for any purpose unless authenticated by the Registration Agent by the manual signature of an officer thereof on the certificate set forth herein on the Bond form.

(m) In case any Bond shall become mutilated, or be lost, stolen, or destroyed, the Municipality, in its discretion, shall issue, and the Registration Agent, upon written direction from the Municipality, shall authenticate and deliver, a new Bond of like tenor, amount, maturity and date, in exchange and substitution for, and upon the cancellation of, the mutilated Bond, or in lieu of and in substitution for such lost, stolen or destroyed Bond, or if any such Bond shall have matured or shall be about to mature, instead of issuing a substituted Bond the Municipality may pay or authorize payment of such Bond without surrender thereof. In every case the applicant shall furnish evidence satisfactory to the Municipality and the Registration Agent of the destruction, theft or loss of such Bond, and indemnity satisfactory to the Municipality and the Registration Agent; and the Municipality may charge the applicant for the issue of such new Bond an amount sufficient to reimburse the Municipality for the expense incurred by it in the issue thereof.

<u>Section</u> 5. <u>Source of Payment and Pledge</u>. The Bonds shall be secured by and payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of, premium, if any, and interest on the Bonds, the full faith and credit of the Municipality are hereby irrevocably pledged.

<u>Section</u> 6. <u>Form of Bonds</u>. The Bonds shall be in substantially the following form, the omissions to be appropriately completed when the Bonds are prepared and delivered:

(Form of Face of Bond)

REGISTERED REGISTERED

Number ______

$_________

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTY OF WILLIAMSON
CITY OF FRANKLIN
GENERAL OBLIGATION BOND, SERIES 2026

Interest Rate: Maturity Date: Date of Bond: CUSIP No.:

Registered Owner:

Principal Amount:

FOR VALUE RECEIVED, the City of Franklin, Tennessee (the "Municipality") hereby promises to pay to the registered owner hereof, hereinabove named, or registered assigns, in the manner hereinafter provided, the principal amount hereinabove set forth on the maturity date hereinabove set forth [(or upon earlier redemption as set forth herein)], and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on said principal amount at the annual rate of interest hereinabove set forth from the date hereof until said maturity date or redemption date, said interest being payable on [September 1, 2026], and semi-annually thereafter on the first day of [March] and [September] in each year until this Bond matures or is redeemed. Both principal hereof and interest hereon are payable in lawful money of the United States of America at the designated corporate trust office of ____________, ____________, ____________, as registration and paying agent (the "Registration Agent"). The Registration Agent shall make all interest payments with respect to this Bond on each interest payment date to the registered owner hereof shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by check or draft mailed to such owner at such owner's address shown on said Bond registration records, without, except for final payment, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the Municipality to the extent of the payments so made. Any such interest not so punctually paid or duly provided for on any interest payment date shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on the date (the "Special Record Date") for payment of such defaulted interest to be fixed by the Registration Agent, notice of which shall be given to the owners of the Bonds of the issue of which this Bond is one not less than ten (10) days prior to such Special Record Date. Payment of principal of [and premium, if any,] on this Bond shall be made when due upon presentation and surrender of this Bond to the Registration Agent.

Except as otherwise provided herein or in the Resolution, as hereinafter defined, this Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New

York ("DTC"), which will act as securities depository for the Bonds of the series of which this Bond is one. One Bond for each maturity of the Bonds shall be issued to DTC and immobilized in its custody, or a custodian of DTC. The Registrar is a custodian and agent for DTC and the Bonds will be immobilized in its custody. A book-entry system shall be employed, evidencing ownership of the Bonds in $5,000 denominations, or multiples thereof, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants, as defined in the Resolution, pursuant to rules and procedures established by DTC. So long as Cede & Co., as nominee for DTC, is the registered owner of the Bonds, the Municipality and the Registration Agent shall treat Cede & Co., as the only owner of the Bonds for all purposes under the Resolution, including receipt of all principal and maturity amounts of [, premium, if any,] and interest on the Bonds, receipt of notices, voting and requesting or taking or not taking, or consenting to, certain actions hereunder. Payments of principal[, and] interest, [and redemption premium, if any,] with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid directly to DTC or its nominee, Cede & Co. DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners, as defined in the Resolution. Neither the Municipality nor the Registration Agent shall be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants. In the event that (1) DTC determines not to continue to act as securities depository for the Bonds or (2) the Municipality determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect its interests or the interests of the Beneficial Owners of the Bonds, the Municipality may discontinue the book-entry system with DTC. If the Municipality fails to identify another qualified securities depository to replace DTC, the Municipality shall cause the Registration Agent to authenticate and deliver replacement Bonds in the form of fully registered Bonds to each Beneficial Owner. Neither the Municipality nor the Registration Agent shall have any responsibility or obligations to any DTC Participant or any Beneficial Owner with respect to (i) the Bonds; (ii) the accuracy of any records maintained by DTC or any DTC Participant; (iii) the payment by DTC or any DTC Participant of any amount due to any Beneficial Owner in respect of the principal or maturity amounts of and interest on the Bonds; (iv) the delivery or timeliness of delivery by DTC or any DTC Participant of any notice due to any Beneficial Owner that is required or permitted under the terms of the Resolution to be given to Beneficial Owners, (v) the selection of Beneficial Owners to receive payments in the event of any partial redemption of the Bonds; or (vi) any consent given or other action taken by DTC, or its nominee, Cede & Co., as owner.

Bonds of the issue of which this Bond is one maturing on or before [March] 1, 20__, shall mature without option of prior redemption and Bonds maturing [March] 1, 20__ and thereafter, shall be subject to redemption prior to maturity at the option of the Municipality on [March] 1, 20__ and thereafter, as a whole or in part at any time at the redemption price of par plus accrued interest to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be designated by the Board of Mayor and Aldermen. If less than all the principal amount of the Bonds of a maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the amount of the interest of each DTC Participant in the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

[Subject to the credit hereinafter provided, the Municipality shall redeem Bonds maturing ____ on the redemption dates set forth below opposite the maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. DTC, as securities depository for the series of Bonds of which this Bond is one, or such Person as shall then be serving as the securities depository for the Bonds, shall determine the interest of each Participant in the Bonds to be redeemed using its procedures generally in use at that time. If DTC, or another securities depository is no longer serving as securities depository for the Bonds, the Bonds to be redeemed within a maturity shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall select. The dates of redemption and principal amount of Bonds to be redeemed on said dates are as follows:

Final Maturity	Redemption Date	Principal Amount of Bonds Redeemed

*Final Maturity

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the Municipality may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and canceled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the Municipality on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The Municipality shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.]

Notice of call for redemption[, whether optional or mandatory,] shall be given by the Registration Agent not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the

Registration Agent as of the date of the notice; but neither failure to mail such notice nor any such defect in any such notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which proper notice was given. An optional redemption notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to affect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the Municipality nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant will not affect the validity of such redemption. From and after any redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth in the Resolution, as hereafter defined.] In the case of a Conditional Redemption, the failure of the Municipality to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

This Bond is transferable by the registered owner hereof in person or by such owner's attorney duly authorized in writing at the designated corporate trust office of the Registration Agent set forth above, but only in the manner, subject to limitations and upon payment of the charges provided in the Resolution, as hereafter defined, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and interest rate for the same aggregate principal amount will be issued to the transferee in exchange therefor. The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bond shall be overdue. Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in authorized denomination or denominations, upon the terms set forth in the Resolution. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular Record Date or Special Record Date and ending on the corresponding interest payment date of such Bond[, nor to transfer or exchange any Bond after the notice calling such Bond for redemption has been made, nor during a period following the receipt of instructions from the Municipality to call such Bond for redemption].

This Bond is one of a total authorized issue aggregating $___________ and issued by the Municipality for the purpose of providing funds necessary to finance the (i) acquisition, construction, improvement, repair, renovation, maintenance and/or equipping of (a) a new City Hall building and facilities, (b) parks and recreational facilities, (c) streets, roads and bridges, including but not limited to sidewalks, signage, signalization, related facilities, lighting and drainage improvements and (d) public safety equipment and vehicles, including but not limited to fire apparatus; (ii) acquisition of all property real or personal, appurtenant thereto, or connected with the foregoing; (iii) payment of architectural, engineering, legal, fiscal and administrative costs incident to the foregoing (collectively, the "Projects"); (iv) reimbursement to the appropriate fund of the Municipality for prior expenditures for the Projects and (v) payment of costs incident to the issuance and sale of the Bonds of which this Bond is one, pursuant to Sections 9-21-101 et seq., Tennessee Code Annotated, as amended, and other applicable provisions of law, and pursuant to a resolution duly adopted by the Board of Mayor and Aldermen of the Municipality on the 9th day of December, 2025 (the "Resolution").

This Bond is secured by and payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of, [premium, if any,] and interest on this Bond, the full faith and credit of the Municipality are irrevocably pledged.

This Bond and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Bond during the period the Bond is held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Bond in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

It is hereby certified, recited, and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the Municipality, does not exceed any limitation prescribed by the constitution and statutes of the State of Tennessee.

IN WITNESS WHEREOF, the Municipality has caused this Bond to be signed by its Mayor with his [manual or] [facsimile] signature and attested by its City Recorder with her [manual or] [facsimile] signature under an [impression or] facsimile of the corporate seal of the Municipality, all as of the date hereinabove set forth.

CITY OF FRANKLIN, TENNESSEE

BY: *[Form of Bond – Do not sign]*
Mayor

(SEAL)

ATTESTED:

[Form of Bond – Do not sign]
City Recorder

Transferable and payable at the
designated corporate trust office of: ________________________

____________, ____________

Date of Registration: ___________________

This Bond is one of the issue of Bonds issued pursuant to the Resolution hereinabove described.

____
Registration Agent

By: ____________________________________
Authorized Representative

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto ____________________________, whose address is __________________________________ (Please insert Social Security or Federal Tax Identification Number ______________) the within Bond of the City of Franklin, Tennessee, and does hereby irrevocably constitute and appoint ____________________, attorney, to transfer the said Bond on the records kept for registration thereof with full power of substitution in the premises.

Dated: ____________

____
NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature guaranteed:

____
NOTICE: Signature(s) must be guaranteed by a member firm of a Medallion Program acceptable to the Registration Agent.

[End of Bond Form]

<u>Section</u> 7. <u>Levy of Tax</u>. The Municipality, through its Governing Body, shall annually levy and collect a tax upon all taxable property within the corporate limits of the Municipality, in addition to all other taxes authorized by law, sufficient to pay principal of, premium, if any, and interest on the Bonds when due, and for that purpose there is hereby levied a direct annual tax in such amount as may be found necessary each year to pay principal of, premium, if any, and interest coming due on the Bonds in said year. Principal, premium, if any, and interest falling due at any time when there are insufficient

funds from this tax levy on hand shall be paid from the current funds of the Municipality and reimbursement therefor shall be made out of the taxes hereby provided to be levied when the same shall have been collected. The tax herein provided may be reduced to the extent of any appropriations from other funds, taxes and revenues of the Municipality to the payment of debt service on the Bonds.

Section 8. Sale of Bonds.

(a) The Bonds shall be offered at competitive public sale in the manner required by applicable law at prices not less than those required by applicable law. The Bonds may be sold in whole or in part, in one or more series, from time to time, all as shall be determined by the Mayor in consultation with the Municipal Advisor. The Bonds shall be sold at public sale by physical, facsimile or electronic delivery of bids and/or by electronic bidding by means of an internet bidding service as shall be determined by the Mayor, in consultation with the Municipal Advisor. The Mayor is authorized to award the Bonds to the bidder whose bid results in the lowest true interest cost to the Municipality, provided the rate or rates on none of the Bonds exceeds the maximum interest rate or rates permitted by applicable law. The award of the Bonds by the Mayor to the lowest bidder shall be binding on the Municipality, and no further action of the Governing Body with respect thereto shall be required.

(b) The Mayor is further authorized, with respect to each series of Bonds, to:

(1) change the dated date of the Bonds to a date other than the date of issuance of the Bonds;

(2) designate the Bonds, or any series thereof, to a designation other than "General Obligation Bonds" and to specify the series designation of the Bonds, or any series thereof;

(3) in order to facilitate the sale of the Bonds in a manner that is in the best interest of the Municipality, cause to be sold less than the principal amount authorized herein;

(4) change the first interest payment date on the Bonds or any series thereof to a date other than September 1, 2026, provided that such date is not later than twelve months from the dated date of such series of Bonds;

(5) adjust the principal and interest payment dates and the maturity amounts of the Bonds, or any series thereof (including, but not limited to establishing the date and year of the first principal payment date), provided that (A) the total principal amount of all series of the Bonds does not exceed the total amount of Bonds authorized herein; and (B) the term of any Bonds shall not exceed the reasonably expected economic life of the Projects financed thereby;

(6) adjust or remove the Municipality's optional redemption provisions of the Bonds including but not limited to making the Bonds callable on other dates and at other redemption prices, provided that the premium amount to be paid on Bonds or any series thereof does not exceed two percent (2%) of the principal amount thereof;

(7) sell the Bonds, or any series thereof, or any maturities thereof as Term Bonds with mandatory redemption requirements corresponding to the maturities set forth herein or as otherwise determined by the Mayor, as he shall deem most advantageous to the Municipality; and

(8) to cause all or a portion of the Bonds to be insured by a bond insurance policy issued by a nationally recognized bond insurance company if such insurance (a) is determined to be advantageous to the Municipality and such premium to be paid by the Municipality or (b) is requested and paid for by the winning bidder of the Bonds, or any series thereof, and to enter into an agreement with such bond insurance company with respect to such bond insurance on terms not inconsistent with the provisions of this resolution.

(c) The Mayor is authorized to sell the Bonds, or any series thereof, simultaneously with any other bonds or notes authorized by resolution or resolutions of the Governing Body. The Mayor is further authorized to sell the Bonds, or any series thereof, as a single issue of bonds with any other bonds with substantially similar terms authorized by resolution or resolutions of the Governing Body, in one or more series as he shall deem to be advantageous to the Municipality and in doing so, the Mayor is authorized to change the designation of the Bonds to a designation other than "General Obligation Bonds"; provided, however, that the total aggregate principal amount of combined bonds to be sold does not exceed the total aggregate principal amount of Bonds authorized by this resolution or bonds authorized by any other resolution or resolutions adopted by the Governing Body.

(d) The form of the Bond set forth in Section 6 hereof, shall be conformed to reflect any changes made pursuant to this Section 8 hereof.

(e) If permitted in the notice of sale for the Bonds, or any series thereof: (i) the successful bidder may request that the Bonds, or any such series thereof, be issued in the form of fully registered certificated Bonds in the name of the successful bidder or as directed by the successful bidder, in lieu of registration using the Book-Entry System, and (ii) the successful bidder may assign its right to purchase the Bonds, or any series thereof, to a third party provided, however, that upon such assignment, the successful bidder shall remain obligated to perform all obligations relating to the purchase of the Bonds as the successful bidder, including the delivery of a good faith deposit, the execution of required documents and the payment of the purchase price, if such successful bidder's assignee does not perform any of such obligations.

(f) The Mayor and City Recorder are authorized to cause the Bonds, in book-entry form (except as otherwise permitted herein), to be authenticated and delivered by the Registration Agent to the successful bidder, and such officers, along with any other officer of the Municipality as determined by the Mayor, are further authorized to execute, publish, and deliver all certificates and documents, including an official statement and closing certificates, as they shall deem necessary in connection with the sale and delivery of the Bonds. The Mayor is hereby authorized to (i) enter into a contract with the Municipal Advisor for municipal advisory services in connection with the sale of the Bonds and (ii) accept the engagement letter from Bass, Berry & Sims PLC, attached hereto as Exhibit B, regarding representation of the Municipality as bond counsel in connection with the Bonds.

(g) No Bonds shall be issued to finance the Projects until publication of the Initial Resolution in a newspaper of general circulation in the Municipality and the passage of twenty (20) days from the date of publication thereof, and in no event shall such Bonds be issued without prior referendum if a legally sufficient petition, as defined by Section 9-21-207, Tennessee Code Annotated, is filed within such twenty-day period.

Section 9. Disposition of Bond Proceeds. The proceeds of the sale of the Bonds shall be deposited with a financial institution regulated by the Federal Deposit Insurance Corporation or similar or successor federal agency in a special fund known as the 2026 Construction Fund (the "Construction Fund"), or such other designation as shall be determined by the Mayor, to be kept separate and apart from all other funds of the Municipality. The funds in the Construction Fund shall be disbursed solely to pay the costs of the Projects, including reimbursement for the prior payment therefor, and including necessary legal, accounting, engineering, architectural and fiscal expenses, printing, engraving, advertising and similar expenses, administrative and clerical costs, rating agency fees, Registration Agent fees, bond insurance premiums (if any) and other necessary miscellaneous expenses incurred in connection with the Projects, and the costs of issuance and sale of the Bonds. Notwithstanding the foregoing, costs of issuance of the Bonds may be withheld from the good faith deposit or purchase price of the Bonds and paid to the Municipal Advisor to be used to pay costs of issuance of the Bonds. Moneys in the Construction Fund shall be invested as directed by the Assistant City Administrator/Chief Financial Officer in such investments as shall be permitted by applicable law. Earnings from such investments shall be, to the extent permitted by applicable law, and at the discretion of the Mayor, (i) deposited to the Construction Fund to reimburse the Construction Fund for any costs of issuance paid related to the issuance of the Bonds; (ii) deposited to the Construction Fund to the extent needed for the Projects; (iii) transferred to the Municipality's debt service fund to the extent permitted by applicable law or (iv) applied to any payments due to the United States government pursuant to the Code in connection with the Bonds. To the extent permitted by applicable law and subject to consultation with Bond Counsel, any funds remaining in the Construction Fund after completion of the Projects, including earnings from such investments, shall be deposited to the Municipality's debt service fund or may be applied to any payments due to the United States government pursuant to the Code in connection with the Bonds, subject to any modifications to the foregoing by the Governing Body.

(c) In accordance with state law, the various department heads responsible for the fund or funds receiving and disbursing funds are hereby authorized to amend the budget of the proper fund or funds for the receipt of proceeds from the issuance of the obligations authorized by this resolution including bond and note proceeds, accrued interest, reoffering premium and other receipts from this transaction. The department heads responsible for the fund or funds are further authorized to amend the proper budgets to reflect the appropriations and expenditures of the receipts authorized by this resolution.

<u>Section</u> 10. <u>Official Statement</u>. The Mayor, the City Recorder and the Assistant City Administrator/Chief Financial Officer, or any of them, working with the Municipal Advisor, are hereby authorized and directed to provide for the preparation and distribution, which may include electronic distribution, of a Preliminary Official Statement describing the Bonds. After bids have been received and the Bonds have been awarded, the Mayor, the City Recorder and the Assistant City Administrator/Chief Financial Officer, or any of them, shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this resolution as are necessary or desirable to complete it as a final Official Statement for purposes of Rule 15c2-12(e)(3) of the Securities and Exchange Commission. The Mayor, the City Recorder and the Assistant City Administrator/Chief Financial Officer, or any of them, shall arrange for the delivery to the successful bidder for the Bonds of a reasonable number of copies of the Official Statement within seven (7) business days after the Bonds have been awarded for delivery, in accordance with the provisions of Rule 15c2-12 of the Securities and Exchange Commission.

The Mayor, the City Recorder and the Assistant City Administrator/Chief Financial Officer, or any of them, are authorized, on behalf of the Municipality, to deem the Preliminary Official Statement and the Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-

12(b)(1), except for the omission in the Preliminary Official Statement of certain pricing and other information allowed to be omitted pursuant to such Rule 15c2-12(b)(1). The distribution of the Preliminary Official Statement and the Official Statement in final form shall be conclusive evidence that each has been deemed in final form as of its date by the Municipality except for the omission in the Preliminary Official Statement of such pricing and other information.

If the winning bidder or its purchaser or assignee does not intend to reoffer the Bonds to the public as evidenced by a certificate executed by the winning bidder and/or its purchaser or assignee, then an Official Statement is authorized, but not required, as shall be determined by the Mayor in consultation with the Municipal Advisor and Bond Counsel.

Section 11. Tax Matters.

(a) The Bonds are expected to be issued as federally tax-exempt bonds. In such event and to that end, the Municipality hereby covenants that it will not use, or permit the use of, any proceeds of the Bonds in a manner that would cause the Bonds to be subjected to treatment under Section 148 of the Code, and applicable regulations thereunder, as an "arbitrage bond". Also, to that end, the Municipality shall comply with applicable regulations adopted under said Section 148. The Municipality further covenants with the registered owners from time to time of the Bonds that it will, throughout the term of the Bonds and through the date that the final rebate, if any, must be made to the United States in accordance with Section 148 of the Code, comply with the provisions of Sections 103 and 141 through 150 of the Code and all regulations proposed and promulgated thereunder that must be satisfied in order that interest on the Bonds shall be and continue to be excluded from gross income for federal income tax purposes under Section 103 of the Code.

(b) It is reasonably expected that the Municipality will reimburse itself for certain expenditures made by it in connection with the Projects by issuing the Bonds. This resolution shall be placed in the minutes of the Governing Body and shall be made available for inspection by the general public at the office of the Governing Body. This resolution constitutes a declaration of official intent under Treas. Reg. §1.150-2.

(c) The officers of the Municipality are authorized and directed, on behalf of the Municipality, to execute and deliver all such certificates and documents and to adopt and follow all such regulations, policies and procedures that may be required or advisable, as determined in consultation with Bond Counsel, when complying with the provisions of this Section related to the issuance of the Bonds.

Section 12. Discharge and Satisfaction of Bonds. If the Municipality shall pay and discharge the indebtedness evidenced by any of the Bonds in any one or more of the following ways, to wit:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers (an "Agent"; which Agent may be the Registration Agent) in trust or escrow, on or before the date of maturity or redemption, sufficient money or Federal Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds and to pay interest thereon when due until the maturity or redemption date (provided, if such Bonds are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice);

(c) By delivering such Bonds to the Registration Agent, for cancellation by it;

and if the Municipality shall also pay or cause to be paid all other sums payable hereunder by the Municipality with respect to such Bonds, or make adequate provision therefor, and by resolution of the Governing Body instruct any such Escrow Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on such Bonds when due, then and in that case the indebtedness evidenced by such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the Municipality to the holders of such Bonds shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the Municipality shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Federal Obligations deposited as aforesaid.

Except as otherwise provided in this Section, neither Federal Obligations nor moneys deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Federal Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal, premium, if any, and interest on said Bonds; provided that any cash received from such principal or interest payments on such Federal Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Municipality as received by the Registration Agent and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Federal Obligations maturing at times and in amounts sufficient to pay when due the principal, premium, if any, and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Municipality, as received by the Registration Agent. For the purposes of this Section, Federal Obligations shall mean direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, which bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

<u>Section</u> 13. <u>Reasonably Expected Economic Life</u>. The "reasonably expected economic life" of the Projects within the meaning of Sections 9-21-101 <u>et</u> <u>seq</u>., Tennessee Code Annotated, equals or exceeds the term of those Bonds financing such Projects.

<u>Section</u> 14. <u>Continuing Disclosure</u>. The Municipality hereby covenants and agrees that it will provide annual financial information and certain event notices if and as required by Rule 15c2-12 of the Securities Exchange Commission for the Bonds. The Mayor is authorized to execute at the closing of the sale of the Bonds, an agreement for the benefit of and enforceable by the owners of the Bonds specifying the details of the financial information and event notices to be provided and its obligations relating thereto, if any. Failure of the Municipality to comply with the undertaking herein described and

to be detailed in said closing agreement, shall not be a default hereunder, but any such failure shall entitle the owner or owners of any of the Bonds to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the Municipality to comply with their undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performance.

Section 15. Resolution a Contract. The provisions of this resolution shall constitute a contract between the Municipality and the registered owners of the Bonds, and after the issuance of the Bonds, no change, variation or alteration of any kind in the provisions of this resolution that would adversely affect the security of the Bonds or the rights of the Bondholders shall be made in any manner until such time as the Bonds and interest due thereon shall have been paid in full.

Section 16. Separability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 17. Repeal of Conflicting Resolutions and Effective Date. All other resolutions and orders, or parts thereof, in conflict with the provisions of this resolution are, to the extent of such conflict, hereby repealed and this resolution shall be in immediate effect from and after its adoption.

IT IS SO RESOLVED AND DONE on this ____ day of _______________, 20__.

ATTEST:	**CITY OF FRANKLIN, TENNESSEE:**
By:_____________________________	**By:___________________________**
Angie Skarp	**Dr. Ken Moore**
City Recorder	**Mayor**

Approved as to Form:

By: _____________________________
Shauna R. Billingsley
City Attorney

EXHIBIT A

ESTIMATED AMORTIZATION SCHEDULE AND COSTS OF ISSUANCE

Bond Component	***Maturity Date***	***Amount***	***Rate***	***Yield***	***Price***	
Bond Component:						
	03/01/2027	1,740,000	5.000%	2.440%	102.650	
	03/01/2028	2,385,000	5.000%	2.470%	105.038	
	03/01/2029	2,955,000	5.000%	2.490%	107.339	
	03/01/2030	3,560,000	5.000%	2.530%	109.462	
	03/01/2031	3,740,000	5.000%	2.660%	110.999	
	03/01/2032	3,925,000	5.000%	2.850%	111.878	
	03/01/2033	4,120,000	5.000%	3.030%	112.428	
	03/01/2034	4,325,000	5.000%	3.180%	112.842	
	03/01/2035	4,540,000	5.000%	3.340%	112.877	
	03/01/2036	4,770,000	5.000%	3.530%	112.350	
	03/01/2037	4,108,000	5.000%	3.750%	110.389	C
	03/01/2038	4,314,000	5.000%	3.930%	108.815	C
	03/01/2039	4,529,000	5.000%	4.080%	107.523	C
	03/01/2040	4,756,000	5.000%	4.210%	106.419	C
	03/01/2041	4,994,000	5.000%	4.320%	105.496	C
	03/01/2042	4,834,000	5.000%	4.420%	104.665	C
	03/01/2043	5,077,000	5.000%	4.570%	103.432	C
	03/01/2044	5,328,000	5.000%	4.650%	102.783	C
	03/01/2045	5,596,000	5.000%	4.720%	102.218	C
	03/01/2046	5,876,000	5.000%	4.800%	101.577	C
	03/01/2047	4,655,000	5.000%	4.870%	101.020	C
	03/01/2048	4,888,000	5.000%	4.920%	100.625	C
	03/01/2049	5,132,000	5.250%	4.960%	102.271	C
	03/01/2050	5,402,000	5.250%	4.990%	102.033	C
	03/01/2051	5,685,000	5.250%	5.010%	101.874	C
		111,234,000				

C=Price to March 1, 2036 Call Date

City of Franklin, TN Costs of Issuance - Estimated General Obligation Bonds, Series 2026			
			Estimated
Bass, Berry & Sims PLC	Bond Counsel	$	105,000
	Expenses		2,000
PFM Financial Advisors LLC	Financial Advisor		125,000
	Data Fee & Expenses		5,000
Moody's Investors Service	Rating		78,500
S&P Global	Rating		85,000
US Bank (Confirm w/City and Fees)\	Paying Agent Fee		1,000
Ipreo	POS/OS Posting		1,250
DAC	Dissemination Agent		2,500
Miscellaneous			5,000
Total Costs of Issuance		**$**	**410,250**

Interest costs and issuance costs for the Bonds are estimated and preliminary and depend upon market conditions at the time of sale.

EXHIBIT B

ENGAGEMENT LETTER OF BOND COUNSEL

December 9, 2025

City of Franklin, Tennessee
109 3rd Avenue South
Franklin, TN 37064
Attention: Mayor Ken Moore

Re: Issuance of Not to Exceed $118,000,000 in Aggregate Principal Amount of General Obligation Bonds.

Dear Mayor Moore:

The purpose of this engagement letter is to set forth certain matters concerning the services we will perform as bond counsel to the City of Franklin, Tennessee (the "Issuer"), in connection with the issuance of the above-referenced bonds (the "Bonds"). We understand that the Bonds are being issued for the purpose of providing funds necessary to finance projects identified in the detailed bond resolution (the "Resolution") authorizing the Bonds, adopted on December 9, 2025, and to pay costs of issuance of the Bonds, as more fully set forth in the Resolution. We further understand that the Bonds will be sold by competitive sale.

SCOPE OF ENGAGEMENT

In this engagement, we expect to perform the following duties:

1. Subject to the completion of proceedings to our satisfaction, render our legal opinion (the Bond Opinion) regarding the validity and binding effect of the Bonds, the source of payment and security for the Bonds, and the excludability of interest on the Bonds from gross income for federal income tax purposes.

2. Prepare and review documents necessary or appropriate for the authorization, issuance and delivery of the Bonds, coordinate the authorization and execution of such documents, and review enabling legislation.

3. Assist the Issuer in seeking from other governmental authorities such approvals, permissions and exemptions as we determine are necessary or appropriate in connection with the authorization, issuance, and delivery of the Bonds, except that we will not be responsible for any required blue-sky filings.

4. Review legal issues relating to the structure of the Bond issue.

5. Draft those sections of the official statement to be disseminated in connection with the sale of the Bonds, describing the Bond Opinion, the terms of and security for the Bonds, and the treatment of the Bonds and interest thereon under state and federal tax law.

6. Assist the Issuer in presenting information to bond rating organizations and providers of credit enhancement relating to legal issues affecting the issuance of the Bonds, if requested.

7. Prepare and review the notice of sale pertaining to the competitive sale of the Bonds.

Our Bond Opinion will be addressed to the Issuer and will be delivered by us on the date the Bonds are exchanged for their purchase price (the "Closing").

The Bond Opinion will be based on facts and law existing as of its date. In rendering our Bond Opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation, and we will assume continuing compliance by the Issuer with applicable laws relating to the Bonds. During the course of this engagement, we will rely on you to provide us with complete and timely information on all developments pertaining to any aspect of the Bonds and their security. We understand that you will direct members of your staff and other employees of the Issuer to cooperate with us in this regard.

Our duties in this engagement are limited to those expressly set forth above. Among other things, our duties <u>do</u> <u>not</u> include:

a. Except as described in paragraph (5) above,

    1) Assisting in the preparation or review of an official statement or any other disclosure document with respect to the Bonds, or

    2) Performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document, or

    3) Rendering advice that the official statement or other disclosure documents

        a) Do not contain any untrue statement of a material fact or

        b) Do not omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

b. Preparing requests for tax rulings from the Internal Revenue Service, or no action letters from the Securities and Exchange Commission.

c. Preparing blue sky or investment surveys with respect to the Bonds.

d. Drafting state constitutional or legislative amendments.

e. Pursuing test cases or other litigation, (such as contested validation proceedings).

f. Making an investigation or expressing any view as to the creditworthiness of the Issuer or the Bonds.

g. Assisting in the preparation of, or opining on, any continuing disclosure undertaking pertaining to the Bonds or any other debt of the Issuer, or after Closing, providing advice concerning any actions necessary to assure compliance with any continuing disclosure undertaking.

h. Representing the Issuer in Internal Revenue Service examinations or inquiries, or Securities and Exchange Commission investigations.

i. After Closing, providing continuing advice to the Issuer or any other party concerning any actions necessary to assure that interest paid on the Bonds will continue to be excludable from gross income for federal income tax purposes (e.g., our engagement does not include rebate calculations for the Bonds).

j. Addressing any other matter not specifically set forth above that is not required to render our Bond Opinion.

ATTORNEY-CLIENT RELATIONSHIP

Upon acceptance of this engagement letter, the Issuer will be our client and an attorney-client relationship will exist between us. We assume that all other parties will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. We further assume that all other parties understand that in this transaction we represent only the Issuer, we are not counsel to any other party, and we are not acting as an intermediary among the parties. Our services as bond counsel are limited to those contracted for in this letter; the Issuer's execution of this engagement letter will constitute an acknowledgment of those limitations. Our representation of the Issuer will not affect, however, our responsibility to render an objective Bond Opinion. Please note that, in our representation of the Issuer, we will not act as a “municipal advisor”, as such term is defined in the Securities Exchange Act of 1934, as amended.

Our representation of the Issuer and the attorney-client relationship created by this engagement letter will be concluded upon issuance of the Bonds. Nevertheless, subsequent to Closing, we will mail the appropriate Internal Revenue Service Forms 8038-G, and prepare and distribute to the participants in the transaction a transcript of the proceedings pertaining to the Bonds.

As you are aware, our firm represents many political subdivisions, companies and individuals. It is possible that during the time that we are representing the Issuer, one or more of our present or future clients will have transactions with the Issuer. It is also possible that we may be asked to represent, in an unrelated matter, one or more of the entities involved in the issuance of the Bonds. We do not believe such representation, if it occurs, will adversely affect our ability to represent you as provided in this letter, either because such matters will be sufficiently different from the issuance of the Bonds as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the issuance of the Bonds. Acceptance of this letter will signify the Issuer’s consent to our representation of others consistent with the circumstances described in this paragraph.

FEES

Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing represented by the Bonds; (ii) the duties we will undertake pursuant to this engagement letter; (iii) the time we anticipate devoting to the financings; and (iv) the responsibilities we will assume in connection therewith, we estimate that our fee will be $105,000.00 for the Bonds. Our fees may vary: (a) if the principal amount of Bonds actually issued differs significantly from the amounts stated above; (b) if material changes in the structure or schedule of the respective financings occur; or (c) if unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility. If, at any time, we believe that circumstances require an adjustment of our original fee estimates, we will advise you and prepare and provide to you an amendment to this engagement letter. The fees quoted above will include all out-of-pocket expenses advanced for your benefit, such as travel costs, photocopying, deliveries, long distance telephone charges, telecopier charges, filing fees, computer-assisted research and other expenses.

If, for any reason, the financing represented by the Bonds is completed without the delivery of our Bond Opinion as bond counsel or our services are otherwise terminated, we will expect to be compensated at our normal rates for the time actually spent on your behalf plus client charges as described above unless we have failed to meet our responsibilities under this engagement, but in no event will our fees exceed the amount set forth above.

RECORDS

At your request, papers and property furnished by you will be returned promptly upon receipt of payment for outstanding fees and client charges. All goods, documents, records, and other work product and property produced during the performance of this engagement are deemed to be Issuer's property. We agree to maintain documentation for all charges against the Issuer. Our books, records, and documents, insofar as they relate to work performed or money received under this engagement, shall be maintained for a period of three (3) full years from the respective Closing(s) and will be subject to audit, at any reasonable time and upon reasonable notice by the Issuer or its duly appointed representatives.

OTHER MATTERS

We have not retained any persons to solicit or secure this engagement from the Issuer upon an agreement or understanding for a contingent commission, percentage, or brokerage fee. We have not offered any employee of the Issuer a gratuity or an offer of employment in connection with this engagement and no employee has requested or agreed to accept a gratuity or offer of employment in connection with this engagement.

Any modification or amendment to this Engagement Letter must be in writing, executed by us and contain the signatures of the Issuer. The validity, construction and effect of this Engagement Letter and any and all extensions and/or modifications thereof shall be governed by the laws of the State of

Tennessee. To the extent permitted by applicable law, any action between the parties arising from this Engagement Letter shall be maintained in the state or federal courts of Davidson County, Tennessee.

CONCLUSION

If the foregoing terms are not acceptable to you, please so indicate in a writing signed by an authorized officer. Otherwise, we look forward to working with you.

48310016.3

City of Franklin, TN

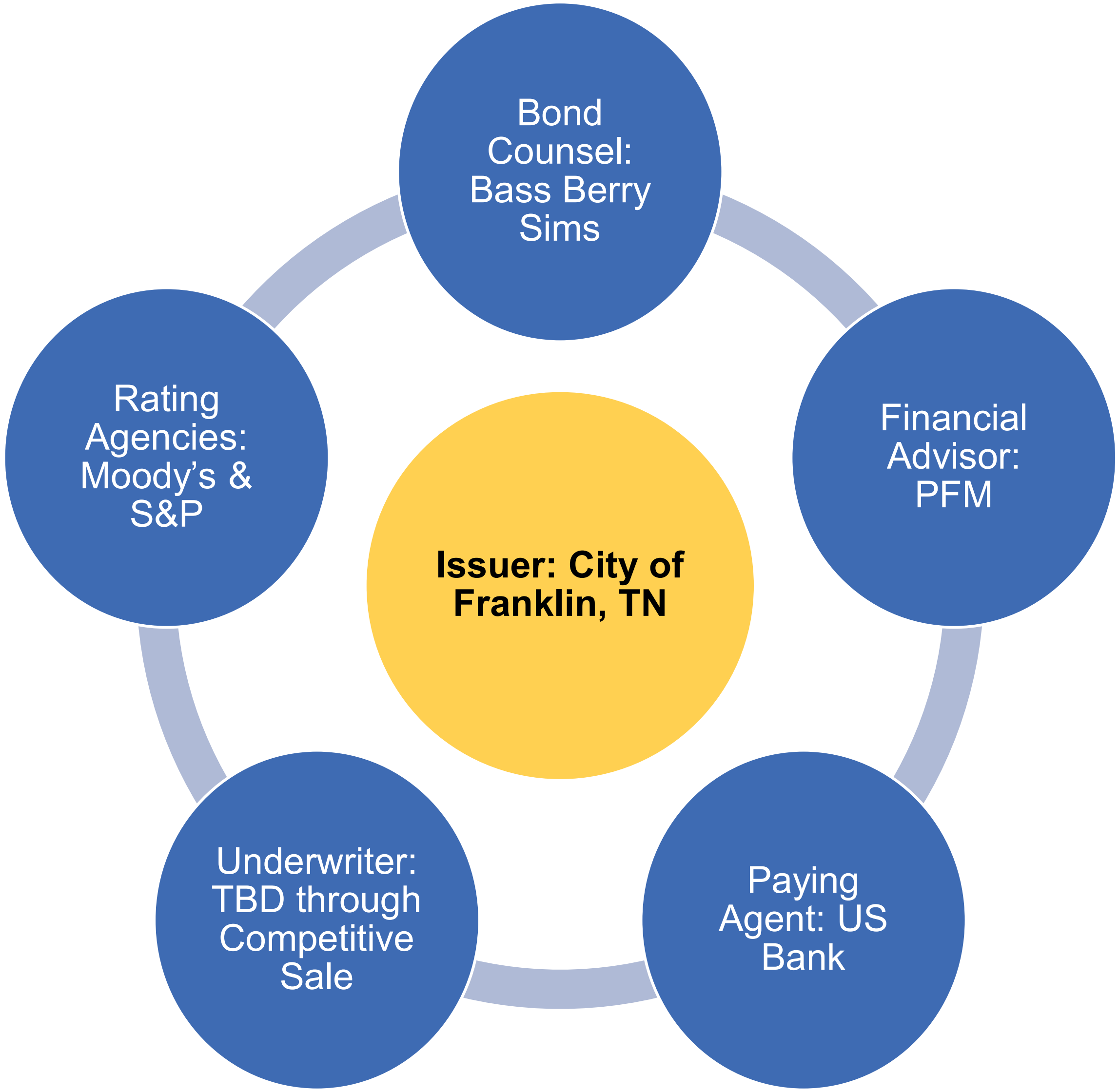
HISTORIC
FRANKLIN
TENNESSEE

Proposed General Obligation Bonds, Series 2026
Budget and Finance Committee
October 16, 2025

Proposed General Obligation Bonds, Series 2026 – City Projects

Project	Amount	Notes
Fire Apparatus	$4,593,103	3 Apparatus + equipment
Major Road Resurfacing	$7,580,161	2 paving seasons- 2026 and 2027
Pearl Bransford Park/Robinson Lake	$15,000,000	Final traunch of bond proceeds (first was 2025 GO Bonds)
Long Lane Road Improvements	$2,500,000	Additional bond funds expected in 2028 issuance
Church Street Road Improvements	$2,500,000	Additional bond funds expected in 2028 issuance
New City Hall	$85,000,000	All debt for this project (Remaining 17% is cash funded)
Total	$117,173,264	

Bond Sale Team Members

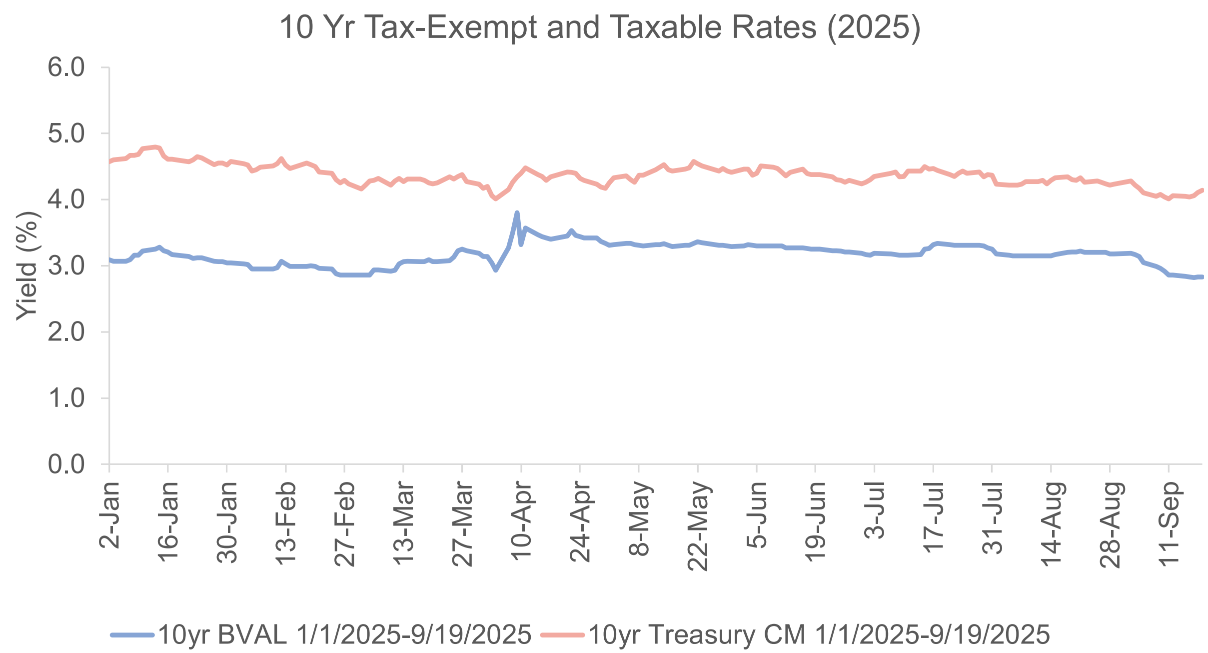


Security / Source of Repayment

- General Obligation Bonds are secured and payable from the following:
  - Full Faith and Credit Pledge
  - All Legally Available Revenues
  - Taxing Power
  - Should a governing body fail to appropriate annual interest and principal, the obligation remains due, and the bondholders have a legal right to such funds and may take legal action to obtain timely payment.

Tax Status: Tax-Exempt

- The Tax Status of debt is based on how the proceeds will be spent (type of project and meeting certain investment rules).
- The City's 2026 Bonds are considered Governmental Bonds and will be issued at Tax-Exempt interest rates



Benefits of Tax-Exempt Bonds:

- Cost of financing is generally lower
- Theoretical rate: ~70% of taxable rate
- Interest paid to bondholders is not includable in gross income for federal income tax purposes

	10 Yr Tax-Exempt	10 Yr Taxable
Max	3.80	4.79
Min	2.82	4.01
Average	3.17	4.36
Current	2.83	4.14

BVAL – Bloomberg AAA Tax-Exempt Index

Key Elements of the Authorizing Resolutions

Authorizing Resolution	
Identify Applicable Tennessee Code	9-21-101
Identify the Types of Projects to be Financed	The cost of design, construction, and improvements to listed public assets and infrastructure projects (parks, roads, public safety equipment)
Not To Exceed Amount	$118,000,000
Payment Dates	Annual principal payment dates (March) & semi-annual interest payment dates (March & September)
Establish a Call Date (date to potentially refinance)	Not to exceed 10 years after debt is issued
Identify the Source or Repayment/Security	Unlimited Ad Valorem Taxes

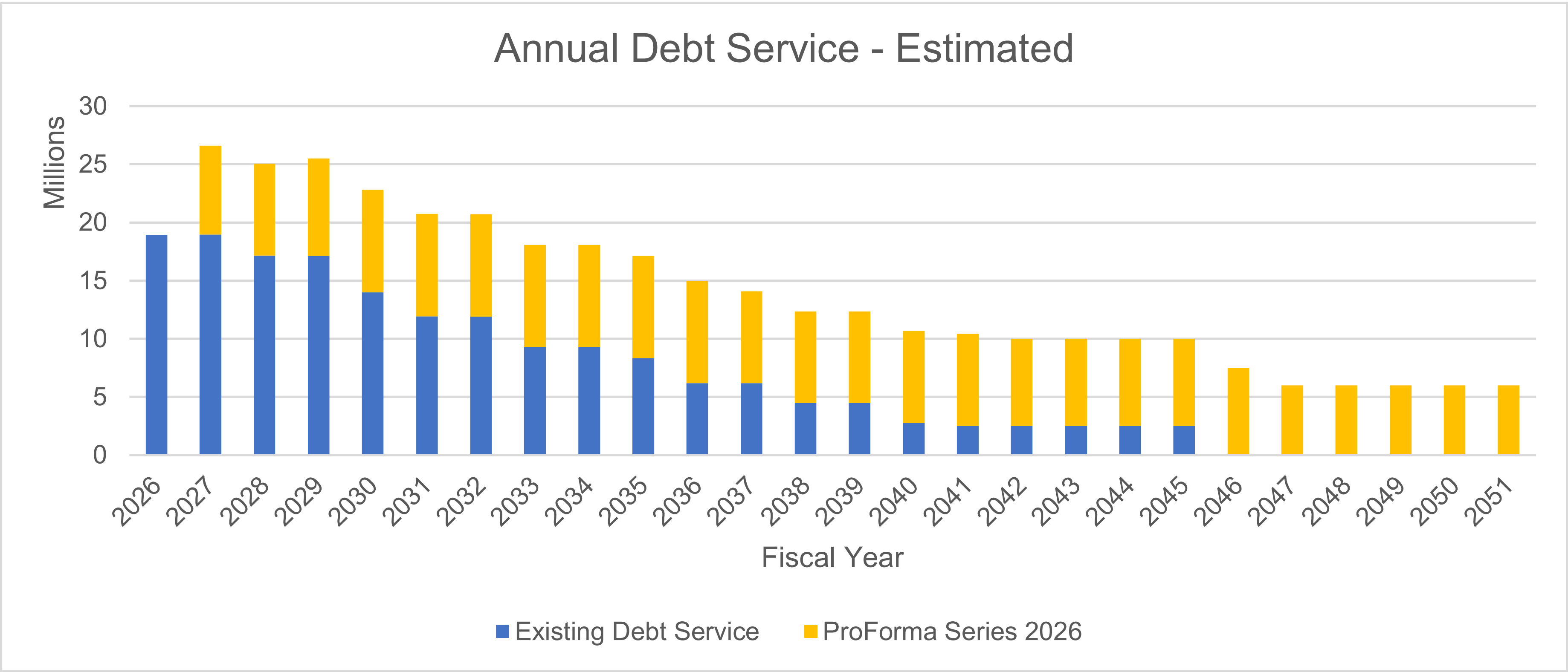
Estimated 2026 Debt Stats*

Estimated Par Amount	$110,000,000 - $118,000,000
Estimated True Interest Cost	4.25% - 4.50%
Estimated Annual Debt Service	FY 2027 – FY 2028 of approximately $7.7M - $8.0M FY 2029 – FY 2036 of approximately $8.4 - $8.8M FY 2037 – FY 2041 of approximately $7.9M FY 2042 – FY 2046 of approximately $7.5M FY 2047 – FY 2051 of approximately $6.0M

Annual debt service is higher in the earlier years due to shorter amortization periods for Major Road Resurfacing (10 years) and Fire Apparatus (15 years) versus Pearl Bransford Park and Road Improvements (20 years) and City Hall (25 years).

*Preliminary, Subject to Change.

Debt Service Payments with Series 2026



Financing Timeline*

October 16, 2025	BOMA Budget & Finance Work Session
November 25, 2025	BOMA Work Session – Initial and Authorizing Resolutions
December 9, 2025	BOMA Meeting – Initial and Authorizing Resolutions Presented
Week of January 5th 2026	Credit Rating Calls (Tentative)
Week of January 19th 2026	Distribute Bond Offering Documents
Week of January 26th 2026	Competitive Bond Sale
Week of February 9th 2026	Closing/Funds Received

Preliminary, Subject to Change.

City of Franklin

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

File #: 21-01047

DATE: 10/16/2025 3:00:00 PM

TO: Budget & Finance Committee

FROM: Michael Walters Young, Chief Budget & Performance Officer
Norma Lockney, Budget & Performance Analyst

SUBJECT:

Consideration Of Guidance On Appropriations To Outside Agencies

PURPOSE:

The purpose of this memorandum is to provide folow-up information to the Franklin Board of Mayor and Aldermen (BOMA) concerning draft guidance regarding Appropriations to Outside Agencies.

BACKGROUND/STAFF COMMENTS:

Last month, staff reviewed and provided draft guidance for the Budget & Finance Committee concerning guidance to outside agencies, including draft guidance to help committee members evaluate future funding requests based on a simple set of minimum criteria.

As a result of that meeting, staff has gone back and created a first cut of a scorecard of the last two years worth of submissions based upon suggestions from the committee. We will review the scorecard and seek additional guidance.

FINANCIAL IMPACT:

There is no direct financial impact as a result of this guidance; however, it will likely limit future expenditure increases in appropriations to outside agencies.

RECOMMENDATION:

Staff recommends that this guidance be reviewed and if desired recommended for approval by the Board of Mayor and Aldermen.

Appropriations to Outside Agencies Guidelines

Budget & Finance Committee
October 16, 2025

City of Franklin, Tennessee

Appropriations Guidelines

Outline

- Purpose of the Appropriations to Outside Agencies Program

- Application Criteria and Process

- Funding Criteria and Process

HISTORIC FRANKLIN TENNESSEE

City of Franklin, Tennessee

Appropriations Guidelines

Purpose of the Appropriations to Outside Agencies Program

- **To provide financial support to agencies that provide services the municipal government cannot.**
- **Aligns with the City of Franklin's Vision, Mission and Strategic Plan Goals.**

City of Franklin, Tennessee

Appropriations Guidelines

Request of Staff

- **Develop a "scorecard" where key questions about each appropriation could be seen in summary form.**
- **Provide multiple years for comparison to see how they match up.**
- **Ensure that proposed guidance on funding limits and tie-ins to core services were vetted.**

City of Franklin, Tennessee

Appropriations Guidelines

Scorecard

- **First Scorecard: Summarizes whether or not all materials requested were received**
- **Second Scorecard provides:**
  - **Agency**
  - **Requested Amount**
  - **Total Budget**
  - **Percentage of ask**
  - **Whether or not the request is new (First-Time)**
  - **Strategic Plan Goal Tie-in**
  - **Core Service Evaluation**
  - **What was actually funded**

HISTORIC FRANKLIN TENNESSEE

City of Franklin, Tennessee

Appropriations Guidelines – Scorecard #1

Appropriations Materials Checklist

	Complete	COF Application	Statement of use of funds (on app or separate)	Option 1: Audit	Option 2: State Fin. Form	Proof of Nonprofit / IRS Tax Exempt Cert	Registered with the State of TN?	Board of Directors List	COI	Vendor Form	W9
Appropriations to Governments											
Health Department (WIL022)	Yes	Yes	Yes	Fiscal Review	N/A	N/A	N/A	N/A	N/A	Yes	upon request
Animal Control (interlocal, letter from them) WIL013	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	upon request
Library - Books (WIL063)	Yes	Yes	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A	upon request
TN Rehab @ Franklin (TEN076)	Yes	Yes	Yes	Yes	N/A	N/A	N/A	N/A	N/A	Yes	upon request
Regional Transit Authority 91X Bus	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	upon request
Total Appropriations to Gov't 110-87120-45920											
Appropriations to Charitable Organizations (formerly Civic org code, none were civic)											
ARC (ARC002)	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Boys & Girls Club (BOY0003)	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	N/A	Yes
Bridges (BRI001)	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	N/A	Yes
Community Child Care (COM011)	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Not Needed	Yes
Community Housing Partnership (COM013)	No	Yes	Yes	N/A	Yes	Yes	Sent 4/14	Yes	Yes	Yes	Yes
Davis House Child Advocacy Center (WIL041)	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Not Needed	Yes
Door Step Project - **NEW**	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Franklin Tomorrow (FRA037)	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Not Needed	Yes
Gentry's Education Center (GEN024)	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Not Needed	Yes
Gilda's Club (GIL025)	Yes	Yes	Yes	N/A	Yes	Yes	Ext 3/31	Yes	Yes	Not Needed	Yes
Graceworks / Wilco Em Relief (GRA003)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not Needed	Yes
Hard Bargain	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mid Cumb Hum Res/Homemaker (MID007)		Yes	Yes								
Mid-Cumb Hum Res/Ombudsman (MID007)		Yes	Yes								
Mid-Cumb Hum Res/YouthCAN	Yes	None	None	Yes	N/A	Yes	Ext 3/31	Yes	Yes	N/A	Yes
Mid-Cumberland Dues		None	None								
Mid-Cumb Meals on Wheels (MID007)		Yes	Yes								
One Generation Away (ONE007)	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Not Needed	Yes
Second Harvest/Nashville's Table (SEC002)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes
ShareBuilt - **NEW**	Yes	Yes	Yes	N/A	no audit	Yes	Yes	Yes	Yes	Yes	Yes
Sister Cities of Franklin & Wilco (SIS001)	Yes	Yes	Yes	N/A	no audit	Yes	Yes	Yes	Yes	Not Needed	Yes
Studio Tenn Theatre Co - **NEW**	Yes	Yes	Yes	N/A	Yes	Yes	Ext 5/25	Yes	Yes	Yes	Yes
Toussaint L'Ouverture Cem. Org. Inc. (TOU005)	Yes	Yes	Yes	N/A	no audit	Yes	Yes	Yes	Yes	Yes	Yes
Transit Alliance (TRA023)	Yes	Yes	Yes	N/A	no audit	Yes	Yes	Yes	Yes	Not Needed	Yes
Waves (WAV001)	No	Yes	Yes	sent 4/10	no audit	Yes	enew 12/31/2	Yes	Yes	N/A	Yes
Total Appropriations to Charitable Orgs. 110-87130-45920											

City of Franklin, Tennessee

Appropriations Guidelines – Scorecard #2 (Example)

Non-Profit Agencies									
Outside Agency	**501 or Government**	**Amount Requested**	**Total Revenues**	**Percentage of Revenues**	**First Time Request?***	**SP Goal**	**Core Service (Yes/No)**	**Department**	**Amount Budgeted**
The ARC	501(c)(3)	$5,000	$193,585	2.58%	No	Safe Clean Livable City	No		$5,000
Boys & Girls Clubs	501(c)(3)	$30,000	$6,384,938	0.47%	No	Safe Clean Livable City	No		$24,415
Bridges	501(c)(3)	$24,000	$1,162,026	2.07%	No	Safe Clean Livable City	Yes	Police	$24,000
Community Child Care	501(c)(3)	$33,000	$831,421	3.97%	No	Safe Clean Livable City	No		$34,067
Community Housing Partnership	501(c)(3)	$9,500	$8,893,687	0.11%	No	Sustainable Growth & Economic Vitality	No		$9,607
Davis House	501(c)(3)	$50,000	$1,058,950	4.72%	No	Safe Clean Livable City	Yes	Police	$24,000
Franklin Tomorrow	501(c)(3)	$40,000	$355,582	11.25%	No	Operational Health	Yes	Elect. Officials	$39,303
Gentry's Education Center	501(c)(3)	$30,000	$933,048	3.22%	No	Quality Life Experiences	No		$25,550
Gilda's Club	501(c)(3)	$5,000	$1,653,465	0.30%	No	Quality Life Experiences	No		$3,974
GraceWorks	501(c)(3)	$30,000	$11,627,014	0.26%	No	Quality Life Experiences	No		$22,712
Hard Bargain	501(c)(3)	$5,000	$501,149	1.00%	Yes	Quality Life Experiences	No		$5,000
Mid-Cumberland HR / Dues	501(c)(3)	$9,180	$17,601,000	0.05%	No	Quality Life Experiences	No		$0
Mid-Cumberland HR / Homemaker	501(c)(3)	$4,700	$17,601,000	0.03%	No	Quality Life Experiences	No		$4,804
Mid-Cumberland HR / Meals-On-Wheels	501(c)(3)	$10,100	$17,601,000	0.06%	No	Safe Clean Livable City	No		$2,556
Mid-Cumberland HR / Ombudsman	501(c)(3)	$2,500	$17,601,000	0.01%	No	Quality Life Experiences	No		$10,376
One Generation Away	501(c)(3)	$10,000	$10,854,312	0.09%	No	Safe Clean Livable City	No		$5,408
Second Harvest	501(c)(3)	$5,000	$81,660,262	0.01%	No	Safe Clean Livable City	No		$5,408
Sister Cities	501(c)(3)	$20,000	$23,843	83.88%	No	Quality Life Experiences	No		$19,441
Toussaint L'Ouverture Cemetery	501(c)(3)	$32,400	$24,400	132.79%	No	Quality Life Experiences	No		$33,368
Transit Alliance	501(c)(3)	$5,000	$90,802	5.51%	No	Quality Life Experiences	No		$5,678
Waves	501(c)(3)	$25,262	$3,442,426	0.73%	No	Safe Clean Livable City	No		$26,020
TOTAL		**$385,642**							**$330,687**

- **Areas where the percentage of requests violates guidance (more than 5% of total for first-time requests, more than 25% of total budget of any request) are shaded in pink/red**

HISTORIC FRANKLIN TENNESSEE

City of Franklin, Tennessee

Appropriations Guidelines

Next Steps

- **October 16th Budget& Finance: Seek feedback on scorecard**
- **Early 2026: Educate existing/potential applicants on new guidance**
- **February 2026: Outside Agencies can apply**
- **March 2026: Staff will collate submissions, provide to Budget & Finance ahead of April meeting with a three-year scorecard as to how they comply with the guidance**
- **April 2026: Budget & Finance reviews and provides feedback to the City Administrator on recommended funding for Outside Agencies**

Scorecard #1: Appropriations Materials Checklist

	Complete	COF Application	Statement of use of funds (on app or separate)	Option 1: Audit	Option 2: State Fin. Form	Proof of Nonprofit / IRS Tax Exempt Cert	Registered with the State of TN?	Board of Directors List	COI	Vendor Form	W9
Appropriations to Governments											
Health Department (WIL022)	Yes	Yes	Yes	Fiscal Review	N/A	N/A	N/A	N/A	N/A	Yes	upon request
Animal Control (interlocal, letter from them) WIL013	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	upon request
Library - Books (WIL063)	Yes	Yes	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A	upon request
TN Rehab @ Franklin (TEN076)	Yes	Yes	Yes	Yes	N/A	N/A	N/A	N/A	N/A	Yes	upon request
Regional Transit Authority 91X Bus	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	upon request
Total Appropriations to Gov't 110-87120-45920											
Appropriations to Charitable Organizations (formerly Civic org code, none were civic)											
ARC (ARC002)	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Boys & Girls Club (BOY0003)	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	N/A	Yes
Bridges (BRI001)	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	N/A	Yes
Community Child Care (COM011)	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Not Needed	Yes
Community Housing Partnership (COM013)	No	Yes	Yes	N/A	Yes	Yes	Sent 4/14	Yes	Yes	Yes	Yes
Davis House Child Advocacy Center (WIL041)	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Not Needed	Yes
Door Step Project - **NEW**	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Franklin Tomorrow (FRA037)	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Not Needed	Yes
Gentry's Education Center (GEN024)	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Not Needed	Yes
Gilda's Club (GIL025)	Yes	Yes	Yes	N/A	Yes	Yes	Ext 3/31	Yes	Yes	Not Needed	Yes
Graceworks / Wilco Em Relief (GRA003)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not Needed	Yes
Hard Bargain	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mid Cumb Hum Res/Homemaker (MID007)		Yes	Yes								
Mid-Cumb Hum Res/Ombudsman (MID007)		Yes	Yes								
Mid-Cumb Hum Res/YouthCAN	Yes	None	None	Yes	N/A	Yes	Ext 3/31	Yes	Yes	N/A	Yes
Mid-Cumberland Dues		None	None								
Mid-Cumb Meals on Wheels (MID007)		Yes	Yes								
One Generation Away (ONE007)	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Not Needed	Yes
Second Harvest/Nashville's Table (SEC002)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes
ShareBuilt - **NEW**	Yes	Yes	Yes	N/A	no audit	Yes	Yes	Yes	Yes	Yes	Yes
Sister Cities of Franklin & Wilco (SIS001)	Yes	Yes	Yes	N/A	no audit	Yes	Yes	Yes	Yes	Not Needed	Yes
Studio Tenn Theatre Co - **NEW**	Yes	Yes	Yes	N/A	Yes	Yes	Ext 5/25	Yes	Yes	Yes	Yes
Toussaint L'Ouverture Cem. Org. Inc. (TOU005)	Yes	Yes	Yes	N/A	no audit	Yes	Yes	Yes	Yes	Yes	Yes
Transit Alliance (TRA023)	Yes	Yes	Yes	N/A	no audit	Yes	Yes	Yes	Yes	Not Needed	Yes
Waves (WAV001)	No	Yes	Yes	sent 4/10	no audit	Yes	enew 12/31/2	Yes	Yes	N/A	Yes
Total Appropriations to Charitable Orgs. 110-87130-45920											
Appropriations for Contracted Services/ Economic Development 110-87110-45925											
Williamson County Chamber/Economic Dev (WIL015 Remit 3)	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	N/A	Yes
Williamson County Chamber/Bus. Retention (WIL015)	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	N/A	Yes
Appropriations for Contracted Services/ Economic Development 110-87110-45925											
Appropriations to Government under Ec. Development 110-87120-45925											
GNRC	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Appropriations to Government under Ec. Development 110-87120-45925											
Appropriations to Civic Orgs./Hotel Motel 150-87110-47100											
Convention and Visitors Bureau (WIL014)	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	N/A	Yes
Appropriations to Civic Orgs. /HotelMotel 150-87110-47100											
Appropriations to Civic Orgs./Hotel Motel 150-87110-47100											
African American Heritage Society	Yes	Yes	Yes	N/A	no audit	Yes	Yes	Yes	Yes	Yes	Yes
Appropriations to Civic Orgs. /HotelMotel 150-87110-47100											

City of Franklin, Tennessee

Scorecard #2 - Appropriations to Outside Agencies Summary

Fiscal Year 2026

Agency		Requested				Strategic Plan	Core Service Determination		Budgeted
Governmental Agencies									
Outside Agency	**501 or Government**	**Amount Requested**	**Total Appropriations**	**Percentage of Revenues**	**First Time Request?***	**SP Goal**	**Core Service (Yes/No) | Department**		**Amount Budgeted**
Health Department	Government	$21,150	$10,897,696	0.19%	No	Safe Clean Livable City	Yes	Public Safety	$21,679
Animal Control	Government	$209,330	$2,969,133	7.05%	No	Safe Clean Livable City	Yes	Police	$209,330
Library	Government	$104,400	$3,442,030	3.03%	No	Quality Life Experiences	No		$74,750
TN Rehab at Franklin	Government	$23,681	$252,769	9.37%	No	Safe Clean Livable City	Yes	Public Safety	$23,566
Regional Transit Authority - 95X Bus	Government	$56,185	$852,356	6.59%	No	Quality Life Experiences	No		$56,185
TOTAL		**$414,746**							**$385,510**
Non-Profit Agencies									
Outside Agency	**501 or Government**	**Amount Requested**	**Total Revenues**	**Percentage of Revenues**	**First Time Request?***	**SP Goal**	**Core Service (Yes/No) | Department**		**Amount Budgeted**
The ARC	501(c)(3)	$5,000	$270,881	1.85%	No	Safe Clean Livable City	No		$5,125
Boys & Girls Clubs	501(c)(3)	$30,000	$6,403,758	0.47%	No	Safe Clean Livable City	No		$25,025
Bridges	501(c)(3)	$27,000	$1,655,493	1.63%	No	Safe Clean Livable City	Yes	Police	$24,600
Community Child Care	501(c)(3)	$35,000	$875,878	4.00%	No	Safe Clean Livable City	No		$34,919
Community Housing Partnership	501(c)(3)	$9,500	$2,629,417	0.36%	No	Sustainable Growth & Economic Vitality	No		$9,500
Davis House	501(c)(3)	$24,000	$1,342,619	1.79%	No	Safe Clean Livable City	Yes	Police	$24,600
Door Step	501(c)(3)	$12,000	$133,863	8.96%	Yes	Quality Life Experiences	No		$0
Franklin Tomorrow	501(c)(3)	$40,500	$311,917	12.98%	No	Operational Health	Yes	Elect. Officials	$40,286
Gentry's Education Center	501(c)(3)	$30,000	$1,054,744	2.84%	No	Quality Life Experiences	No		$26,189
Gilda's Club	501(c)(3)	$5,500	$1,606,924	0.34%	No	Quality Life Experiences	No		$4,073
GraceWorks	501(c)(3)	$30,000	$10,846,184	0.28%	No	Quality Life Experiences	No		$23,280
Hard Bargain	501(c)(3)	$5,000	$652,864	0.77%	No	Quality Life Experiences	No		$5,125
Mid-Cumberland HR / Homemaker	501(c)(3)	$4,804	$19,574,000	0.02%	No	Quality Life Experiences	No		$4,924
Mid-Cumberland HR / Meals-On-Wheels	501(c)(3)	$2,556	$19,574,000	0.01%	No	Safe Clean Livable City	No		$10,635
Mid-Cumberland HR / Ombudsman	501(c)(3)	$10,376	$19,574,000	0.05%	No	Quality Life Experiences	No		$2,620
One Generation Away	501(c)(3)	$10,000	$32,846,001	0.03%	No	Safe Clean Livable City	No		$5,543
Second Harvest	501(c)(3)	$6,400	$100,400,848	0.01%	No	Safe Clean Livable City	No		$5,543
ShareBuilt	501(c)(3)	$50,000	$136,934	36.51%	Yes	Quality Life Experiences	No		$0
Sister Cities	501(c)(3)	$50,000	$35,839	139.51%	No	Quality Life Experiences	No		$19,927
Studio Tenn	501(c)(3)	$20,000	$2,724,606	0.73%	Yes	Quality Life Experiences	No		$0
Toussaint L'Ouverture Cemetery	501(c)(3)	$32,400	$25,026	129.47%	No	Quality Life Experiences	No		$32,400
Transit Alliance	501(c)(3)	$5,600	$122,367	4.58%	No	Quality Life Experiences	No		$5,600
Waves	501(c)(3)	$26,020	$2,992,775	0.87%	No	Safe Clean Livable City	No		$26,671
TOTAL		**$471,656**							**$336,585**

City of Franklin, Tennessee

Scorecard #2 - Appropriations to Outside Agencies Summary

GRAND TOTAL	**$886,402**	**$722,095**
Percentage of the City of Franklin General Fund Revenues**	**0.69%**	**0.56%**

** First time requests may not exceed 5% of revenues; no funding request may exceed 25% of revenues*

*** BOMA may fund up to 1% of the estimated General Fund Revenue*

Other Outside Entity Funding

Other Requests	501 or Government	Amount Requested	Fund Expensed From		Core Service (Yes/No) | Department		Amount Given
Williamson Chamber - Economic Dev.	501(c)(6)	$35,000	Economic Development	Sustainable Growth & Economic Vitality	No		$33,075
Williamson Chamber - Business Retention	501(c)(6)	$33,075	Economic Development	Sustainable Growth & Economic Vitality	No		$33,075
Convention & Visitors Bureau	501(c)(6)	$1,435,108	Hotel/Motel	Quality Life Experiences	No		$1,473,322
African American Heritage Society Museum	501(c)(3)	$100,000	Hotel/Motel	Quality Life Experiences	No		$50,000
TOTAL		**$1,603,183**					**$1,589,472**

City of Franklin, Tennessee

Scorecard #2 - Appropriations to Outside Agencies Summary

Fiscal Year 2025

Agency		Requested				Strategic Plan	Core Service Determination		Budgeted
Governmental Agencies									
Outside Agency	**501 or Government**	**Amount Requested**	**Total Appropriations**	**Percentage of Revenues**	**First Time Request?***	**SP Goal**	**Core Service (Yes/No) | Department**		**Amount Budgeted**
Williamson Co. Health Department	Government	$21,150	$6,753,991	0.31%		Safe Clean Livable City	Yes	Public Safety	$21,150
Williamson Co. Animal Control	Government	$199,362	$2,688,087	7.42%		Safe Clean Livable City	Yes	Police	$199,362
Williamson Co. Library	Government	$80,000	$3,221,941	2.48%		Quality Life Experiences	No		$72,927
TN Rehab at Franklin	Government	$22,991	$237,829	9.67%		Safe Clean Livable City	Yes	Public Safety	$22,991
Regional Transit Authority - 95X Bus	Government	$56,185	$837,189	6.71%		Quality Life Experiences	No		$56,185
TOTAL		**$379,688**							**$372,615**
Non-Profit Agencies									
Outside Agency	**501 or Government**	**Amount Requested**	**Total Revenues**	**Percentage of Revenues**	**First Time Request?***	**SP Goal**	**Core Service (Yes/No) | Department**		**Amount Budgeted**
The ARC	501(c)(3)	$5,000	$193,585	2.58%	No	Safe Clean Livable City	No		$5,000
Boys & Girls Clubs	501(c)(3)	$30,000	$6,384,938	0.47%	No	Safe Clean Livable City	No		$24,415
Bridges	501(c)(3)	$24,000	$1,162,026	2.07%	No	Safe Clean Livable City	Yes	Police	$24,000
Community Child Care	501(c)(3)	$33,000	$831,421	3.97%	No	Safe Clean Livable City	No		$34,067
Community Housing Partnership	501(c)(3)	$9,500	$8,893,687	0.11%	No	Sustainable Growth & Economic Vitality	No		$9,607
Davis House	501(c)(3)	$50,000	$1,058,950	4.72%	No	Safe Clean Livable City	Yes	Police	$24,000
Franklin Tomorrow	501(c)(3)	$40,000	$355,582	11.25%	No	Operational Health	Yes	Elect. Officials	$39,303
Gentry's Education Center	501(c)(3)	$30,000	$933,048	3.22%	No	Quality Life Experiences	No		$25,550
Gilda's Club	501(c)(3)	$5,000	$1,653,465	0.30%	No	Quality Life Experiences	No		$3,974
GraceWorks	501(c)(3)	$30,000	$11,627,014	0.26%	No	Quality Life Experiences	No		$22,712
Hard Bargain	501(c)(3)	$5,000	$501,149	1.00%	Yes	Quality Life Experiences	No		$5,000
Mid-Cumberland HR / Dues	501(c)(3)	$9,180	$17,601,000	0.05%	No	Quality Life Experiences	No		$0
Mid-Cumberland HR / Homemaker	501(c)(3)	$4,700	$17,601,000	0.03%	No	Quality Life Experiences	No		$4,804
Mid-Cumberland HR / Meals-On-Wheels	501(c)(3)	$10,100	$17,601,000	0.06%	No	Safe Clean Livable City	No		$2,556
Mid-Cumberland HR / Ombudsman	501(c)(3)	$2,500	$17,601,000	0.01%	No	Quality Life Experiences	No		$10,376
One Generation Away	501(c)(3)	$10,000	$10,854,312	0.09%	No	Safe Clean Livable City	No		$5,408
Second Harvest	501(c)(3)	$5,000	$81,660,262	0.01%	No	Safe Clean Livable City	No		$5,408
Sister Cities	501(c)(3)	$20,000	$23,843	83.88%	No	Quality Life Experiences	No		$19,441
Toussaint L'Ouverture Cemetery	501(c)(3)	$32,400	$24,400	132.79%	No	Quality Life Experiences	No		$33,368
Transit Alliance	501(c)(3)	$5,000	$90,802	5.51%	No	Quality Life Experiences	No		$5,678
Waves	501(c)(3)	$25,262	$3,442,426	0.73%	No	Safe Clean Livable City	No		$26,020
TOTAL		**$385,642**							**$330,687**
GRAND TOTAL		**$765,330**							**$703,302**

City of Franklin, Tennessee

Scorecard #2 - Appropriations to Outside Agencies Summary

Percentage of the City of Franklin General Fund Revenues** **0.60%** **0.55%**

** First time requests may not exceed 5% of revenues; no funding request may exceed 25% of revenues*

** * BOMA may fund up to 1% of the estimated General Fund Revenue*

Other Outside Entity Funding

Other Requests	501 or Government	Amount Requested	Fund Expensed From	SP Goal	Core Service (Yes/No) | Department		Amount Given
Williamson Co. Chamber - Economic Dev.	501(c)(6)	$33,075	Economic Development	Sustainable Growth & Economic Vitality	No		$33,075
Williamson Co. Chamber - Business Retention	501(c)(6)	$33,075	Economic Development	Sustainable Growth & Economic Vitality	No		$33,075
Williamson Co. Convention & Visitors Bureau	501(c)(6)	$1,473,322	Hotel/Motel	Quality Life Experiences	No		$1,473,322
African American Heritage Society Museum	501(c)(3)	$100,000	Hotel/Motel	Quality Life Experiences	No		$50,000
TOTAL		**$1,639,472**					**$1,589,472**

HISTORIC
FRANKLIN
TENNESSEE

Appropriations to Outside Agencies Guidelines

August 1, 2025

CITY OF FRANKLIN

Appropriations to Outside Agencies Guidelines

Table of Contents

Appropriations to Outside Agencies Guidelines

1. PURPOSE

The Appropriations to Outside Agencies program provides financial support to agencies that provide services the municipal government cannot and aligns with the City of Franklin's Vision, Mission and Strategic Plan Goals.

VISION: America's finest hometown, driven by excellence, balancing preservation and progress.

MISSION: Serve. Deliver. Lead. Connect.

STRATEGIC PLAN GOALS: The City of Franklin has a strategic plan designed to provide direction for the execution of city services. This plan has six goals:

- Safe Clean, Livable City
- Sustainable Growth and Economic Vitality
- Fiscally Sound
- Quality Life Experience
- Organizational Health
- Operational Excellence

2. APPLICATION CRITERIA

Outside agencies can be any 501(c)(3), 501(c)(4), 501(c)(6), or government entity that provides services for citizens within the City of Franklin. These agencies fall into three distinct categories:

- **Internal Revenue Code Section 501(c)(3)**: a nonprofit organization that has been approved by the IRS as a tax-exempt, charitable organization (organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, educational, or other specified purpose). Appropriation requirements per T.C.A. § 6-54-111, as amended.
- **Internal Revenue Code Section 501(c)(4) and 501(c)(6)**: a nonprofit civic organization that has been approved by the IRS as a tax-exempt organization which "…direct[s] their efforts at promoting the common economic interests of all commercial enterprises in a trade or community". Appropriation requirements per T.C.A. § 6-54-111, as amended.
- **Government:** Williamson County and its agencies and the State of Tennessee or any of its political subdivisions or instrumentalities that serve the City of Franklin.

3. APPLICATION PROCESS

Applications can be obtained on the City of Franklin's website.

Applications are typically accepted in February for the City of Franklin's fiscal year starting July 1. All applications are presented at a Budget & Finance Committee meeting in April, where applicants can review their request with committee members. Recommended funding will be included in the proposed budget to the Board of Mayor and Aldermen (BOMA) where a final determination will be made.

4. FUNDING CRITERIA

The City of Franklin prides itself in its ability to provide the highest quality services to all citizens in the most efficient manner possible. Agencies need to share our Vision and Mission and comply with a series of criteria.

All applications will be reviewed and evaluated on the following criteria:

a. Identify at least one Strategic Plan Goal your request helps to achieve.
b. Provide the number of Franklin citizens served by your agency.
c. State the type of service provided and whether other organizations in the community provide the same service.
d. Explain how much of an impact these services have on the community.
e. State how these funds will be used and if they will be spent in accordance with the State of Tennessee T.C.A § 6-54-111.
f. State if the City of Franklin provides any other support (financial or otherwise) to your agency.
g. State if your agency receives any other additional financial support.

Other criteria include:

- BOMA may fund up to 1% of the estimated general fund revenue during the budget process, depending on availability of funds.
- Outside agencies that request funding for the first time may not request an amount that exceeds 5% of their operating expenses.
- Outside agencies that have been funded in the prior year may request an amount that includes up to 3% inflation, plus any special funding requests. No funding request may exceed 25% of operating expenses.
- Funding requests are made for one fiscal year only, subject to annual re-submission and not guaranteed year over year.

5. AWARDS AND FUNDING PROCESS

Agencies that are awarded funds are notified after the budget has been approved by BOMA. Payments will be distributed quarterly, unless otherwise specified. The first payment will be delivered no earlier than July 1 after the funding contract is fully executed.

City of Franklin

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

File #: 21-01082

DATE: 10/16/2025 3:00:00 PM

TO: Budget & Finance Committee

FROM: Eric Stuckey, City Administrator
Margaret Wilson, Finance Director
Kristine Brock, Asst. City Administrator/CFO

SUBJECT:

Monthly Reports For October 2025

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Budget and Finance Committee concerning critical revenue streams that influence performance versus budget.

BACKGROUND/STAFF COMMENTS:

Beginning with the executive summary, the reports include:
- Schedule 1: Local Sales Tax - July 2025
- Schedule 2: Building Permits - August 2025
- Schedule 3: Road Impact Fees - August 2025
- Schedule 4: Parkland Impact Fees - August 2025
- Schedule 5: Facilities Tax (City) - August 2025
- Schedule 6: Facilities Tax (County) - August 2025
- Schedule 7: Gasoline Tax (Street Aid Fund) - July 2025
- Schedule 8: Hotel/Motel Tax - July 2025
- Schedule 9: Conference Center - August 2025

FINANCIAL IMPACT:

There is no financial impact from the reports. Reports are provided to show any variance from budget.

RECOMMENDATION:

There is no staff recommendation. Reports are for information only.

HISTORIC
FRANKLIN
TENNESSEE

City of Franklin

Monthly Reports for October 2025

EXECUTIVE SUMMARY

Schedule 1: Local Sales Tax (July 2025)

The local sales tax remittance from the State of Tennessee for July 2025 sales (received by the City in September 2025) was $5,763,246 compared to $5,451,519 for the same month in FY 2025, a monthly year-over-year increase of $311,726 or 5.7%.

Schedule 2: Building Permits (August 2025)

2026 fiscal year to date is less than 2025 by 25.3% and compared to 2026 budget is less by 24.3%.

Schedule 3: Road Impact Fees * (August 2025)

Combined 2026 fiscal year to date compared to 2025 is 108.5% less, and compared to 2026 budget is less by 107.4%. By quadrant, Arterial Area 2026 fiscal year to date compared to 2025 is 44.5% less, and compared to 2026 budget is less by 57.1%. Coll Area 1 2026 fiscal year to date compared to 2025 is 291.7% more, and compared to 2026 budget is less by 79.4%; Coll Area 2 2026 fiscal year to date compared to 2025 is 98.4% less, and compared to 2026 budget is less by 97.2%; Coll Area 3 2026 fiscal year to date compared to 2025 is 524.7% less, and compared to 2026 budget is less by 685.3%; Coll Area 4 2026 fiscal year to date compared to 2025 is 100% more, and compared to 2026 budget is less by 75%.

Schedule 4: Parkland Impact Fees (August 2025)

2026 year to date compared to 2025 was $164,516 more, and compared to 2026 budget is more by $18,251.

Schedule 5: Facilities Tax (City) (August 2025)

2026 fiscal year to date compared to 2025 is 44.7% less, and compared to 2026 budget is less by 54.8%.

Schedule 6: Facilities Tax (County) (August 2025)

2026 fiscal year to date compared to 2025 is 4.3% less, and compared to 2026 budget is 1.6% less.

Schedule 7: Gasoline Taxes (State Street Aid Fund) (July 2025)

The gasoline tax remittance from the State of Tennessee for July 2025 sales (received by the City in September 2025) was $270,562 compared to $269,954 for the same month in FY 2025, an increase of $608.

For budget comparisons, the City anticipated collections of $271,844 for July 2025, a difference of $1,282 less, or 0.5%.

Schedule 8: Hotel/Motel Tax (July 2025)
2026 fiscal year to date compared to 2025 is 5.6% less, and compared for 2026 budget is less by 25.2%.

Schedule 9: Conference Center (August 2025)

The City's ½ share of the loss for August 2025 was $131,102. In August 2024, the City's ½ share of the gain was $40,230. The Conference Center was closed for the majority of August 2025 due to renovations.

*** Fees collected from Road Impact, Parkland 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

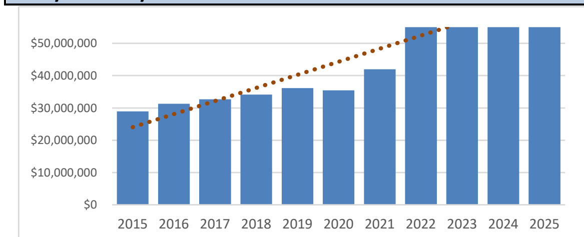
Finance Department - Monthly Reports

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 rate increased from 2.25% to the maximum of 2.75% effective April 1, 2018. The tax is applied only to the first $1,600 of any single article of personal property. The City receives 1/2 of the 2.75% rate collected within the City. Williamson County receives the other 1/2, plus an administrative fee of 1% of the City's 1/2 of the tax. Beginning with April 2018 taxes, the City contributed its share of the .5% increase to the County's School Debt Service. The County withheld the contribution for school debt service from the amount remitted to the City. The 36 month contribution period ended with March 2021 sales (received in May 2021).

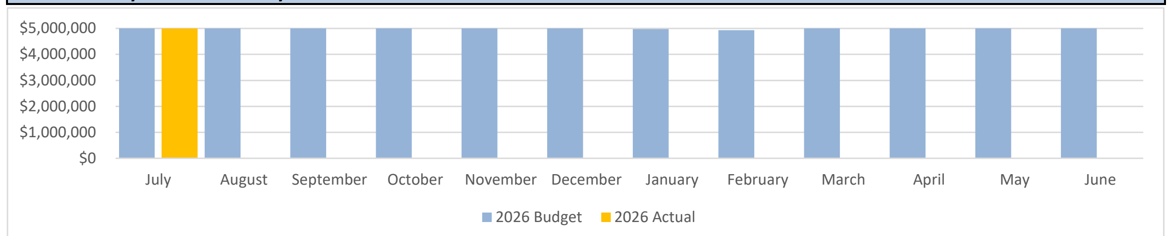
Monthly Report for October 2025: The local sales tax remittance from the State of Tennessee for July 2025 sales (received by the City in September 2025) was $5,763,246 compared to $5,451,519 for the same month in FY 2025, a monthly year over year increase of $311,726 or 5.7%.

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
2015	$28,943,994	$1,689,252	6.2%	
2016	$31,309,366	$2,365,372	8.2%	
2017	$32,694,268	$1,384,902	4.4%	
2018	$34,151,972	$1,457,704	4.5%	$1,692,308
2019	$36,168,178	$2,016,206	5.9%	$7,052,013
2020	$35,453,379	($714,799)	-2.0%	$7,430,205
2021	$41,999,727	$6,546,348	18.5%	$6,298,283
2022	$57,745,532	$15,745,805	37.5%	
2023	$60,556,943	$2,811,411	4.9%	
2024	$62,424,823	$1,867,880	3.1%	
2025	$65,865,952	$3,441,129	5.5%	
Average Increase (Decrease)		**$ 3,510,110**	**8.8%**	**$ 22,472,809**

FY26 Month by Month Summary



Month	2025 Actual	2026 Budget	2026 Actual	$ Inc./(Dec.) from 2025 Actual	% Inc./(Dec.) from 2025 Actual	$ Inc./(Dec.) from 2026 Budget	% Inc./(Dec.) from 2026 Budget
July	$5,451,519	$5,560,550	$5,763,246	$311,726	5.7%	$202,696	3.6%
August	$5,361,926	$5,495,975					
September	$5,453,483	$5,589,819					
October	$5,345,417	$5,479,051					
November	$5,505,704	$5,643,346					
December	$6,641,635	$6,807,676					
January	$4,853,221	$4,974,552					
February	$4,811,793	$4,932,087					
March	$5,726,001	$5,508,666					
April	$5,746,353	$5,579,556					
May	$5,471,318	$5,939,989					
June	$5,497,582	$5,568,479					
	$65,865,952	**$67,079,745**	**$5,763,246**	**$311,726**	**5.7%**	**$202,696**	**3.6%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$311,726		**$202,696**	
				Total		*Total*	

City of Franklin

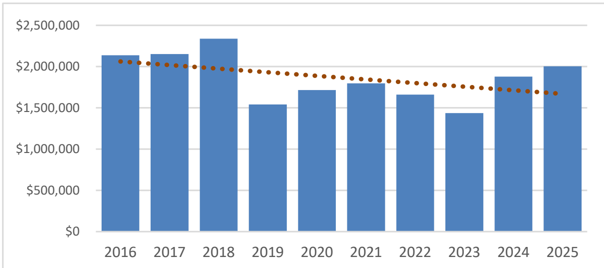
Finance Department - Monthly Reports

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.

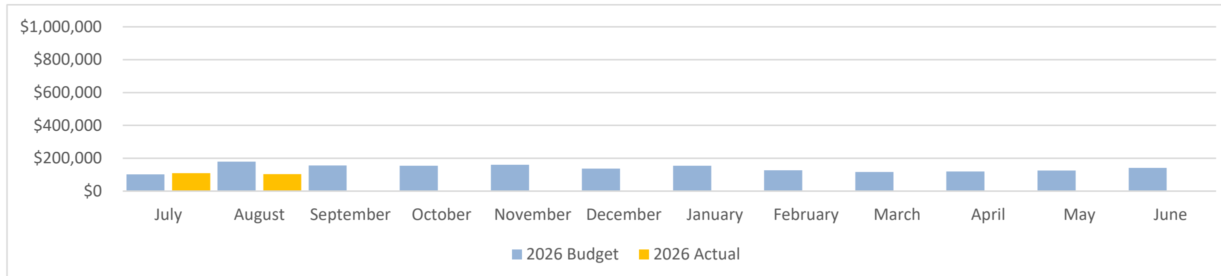
Monthly Report for October 2025: 2026 year-to-date is less than 2025 by 25.3%, and compared to 2026 budget is less by 24.3%.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2016	$2,136,322	$710,134	49.8%
2017	$2,153,262	$16,940	0.8%
2018	$2,339,364	$186,102	8.6%
2019	$1,539,655	($799,709)	-34.2%
2020	$1,714,700	$175,045	11.4%
2021	$1,796,670	$81,970	4.8%
2022	$1,661,426	($135,244)	-7.5%
2023	$1,435,153	($226,273)	-13.6%
2024	$1,878,751	$443,598	30.9%
2025	$2,002,762	$124,011	6.6%
Average Increase (Decrease)		**$ 57,657**	**5.8%**

FY26 Month by Month Summary



Month	2025 Actual	2026 Budget	2026 Actual	$ Inc./(Dec.) from 2025 Actual	% Inc./(Dec.) from 2025 Actual	$ Inc./(Dec.) from 2026 Budget	% Inc./(Dec.) from 2026 Budget
July	$111,474	$101,531	$109,654	($1,820)	-1.6%	$8,123	8.0%
August	$174,027	$180,095	$103,657	($70,370)	-40.4%	($76,437)	-42.4%
September	$158,144	$156,062					
October	$134,715	$153,990					
November	$143,008	$160,807					
December	$116,706	$137,705					
January	$138,515	$155,219					
February	$120,195	$126,657					
March	$429,180	$117,071					
April	$192,698	$119,062					
May	$163,936	$126,139					
June	$120,164	$140,844					
	$2,002,762	**$1,675,181**	**$213,311**	**($36,095)**	**-25.3%**	**($34,157)**	**-24.3%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				($72,190)		**($68,314)**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

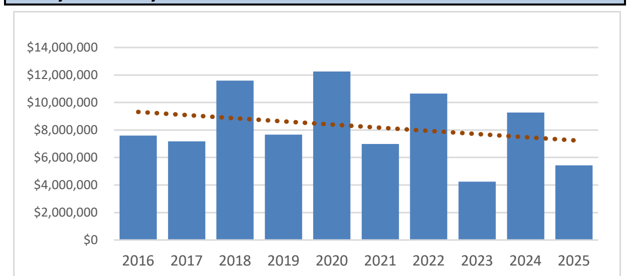
Schedule 3:	Road Impact Fees	Fund	Road Impact	Account:	128-(32800-32804)-00000

Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011. Effective 7/1/2017, collections pertaining to collector roads within the 4 quadrants of Franklin began. This report was updated to show those collections when they occur.

Monthly Report for October 2025: 2026 year-to-date compared to 2025 is 108.5% less, and compared to 2026 budget is less by 107.4%

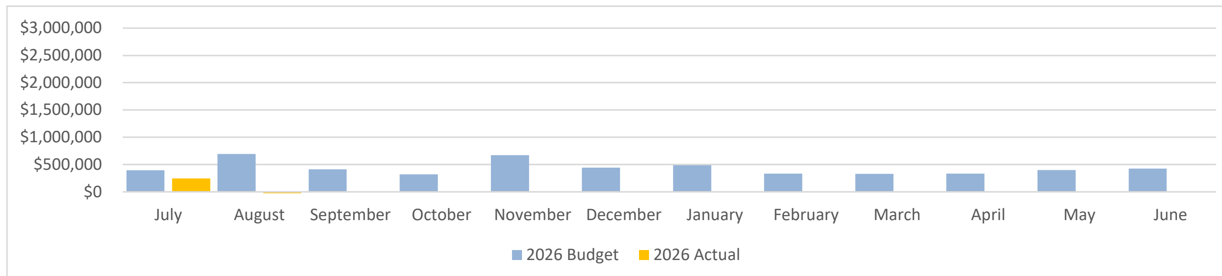
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2016	$7,586,724	$4,228,293	125.9%
2017	$7,180,150	($406,574)	-5.4%
2018	$11,585,500	$4,405,350	61.4%
2019	$7,659,855	($3,925,645)	-33.9%
2020	$12,251,152	$4,591,297	59.9%
2021	$6,975,153	($5,275,999)	-43.1%
2022	$10,641,106	$3,665,953	52.6%
2023	$4,235,737	($6,405,369)	-60.2%
2024	$9,276,497	$5,040,760	119.0%
2025	$5,425,420	($3,851,077)	-41.5%
Average Increase (Decrease)		**$ 206,699**	**23.5%**

FY26 Month by Month Summary



Month	2025 Actual	2026 Budget	2026 Actual	$ Inc./(Dec.) from 2025 Actual	% Inc./(Dec.) from 2025 Actual	$ Inc./(Dec.) from 2026 Budget	% Inc./(Dec.) from 2026 Budget
July	$266,704	$395,011	$247,828	($18,876)	-7.1%	($147,183)	-37.3%
August	$677,680	$695,692	($328,347)	($1,006,027)	-148.5%	($1,024,039)	-147.2%
September	$299,897	$411,220					
October	$271,144	$321,836					
November	$299,136	$673,366					
December	$185,648	$444,795					
January	($116,913)	$487,807					
February	$128,650	$333,231					
March	$2,246,921	$330,778					
April	$422,930	$333,884					
May	$304,016	$401,271					
June	$439,607	$425,429					
	$5,425,420 *Total*	**$5,254,320** *Total*	**($80,519)** *Total*	**($512,452)** *Average* **($1,024,903)** *Total*	**-108.5%** *Average*	**($585,611)** *Average* **($1,171,222)** *Total*	**-107.4%** *Average*

City of Franklin

Finance Department - Monthly Reports

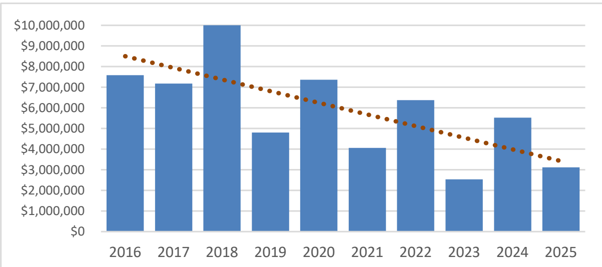
Schedule 3A:	Arterial Area	Fund	Road Impact	Account:	128-32800-00000

Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011.

Monthly Report for October 2025: 2026 year-to-date compared to 2025 is 44.5% less, and compared to 2026 budget is less by 57.1%.

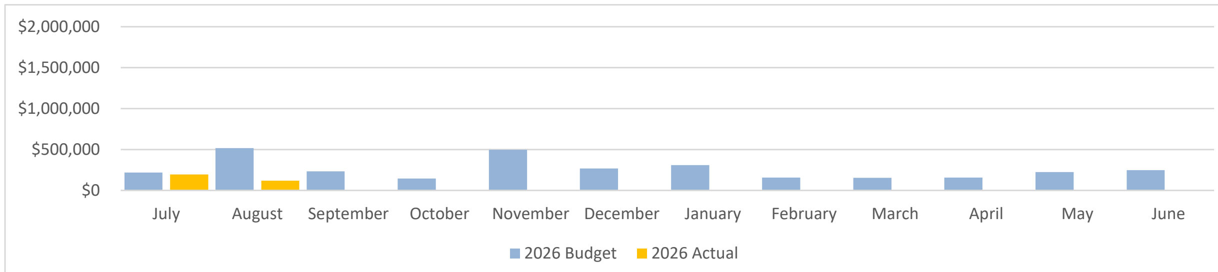
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2016	$7,586,724	$4,228,293	125.9%
2017	$7,180,150	($406,574)	-5.4%
2018	$11,084,375	$3,904,225	54.4%
2019	$4,800,171	($6,284,204)	-56.7%
2020	$7,359,092	$2,558,921	53.3%
2021	$4,061,173	($3,297,919)	-44.8%
2022	$6,371,224	$2,310,051	56.9%
2023	$2,530,625	($3,840,599)	-60.3%
2024	$5,520,950	$2,990,325	118.2%
2025	$3,118,817	($2,402,133)	-43.5%
Average Increase (Decrease)		**$ (23,961)**	

FY26 Month by Month Summary



Month	2025 Actual	2026 Budget	2026 Actual	$ Inc./(Dec.) from 2025 Actual	% Inc./(Dec.) from 2025 Actual	$ Inc./(Dec.) from 2026 Budget	% Inc./(Dec.) from 2026 Budget
July	$158,721	$217,708	$195,869	$37,148	23.4%	($21,839)	-10.0%
August	$409,639	$518,389	$119,625	($290,014)	-70.8%	($398,764)	-76.9%
September	$178,460	$233,917					
October	$163,400	$144,533					
November	$178,077	$496,064					
December	$110,498	$267,492					
January	($194,799)	$310,504					
February	$76,578	$155,928					
March	$1,337,735	$153,475					
April	$253,785	$156,582					
May	$180,959	$223,968					
June	$265,764	$248,126					
	$3,118,817 *Total*	**$3,126,685** *Total*	**$315,494** *Total*	**($126,433)** *Average* **($252,866)** *Total*	**-44.5%** *Average*	**($210,302)** *Average* **($420,603)** *Total*	**-57.1%** *Average*

City of Franklin

Finance Department - Monthly Reports

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

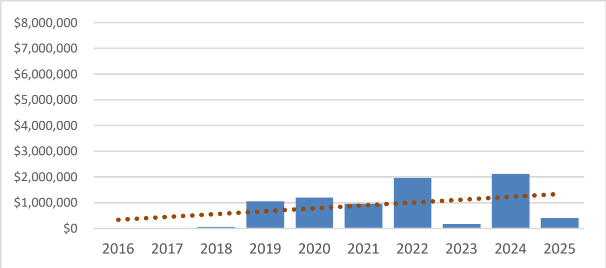
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011.

Coll Area 1 - Area north of Murfreesboro Road/3rd Avenue South and east of East Main Street/Franklin Road and within the corporate boundaries of the city.

Monthly Report for October 2025: 2026 year-to-date compared to 2025 is 291.7% more, and compared to 2026 budget are less by 79.4%

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

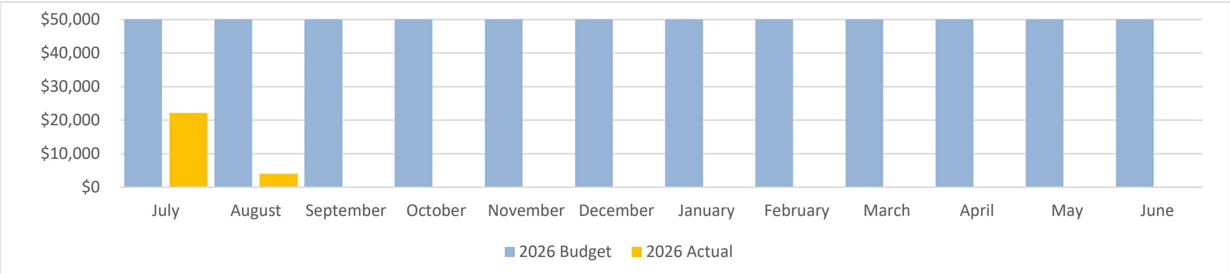
Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2016	Breakdown between Quadrants began in FY 2018.		
2017			
2018	$59,923	$59,923	100.0%
2019	$1,057,313	$997,390	1664.5%
2020	$1,200,036	$142,723	13.5%
2021	$956,982	($243,054)	-20.3%
2022	$1,957,665	$1,000,683	104.6%
2023	$173,287	($1,784,378)	-91.1%
2024	$2,125,643	$1,952,356	1126.7%
2025	$404,032	($1,721,611)	-81.0%

Average Increase (Decrease) $ 49,158

FY26 Month by Month Summary



Month	2025 Actual	2026 Budget	2026 Actual	$ Inc./(Dec.) from 2025 Actual	% Inc./(Dec.) from 2025 Actual	$ Inc./(Dec.) from 2026 Budget	% Inc./(Dec.) from 2026 Budget
July	$0	$63,561	$22,179	$22,179	100.0%	($41,381)	-65.1%
August	$6,680	$63,561	$3,987	($2,693)	-40.3%	($59,574)	-93.7%
September	$6,680	$63,561					
October	$35,934	$63,561					
November	$37,790	$63,561					
December	$44,255	$63,561					
January	$50,331	$63,561					
February	$34,605	$63,561					
March	$13,360	$63,561					
April	$68,360	$63,561					
May	$92,677	$63,561					
June	$13,360	$63,561					
	$404,032	**$762,727**	**$26,166**	**$9,743**	**291.7%**	**($50,477)**	**-79.4%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$19,486		**($100,955)**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

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

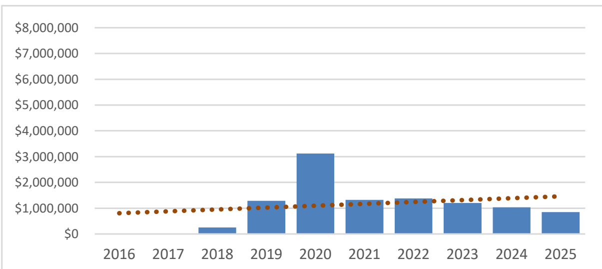
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011.

Coll Area 2 - Area south of Murfreesboro Road/3rd Avenue South and east of Columbia Avenue/Columbia Pike and within the corporate boundaries of the city.

Monthly Report for October 2025: 2026 year-to-date compared to 2025 is 98.4% less, and compared to 2026 budget is less by 97.2%.

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.

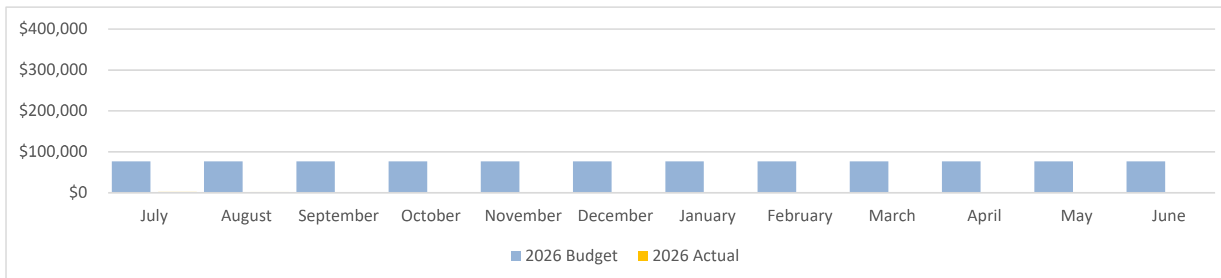
Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2016	Breakdown between Quadrants began in FY 2018.		
2017			
2018	$251,474	$251,474	100.0%
2019	$1,286,317	$1,034,843	100.0%
2020	$3,118,015	$1,831,698	142.4%
2021	$1,326,079	($1,791,936)	-57.5%
2022	$1,374,601	$48,522	3.7%
2023	$1,199,356	($175,245)	-12.7%
2024	$1,037,068	($162,288)	-13.5%
2025	$852,711	($184,357)	-17.8%

Average Increase (Decrease) $ 85,891

FY26 Month by Month Summary



Month	2025 Actual	2026 Budget	2026 Actual	$ Inc./(Dec.) from 2025 Actual	% Inc./(Dec.) from 2025 Actual	$ Inc./(Dec.) from 2026 Budget	% Inc./(Dec.) from 2026 Budget
July	$60,388	$76,817	$2,658	($57,730)	-95.6%	($74,159)	-96.5%
August	$214,601	$76,817	$1,711	($212,890)	-99.2%	($75,106)	-97.8%
September	$60,732	$76,817					
October	$17,535	$76,817					
November	$27,295	$76,817					
December	$0	$76,817					
January	$6,680	$76,817					
February	$6,680	$76,817					
March	$384,835	$76,817					
April	$6,680	$76,817					
May	$14,566	$76,817					
June	$52,719	$76,817					
	$852,711	**$921,806**	**$4,369**	**($135,310)**	**-98.4%**	**($74,633)**	**-97.2%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				($270,620)		**($149,265)**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

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

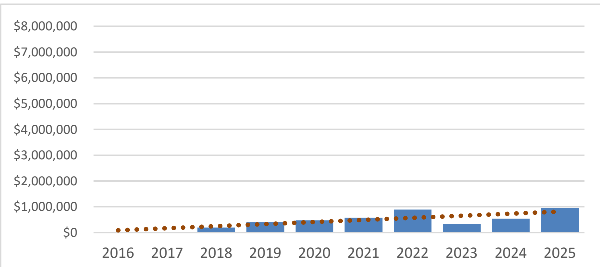
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011.

Coll Area 3 - Area south of New Highway 96W and west of 5th Avenue South and Columbia Avenue/Columbia Pike and within the corporate boundaries of the city.

Monthly Report for October 2025: 2026 year-to-date compared to 2025 is 524.7% less, and compared to 2026 budget is 685.3% less.

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

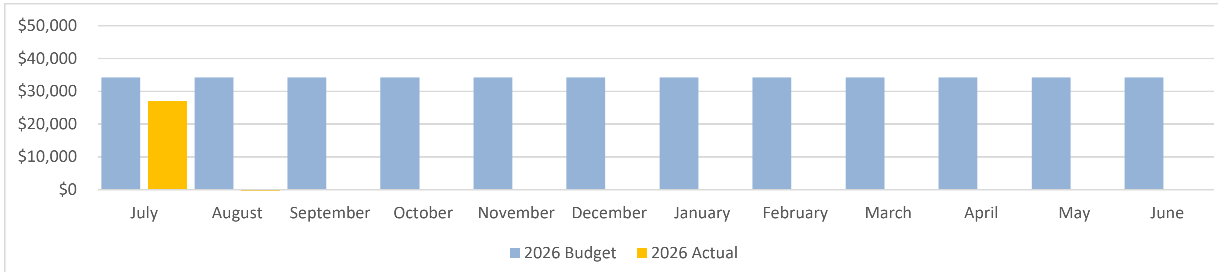
Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2016	Breakdown between Quadrants began in FY 2018.		
2017			
2018	$189,728	$189,728	100.0%
2019	$400,237	$210,509	111.0%
2020	$472,760	$72,523	18.1%
2021	$573,304	$100,544	21.3%
2022	$891,008	$317,704	55.4%
2023	$320,779	($570,229)	-64.0%
2024	$534,724	$213,945	66.7%
2025	$945,215	$410,491	76.8%

Average Increase (Decrease) $ 107,927

FY26 Month by Month Summary



Month	2025 Actual	2026 Budget	2026 Actual	$ Inc./(Dec.) from 2025 Actual	% Inc./(Dec.) from 2025 Actual	$ Inc./(Dec.) from 2026 Budget	% Inc./(Dec.) from 2026 Budget
July	$47,595	$34,234	$27,122	($20,473)	-43.0%	($7,112)	-20.8%
August	$46,760	$34,234	($427,877)	($474,637)	-1015.0%	($462,111)	-1349.9%
September	$43,420	$34,234					
October	$53,440	$34,234					
November	$45,954	$34,234					
December	$30,060	$34,234					
January	$17,535	$34,234					
February	$10,787	$34,234					
March	$500,971	$34,234					
April	$50,100	$34,234					
May	$5,010	$34,234					
June	$93,583	$34,234					
	$945,215	**$410,805**	**($400,755)**	**($247,555)**	**-524.7%**	**($234,611)**	**-685.3%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				($495,110)		**($469,223)**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

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

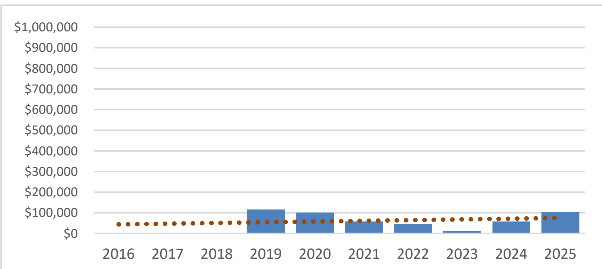
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011.

Coll Area 4 - Area north of New HIghway 96W, 5th Avenue North, Main Street and west of East Main Street and Franklin Road and within the corporate boundaries of the city.

Monthly Report for October 2025: 2026 year-to-date compared to 2025 is 100% more, and compared to 2026 budget is 75% lower.

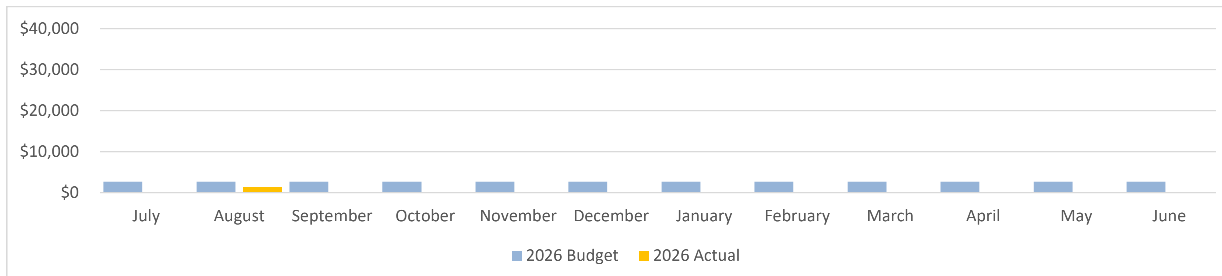
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2016	Breakdown between Quadrants began in FY 2018.		
2017			
2018			
2019	$115,817	$115,817	100.0%
2020	$101,249	($14,568)	-12.6%
2021	$57,615	($43,634)	-43.1%
2022	$46,608	($11,007)	-19.1%
2023	$11,690	($34,918)	-74.9%
2024	$58,112	$46,422	397.1%
2025	$104,645	$46,533	80.1%
Average Increase (Decrease)	**$ (1,862)**		

FY26 Month by Month Summary



Month	2025 Actual	2026 Budget	2026 Actual	$ Inc./(Dec.) from 2025 Actual	% Inc./(Dec.) from 2025 Actual	$ Inc./(Dec.) from 2026 Budget	% Inc./(Dec.) from 2026 Budget
July	$0	$2,691	$0	$0	100.0%	($2,691)	-100.0%
August	$0	$2,691	$1,329	$1,329	100.0%	($1,362)	-50.6%
September	$10,605	$2,691					
October	$835	$2,691					
November	$10,020	$2,691					
December	$835	$2,691					
January	$3,340	$2,691					
February	$0	$2,691					
March	$10,020	$2,691					
April	$44,005	$2,691					
May	$10,804	$2,691					
June	$14,181	$2,691					
	$104,645 *Total*	**$32,297** *Total*	**$1,329** *Total*	**$665** *Average* **$1,329** *Total*	**100.00%** *Average*	**($2,027)** *Average* **($4,054)** *Total*	**-75%** *Average*

City of Franklin

Finance Department - Monthly Reports

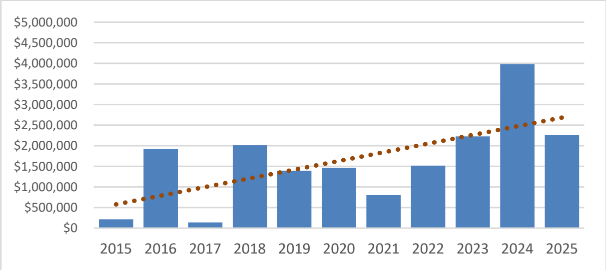
Schedule 4:	Parkland Fees	Fund	Parkland Impact	Account:	155-(32750-32754)-00000

Summary: The Parkland Dedication Fund is a special revenue fund created in FY 2015 for the purpose of satisfying requirements of Section 5.5.4 of the City of Franklin Zoning Ordinance for developers seeking alternatives to the development of greenspace within developments. Funds can be used only for the acquisition or development of public parks, greenways/blue ways, open space sites, and related facilities.

Monthly Report for October 2025: 2026 year-to-date compared to 2025 is $164,516 more, and compared to 2026 budget is more by $18,251.

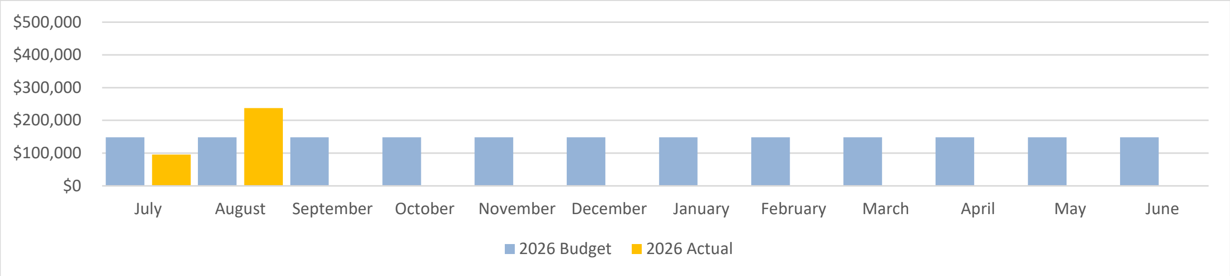
Note: Fees collected from Parkland Impact are one time revenues used to fund park projects and improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2015	$211,848	$211,848	100.0%
2016	$1,923,145	$1,711,297	807.8%
2017	$137,454	($1,785,691)	-92.9%
2018	$2,010,056	$1,872,602	1362.3%
2019	$1,394,772	($615,283)	-30.6%
2020	$1,464,200	$69,428	5.0%
2021	$800,544	($663,656)	-45.3%
2022	$1,516,084	$715,540	89.4%
2023	$2,225,168	$709,084	46.8%
2024	$3,983,352	$1,758,184	79.0%
2025	$2,263,952	($1,719,400)	-43.2%
Average Increase (Decrease)		**$205,814**	**207.1%**

FY26 Month by Month Summary



Month	2025 Actual	2026 Budget	2026 Actual	$ Inc./(Dec.) from 2025 Actual	% Inc./(Dec.) from 2025 Actual	$ Inc./(Dec.) from 2026 Budget	% Inc./(Dec.) from 2026 Budget
July	$0	$148,417	$95,652	$95,652	100.0%	($52,765)	-35.6%
August	$4,304	$148,417	$237,684	$233,380	5422.4%	$89,267	60.1%
September	$781,176	$148,417					
October	$132,348	$148,417					
November	$21,520	$148,417					
December	$253,936	$148,417					
January	$21,520	$148,417					
February	$0	$148,417					
March	$95,876	$148,417					
April	$19,304	$148,417					
May	$60,256	$148,417					
June	$873,712	$148,417					
	$2,263,952 *Total*	**$1,781,004** *Total*	**$333,336** *Total*	**$164,516** *Average* **$329,032** *Total*	**7644.8%** *Average*	**$18,251** *Average* **$36,502** *Total*	**12.3%** *Average*

City of Franklin

Finance Department - Monthly Reports

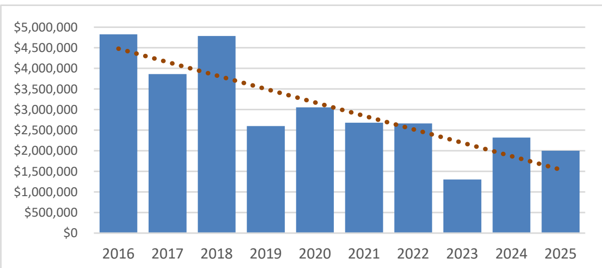
Schedule 5:	Facilities Tax (City)	Fund	Facilities Tax	Account:	130-31600-00000

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 2025: 2026 year-to-date compared to 2025 is 44.7% less, and compared to 2026 budget is less by 54.8%.

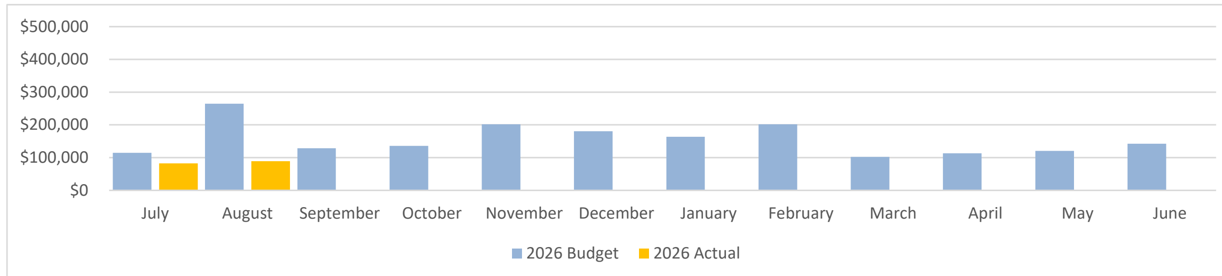
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2016	$4,827,968	$2,359,495	95.6%
2017	$3,864,453	($963,515)	-20.0%
2018	$4,788,042	$923,589	23.9%
2019	$2,598,810	($2,189,232)	-45.7%
2020	$3,051,110	$452,300	17.4%
2021	$2,682,395	($368,715)	-12.1%
2022	$2,666,214	($16,181)	-0.6%
2023	$1,301,950	($1,364,264)	-51.2%
2024	$2,321,255	$1,019,305	78.3%
2025	$1,999,441	($321,814)	-13.9%
Average Increase (Decrease)		**($46,903)**	**7.2%**

FY26 Month by Month Summary



Month	2025 Actual	2026 Budget	2026 Actual	$ Inc./(Dec.) from 2025 Actual	% Inc./(Dec.) from 2025 Actual	$ Inc./(Dec.) from 2026 Budget	% Inc./(Dec.) from 2026 Budget
July	$114,797	$114,320	$82,299	($32,498)	-28.3%	($32,021)	-28.0%
August	$194,716	$264,815	$88,943	($105,773)	-54.3%	($175,872)	-66.4%
September	$152,114	$128,753					
October	$115,875	$135,679					
November	$119,705	$201,769					
December	$130,097	$180,853					
January	$97,098	$163,686					
February	$58,567	$201,377					
March	$612,667	$102,542					
April	$183,354	$113,202					
May	$134,098	$120,704					
June	$86,353	$142,827					
	$1,999,441 *Total*	**$1,870,527** *Total*	**$171,242** *Total*	**($69,136)** *Average* **($138,271)** *Total*	**-44.7%** *Average*	**($103,947)** *Average* **($207,893)** *Total*	**-54.8%** *Average*

City of Franklin

Finance Department - Monthly Reports

Schedule 6:	Facilities Tax (County)	Fund	Facilities Tax (County)	Account:	132-31600-00000

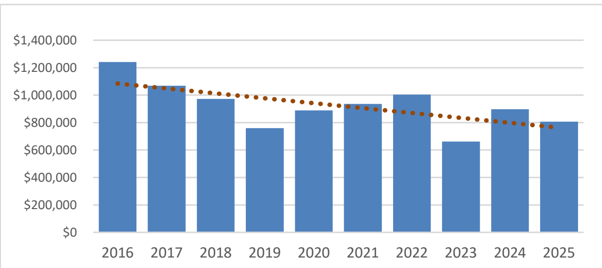
Summary: City's share of Williamson county's Adequate School Facilities Tax. 30% of the proceeds are distributed to the incorporated cities within the county, and an additional 30% is divided pro rata among the incorporated cities based on population in the last decennia census. All funds are to be used 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 2025: 2026 year-to-date compared to 2025 is 4.3% less, and compared to 2026 budget is 1.6% less.

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

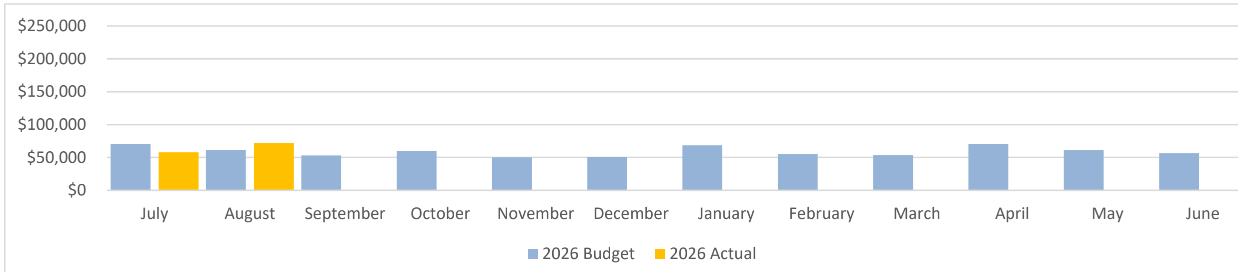
Note: Recorded in Capital Projects Fund beginning in FY 2011 (as per Resolution 2010-69). In June 2017, the County Facilities Tax Fund was created. Funds remaining in the Capital Projects Fund were transferred to the new fund.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2016	$1,241,241	$258,636	26.3%
2017	$1,068,030	($173,211)	-14.0%
2018	$971,814	($96,216)	-9.0%
2019	$759,873	($211,941)	-21.8%
2020	$889,427	$129,554	17.0%
2021	$935,555	$46,128	5.2%
2022	$1,003,415	$67,860	7.3%
2023	$661,526	($341,889)	-34.1%
2024	$896,506	$234,980	35.5%
2025	$805,740	($90,766)	-10.1%
Average Increase (Decrease)		**$ (17,687)**	**-1.3%**

FY26 Month by Month Summary



Month	2025 Actual	2026 Budget	2026 Actual	$ Inc./(Dec.) from 2025 Actual	% Inc./(Dec.) from 2025 Actual	$ Inc./(Dec.) from 2026 Budget	% Inc./(Dec.) from 2026 Budget
July	$65,661	$70,571	$57,751	($7,910)	-12.0%	($12,820)	-18.2%
August	$70,000	$61,476	$72,139	$2,140	3.1%	$10,664	17.3%
September	$61,992	$53,045					
October	$58,938	$59,842					
November	$51,689	$50,183					
December	$42,117	$50,874					
January	$71,186	$68,386					
February	$71,483	$55,319					
March	$120,936	$53,253					
April	$62,116	$70,699					
May	$77,070	$61,208					
June	$52,552	$56,462					
	$805,740 *Total*	**$711,318** *Total*	**$129,891** *Total*	**($2,885)** *Average* **($5,770)** *Total*	**-4.3%** *Average*	**($1,078)** *Average* **($2,156)** *Total*	**-1.6%** *Average*

City of Franklin

Finance Department - Monthly Reports

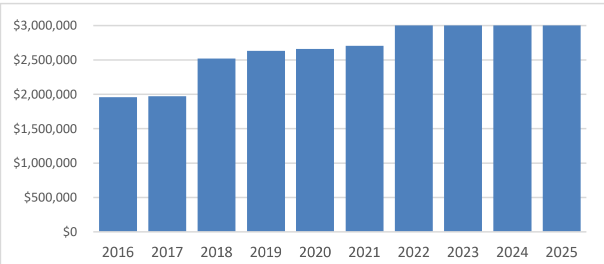
Schedule 7:	Gasoline Tax	Fund	Street Aid	Account:	121-33220-00000

Summary: As part of Street Aid Fund Revenues, the City receives a share of the state shared gasoline tax. Gas taxes increased effective July 1, 2017 as part of the IMPROVE Act to help fund state road projects. The tax increased by 4 cents on July 1, and will increase by 1 cent in the next two years. The tax on diesel will increase a total of 10 cents over 3 years.

Monthly Report for October 2025: The gasoline tax remittance from the State of Tennessee for July 2025 sales (received by the City in September 2025) was $270,562 compared to $269,954 for the same month in FY 2025, a increase of $608.

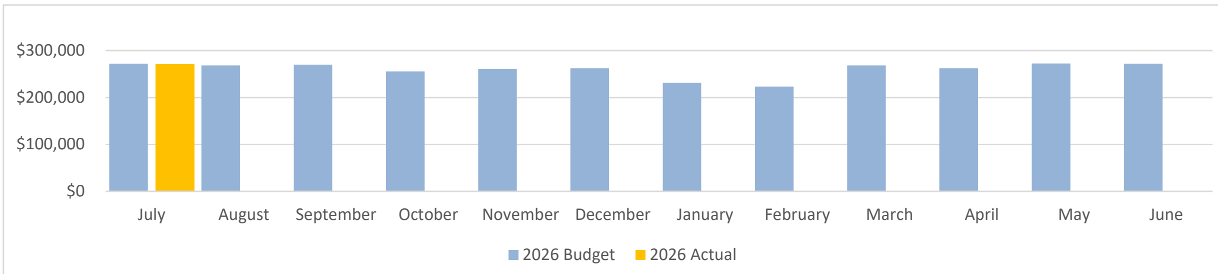
For budget comparisons, the City anticipated collections of $271,844 for July 2025, an decrease of $1,282, or 0.5%

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
	Increase in Gas Tax began July 2017.		
2016	$1,959,796		
2017	$1,971,070	$11,274	0.6%
2018	$2,520,503	$549,433	27.9%
2019	$2,630,997	$110,494	4.4%
2020	$2,660,745	$29,748	1.1%
2021	$2,706,895	$46,150	1.7%
2022	$3,035,484	$328,589	12.1%
2023	$3,052,033	$16,550	0.5%
2024	$3,071,362	$19,330	0.6%
2025	$3,071,876	$514	0.0%
Average Increase (Decrease)		**$ 123,565**	**5.4%**

FY26 Month by Month Summary



Month	2025 Actual	2026 Budget	2026 Actual	$ Inc./(Dec.) from 2025 Actual	% Inc./(Dec.) from 2025 Actual	$ Inc./(Dec.) from 2026 Budget	% Inc./(Dec.) from 2026 Budget
July	$269,954	$271,844	$270,562	$608	0.2%	($1,282)	-0.5%
August	$266,725	$268,592					
September	$268,241	$270,118					
October	$253,910	$255,687					
November	$258,875	$260,688					
December	$260,581	$262,405					
January	$229,678	$231,285					
February	$231,980	$223,541					
March	$251,169	$268,542					
April	$252,707	$262,380					
May	$272,294	$272,750					
June	$255,763	$271,955					
	$3,071,876	**$3,119,787**	**$270,562**	**$608**	**0.2%**	**($1,282)**	**-0.5%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$608		**($1,282)**	
				Total		*Total*	

City of Franklin

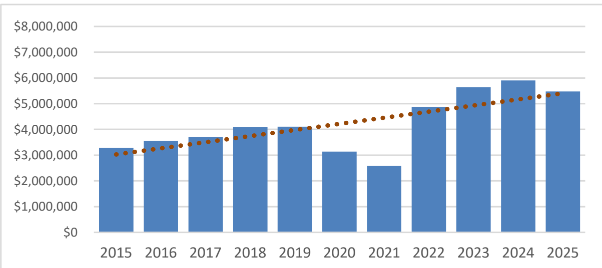
Finance Department - Monthly Reports

Schedule 8:	Hotel/Motel Tax	Fund	Hotel/Motel Fund	Account:	150-31700-00000

Summary: The Hotel/Motel Fund is a special revenue fund used to account for the locally administered tax levied on the occupancy of hotel and motel rooms, in addition to sales tax. The City of Franklin Hotel/Motel Tax is 4%.

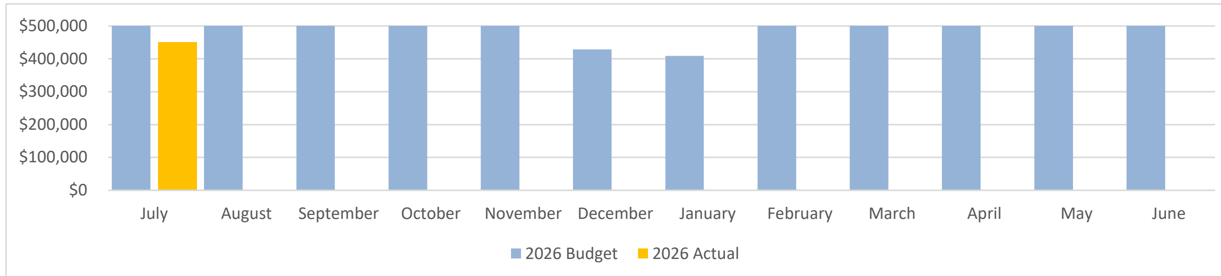
Monthly Report for October 2025: 2026 year-to-date compared to 2025 is 5.6% less, and compared to 2025 budget is less by 25.2%.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2015	$3,291,019	$526,217	19.0%
2016	$3,557,971	$266,952	8.1%
2017	$3,710,589	$152,618	4.3%
2018	$4,097,695	$387,106	10.4%
2019	$4,103,235	$5,540	0.1%
2020	$3,138,814	($964,421)	-23.5%
2021	$2,575,830	($562,984)	-17.9%
2022	$4,875,687	$2,299,857	89.3%
2023	$5,638,677	$762,990	15.6%
2024	$5,907,179	$268,502	4.8%
2025	$5,476,275	($430,904)	-7.3%
Average Increase (Decrease)		**$ 246,498**	**9.4%**

FY26 Month by Month Summary



Month	2025 Actual	2026 Budget	2026 Actual	$ Inc./(Dec.) from 2025 Actual	% Inc./(Dec.) from 2025 Actual	$ Inc./(Dec.) from 2026 Budget	% Inc./(Dec.) from 2026 Budget
July	$476,384	$601,435	$449,744	($26,640)	-5.6%	($151,691)	-25.2%
August	$426,327	$535,291					
September	$508,827	$642,394					
October	$580,374	$732,723					
November	$407,080	$513,938					
December	$340,358	$429,037					
January	$323,795	$408,791					
February	$383,000	$539,986					
March	$495,397	$682,284					
April	$493,882	$736,543					
May	$522,547	$736,820					
June	$518,305	$834,400					
	$5,476,275	**$7,393,640**	**$449,744**	**($26,640)**	**-5.6%**	**($151,691)**	**-25.2%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				($26,640)		**($151,691)**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

Schedule 9:	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 2025: The loss for August 2025 was $131,102 compared to a gain of $40,230 for the same month in 2025, a decrease of $171,332.

MONTHLY - Conference Center Financials Jul 25-Jun 26

	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	Jun 26	Total
Gross Revenue	577,138	3,324											580,462
House Profit	26,500	(220,348)											(193,848)
Less: Fixed Expenses	41,722	41,690											83,412
Net Income	(15,222)	(262,038)											(277,260)
Less: FF&E Reserve 5%	28,857	166											29,023
Net Cash Flow	(44,079)	(262,204)											(306,283)
City 1/2	**(22,040)**	**(131,102)**	-	-	-	-	-	-	-	-	-	-	**(153,142)**

MONTHLY - Conference Center Financials Jul 24-Jun 25

	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Total
Gross Revenue	505,115	780,475	820,547	875,348	787,833	635,122	373,269	1,058,686	406,931	801,690	612,168	433,374	8,090,558
House Profit	23,177	159,000	226,576	271,304	159,974	64,637	(38,919)	430,746	9,259	220,558	88,762	(5,654)	1,609,420
Less: Fixed Expenses	39,589	39,450	39,834	41,430	42,063	41,863	41,971	42,050	41,956	42,268	40,938	40,612	494,024
Net Income	(16,412)	119,550	186,742	229,874	117,911	22,774	(80,890)	388,696	(32,697)	178,290	47,824	(46,266)	1,115,396
Less: FF&E Reserve 5%	25,256	39,090	41,027	43,701	39,392	31,756	18,663	52,934	20,347	40,085	30,608	21,669	404,528
Net Cash Flow	(41,668)	80,460	145,715	186,173	78,519	(8,982)	(99,553)	335,762	(53,044)	138,205	17,216	(67,935)	710,868
City 1/2	**(20,834)**	**40,230**	**72,858**	**93,087**	**39,260**	**(4,491)**	**(49,777)**	**167,881**	**(26,522)**	**69,103**	**8,608**	**(33,968)**	**355,434**

MONTHLY Differences - Conference Center Financials

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
City 1/2 Difference	**(1,206)**	**(171,332)**										