



OHIO AUDITOR OF STATE
KEITH FABER



CITY OF FRANKLIN
WARREN COUNTY
DECEMBER 31, 2021

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Franklin
Warren County
1 Benjamin Franklin Way
Franklin, Ohio 45005

To the Members of City Council and Mayor:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Franklin, Warren County, (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 21, 2022, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the City.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio
June 21, 2022

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended December 31, 2021



City of Franklin
Franklin, Ohio 45005

Introductory Section

City of Franklin, Ohio

Annual Comprehensive Financial Report

For the Year Ended December 31, 2021

Issued by:
Finance Department

Amy Miller
Interim Finance Director

City of Franklin, Ohio
 Annual Comprehensive Financial Report
 For the Year Ended December 31, 2021

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June 21, 2022

City of Franklin

Mayor and Members of City Council

We are pleased to present the Annual Comprehensive Financial Report for the City of Franklin. This report, for the year ended December 31, 2021, contains the financial statements and other financial and statistical data that provide complete and full disclosure of all material financial aspects of the City of Franklin (the “City”). The responsibility for the accuracy and completeness of all data presented, and the fairness of the presentation, rests with the City, specifically with the City Finance Director's office.

This report enables the City to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38, which requires cities reporting on a GAAP basis to file an annual report with the Auditor of State within 150 days of year-end.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Auditor of State of Ohio has issued an unmodified (“clean”) opinion on the City of Franklin’s financial statements for the year ended December 31, 2021. The Independent Auditor’s Report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the Independent Auditor’s Report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

FORMATION OF THE CITY

Franklin was founded by General William C. Schenck in 1796 as part of a land grant from the Revolutionary War. General Schenck was a great admirer of Ben Franklin, and to honor the famous inventor and statesman, he named the new city after him.

Because of its ideal location, Franklin was always a major link in the transportation chain. During the 1800’s, it served as a stagecoach stop between Dayton and Cincinnati, in addition to being serviced by all the major railroads of that era. A system of canals was built to aid in transporting agricultural goods to and from the market. Mules would pull the flat-bottomed boats through the shallow waters of the canals out to the Great Miami River that flows into the Ohio River.

From the early 1900’s to the post World War II era, Franklin became known as a paper mill town. Newly founded industries, such as Franklin Boxboard, Cheney Pulp and Paper, and Maxwell Paper, flourished. As these industries grew and created greater demands for labor, the City's population doubled. This growth continued through the 1970’s.

Many changes have occurred in the past 200 years. Today, Franklin's industrial base is becoming increasingly diversified due to its strategic position along Interstate 75, its easy access to other major transportation arteries, and the diligence of the City Council, Mayor, and Chamber of Commerce.

PROFILE OF THE GOVERNMENT AND REPORTING ENTITY

Located in Warren County, Franklin is situated midway between Dayton and Cincinnati in Southwestern Ohio, along the Great Miami River. In 1983, voters approved a home rule charter, effective January 1, 1984, which provides for a Council/Manager form of government. Council members are elected on a non-partisan basis.

The reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements of the City are not misleading. The primary government consists of all funds and departments that are not legally separate from the City. The City departments include a police force, a fire-fighting and emergency medical services force, a street maintenance and repair force, planning and zoning departments, a parks and recreation system, water and sewer systems, a storm water system, a community development department, and staff to provide essential support to these service providers. Council and the City Manager have direct responsibility for these activities.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provided financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of the debt, or the levying of taxes. The City has no component units.

Franklin Public Library and the Franklin City School District are excluded from the City's financial statements because the City is not financially accountable for them, nor are those entities fiscally dependent on the City.

The Ohio Plan Risk Management, Inc. is a shared risk pool in which the City participates. The Warren County General Health District and the Warren County Fire Response and Life Safety Council of Governments were determined to be jointly governed organizations (See Note 19).

At the beginning of each year, Council adopts a temporary budget, which will give them an extension until March 30th of the current year. Council is required to adopt a final budget by no later than April 1st. Upon presentation by the City Manager of a proposed budget document to Council, Council calls and publicizes a public hearing. Council will subsequently adopt such budget, as it may have been amended, as the City's annual budget effective for the fiscal year beginning January 1. All funds, except custodial funds, are legally required to be budgeted and appropriated. The legal level of control in the adopted budget has been established by Council at the object level (personal services and other expenditures) within each fund and department. Budgetary modifications at this level can only be made by ordinance of the City Council.

The budget represents the City's financial plan and operations guide for the next operating year. It is a communications tool to inform Franklin residents of how the City plans to allocate resources to address the needs of the community and improve the overall strength of the government.

MAJOR INITIATIVE

Economically, the year 2021 remained positive for the City of Franklin despite persistent and negative impacts associated with the ongoing worldwide COVID-19 pandemic. City Council and staff introduced a bold revitalization plan which will eventually transform our community. On the heels of the 2020 passage of Franklin City School's \$166-million school replacement bond campaign, the City began a 24-month process of updating its overall Comprehensive Plan. For the first time ever, a special callout of the City's downtown district has been carved out.

Council formally identified the Downtown Revitalization Zone, which included the implementation of a moratorium upon the issuance of Major Site Plan Permits during the formal study period. The identification of five planning areas includes a Downtown Core, Mixed Use, Riverfront, Civic, and Transitional have been determined based on existing characteristics and potential for change.

The resulting press coverage of these activities has spurred several associated projects both in the downtown region and throughout remaining portions of the City. New businesses are relocating and renovating existing space in the downtown area, while other property owners are making aesthetic improvements on their own. Developers are showing interest in residential, commercial, and industrial projects. The City is amending and updating various codes to facilitate the development goals of the City. New residential and industrial projects are underway. The Great Miami River will serve as the preeminent anchor from which this development will occur.

LOCAL ECONOMY

The City of Franklin continues to work within a balanced budget, something Council and staff are immensely proud of achieving as this demonstrates that we are good stewards of our Citizen's money.

In December of 2021, Moody's Investor's Service upgraded the City's issuer and general obligation limited tax (GOLT) ratings from Aa3 to A1. Moody's cited the City's robust financial position and the growing tax base as the basis for this rating increase.

City staff continue to work and support those companies who are exploring opportunities to expand, which brings additional workers and income tax dollars to the City. City staff have been working closely with a developer who is looking to construct two large buildings which will put more than one-million square feet under roof with an intended use of locating a fulfillment or distribution center. Additionally, plan review and approvals have been granted to construct a new high school and transportation facility, a \$9 million dollar expansion of Kettering Hospital's free-standing Emergency Room, a Domino's Pizza, and a Tommy's Car Wash. Additionally, Cincinnati Bell has purchased a vacant building which will serve as a service hub as they expand into the Dayton Market.

With the support of City Council and staff, the Forever Franklin was established by dedicated citizens and business owners who are committed to supporting a new vision of a revitalized downtown. This project has renewed momentum as a result of voter approval of Franklin City School's 4.95 mills bond initiative that will construct, in part, a new high school near the targeted downtown development district. Construction on two of these projects is already underway.

City Council and staff continue to invest in the infrastructure of water, sewer, stormwater, and streets. All this work improves our neighborhoods, commercial districts, and industrial areas to make Franklin a wonderful place to live, work, and play.

ECONOMIC DEVELOPMENT

Economic Development remains a Council and staff priority. Creation and retention of jobs is essential for the City's revenue base. City officials understand the importance of establishing and maintaining a reputation for creativity, accessibility, and responsiveness when dealing with businesses. Franklin's officials work with regional and State officials to ensure that all business owners find Franklin an attractive place to locate or expand their operations. As an example of our business-friendly approach, City, county, State, and federal representatives meet with Franklin businesses on an individual basis to learn how we can assist them in being successful in our community.

Within the City of Franklin there are five industrial/office Parks, each with a large amount of vacant land: The Heritage Industrial Park, the Jaygee Industrial Park, the Franklin Business Park, the Schumacher-Franklin Interstate Park, and the recently added Bunnell Hill Shaker Industrial Park offering 120 acres of available space. Lately, companies have been closely exploring the space that remains, and we are hopeful that some new projects will be announced soon. These commercial and industrial sites allow the City of Franklin to be extremely competitive with other areas. All the above sites are located within miles of interstate exchanges and feature incentives including designation as a fiber-ready location and a prime target of leading technology companies.

Two of the City's major business parks come with build-to-suit options to meet any company's needs. Heritage Business Park is next to the I-75/SR73 interchange and has an upscale image. The lots are flexible and can be combined or reduced to meet most companies' specific needs. This Park has immediate access to I-75 and is 25 minutes from I-70 and 47 minutes from I-71. The Dayton International Airport is only 30 minutes away, and the Cincinnati International Airport can be reached in 51 minutes from the Park. Franklin Business Park is located near the I-75/SR123 interchange, has beautifully landscaped lots, and offers flexible lot sizes. This Park is adjacent to I-75 and is 30 minutes from I-70 and 52 minutes from I-71. The Dayton International Airport is 32 minutes away and the Cincinnati International Airport can be reached in 47 minutes from the Park.

FINANCIAL PLANNING AND POLICIES

The cash fund balance in the General Fund (96 percent of the total General Fund revenues) exceeds the policy guidelines set by Council for budgetary and planning purposes. (i.e., between 10 and 20 percent of total General Fund revenues.)

OTHER INFORMATION

Independent Audit

An audit team from Auditor of State Keith Faber's office has performed this year's audit. The results of the audit are presented in the Independent Auditor's Report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Franklin for its Annual Comprehensive Financial Report for the year ended December 31, 2020. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

A note of sincere appreciation is extended to the many conscientious people who have contributed their time and effort to prepare this report.

Respectfully submitted,



Amy Miller
Interim Director of Finance

*City of Franklin, Ohio
List of Principal Officials
As of December 31, 2021*

OFFICE HELD

NAME OF OFFICIAL

City Council:

Mayor/President of Council	Brent Centers
Vice-Mayor/Vice President	Todd Hall
Councilmember	Michael Aldridge
Councilmember	Denny Centers
Councilmember	Debbie Fouts
Councilmember	Mathew Wilcher
Councilmember	Paul Ruppert
Clerk of Council	Khristi Dunn

Administration:

City Manager	Jonathan Westendorf
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Finance Department:

Finance Director*	Amy Miller (Interim)
Income Tax Administrator	Cheryl Hedric
Utility Billing Administrator	Wanda Howell

Law Department:

City Prosecutor	Steve Runge
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Public Works Department:

Public Works Director	Steve Inman
City Engineer	Barry Conway
Parks Superintendent	Steve Inman
Stormwater Superintendent	Steve Inman
Sewer Superintendent	Nick Miller
Street Superintendent	Mark George
Water Superintendent	Steve Inman
Water Treatment Superintendent	Chuck Howard

Safety Department:

Safety Director	Jonathan Westendorf
Fire & EMS Chief	Andy Riddiough
Police Chief	Adam Colon
Zoning Official	Kyle Lovelace

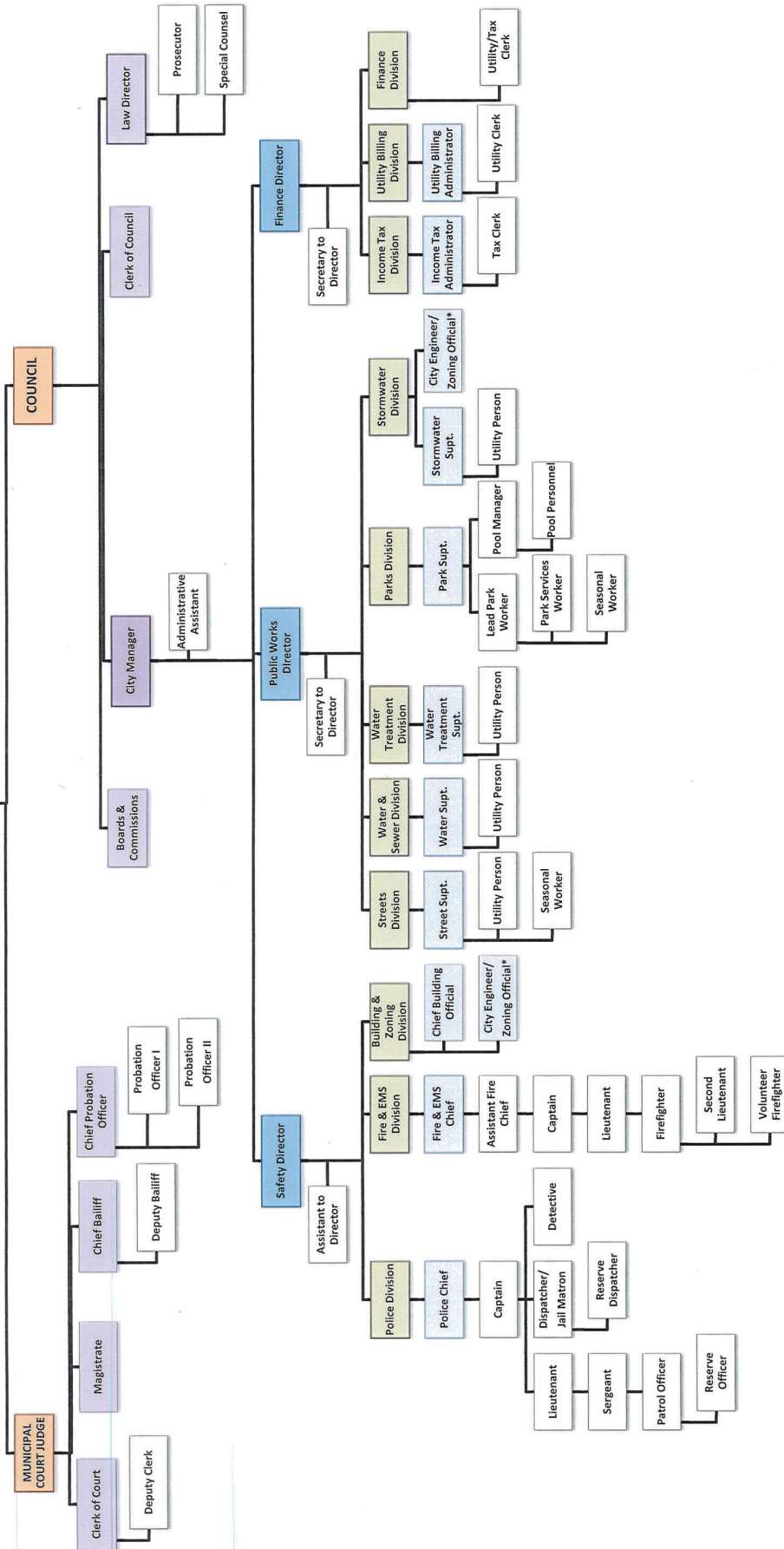
Municipal Court:

Judge	Ronald W. Ruppert
Clerk of Courts	Sabrina Spence
Chief Probation Officer	Katie Perdue

*Cindy Ryan resigned effective May 1, 2022 and Council appointed Amy Miller as Interim Finance Director on May 1, 2022.

CITY OF FRANKLIN, OHIO
Organizational Chart

THE VOTERS





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Franklin
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO

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Financial Section

OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
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(800) 282-0370

INDEPENDENT AUDITOR'S REPORT

City of Franklin
Warren County
1 Benjamin Franklin Way
Franklin, Ohio 45005

To the Members of City Council and Mayor:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Franklin, Warren County, Ohio (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Franklin, Warren County, Ohio as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons or the General, Fire Levy and American Rescue Plan Act Funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 23 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City. We did not modify our opinion regarding this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis*, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2022, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber
Auditor of State
Columbus, Ohio
June 21, 2022

City of Franklin, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2021
(Unaudited)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) of the City of Franklin's financial performance provides an overview of the City's financial activities for the year ended December 31, 2021. The intent of this discussion and analysis is to look at the City's financial performance as a whole, and readers are encouraged to review the transmittal letter, the basic financial statements and notes to enhance their understanding of the City's overall financial performance.

FINANCIAL HIGHLIGHTS

- The City's net OPEB liability for the Ohio Public Employees Retirement System became a net OPEB asset due to a change in benefit terms.
- Income taxes saw an increase from the prior year due to the City working to collect on delinquent income taxes and requiring residents to pay estimated income taxes during the year
- The City's infrastructure capital assets increased over the prior year due to multiple projects being completed during the year that were previously construction in progress.
- Enterprise funds reflected an increase in charges for services related to a rate increase for services provided by the City as well as an increase in collections over the previous year.

USING THIS ANNUAL FINANCIAL REPORT

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand the City of Franklin's financial situation as a whole and also give a detailed view of the City's financial condition.

The statement of net position and the statement of activities provide information about the activities of the City as a whole and present a long-term view of the City's finances. The fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term, as well as the amount of funds available for future spending. The fund financial statements focus on the City's most significant funds, with all other nonmajor funds presented in total in one column.

REPORTING THE CITY AS A WHOLE

Statement of Net Position and the Statement of Activities

The analysis of the City as a whole begins with the statement of net position and the statement of activities. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, similar to the accounting used by private sector companies, and reports the net position and changes to net position. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. All current year revenues and expenses are taken into account regardless of when cash is received or disbursed.

In evaluating the overall financial health, the reader of these financial statements needs to take into account non-financial factors that also impact the City's financial well-being. Some of these factors include the City's tax base and the condition of capital assets.

In the statement of net position and the statement of activities, the City is divided into two kinds of activities.

City of Franklin, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2021
(Unaudited)

Governmental Activities – Most of the City's services are reported here, including general government, police, fire, public health and welfare, leisure time activities, economic development, basic utility services, and transportation.

Business-Type Activities – These services include water, sewer, trash, and stormwater utility. Service fees for these operations are charged based upon the amount of usage. The intent is that the fees charged recoup operational costs.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

Fund financial statements provide detailed information about the City's major funds – not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the Finance Director, with the approval of Council, to help control, manage, and report money received for a particular purpose or to show that the City is meeting legal responsibilities for the use of grants. The City of Franklin's major funds are the General, Fire Levy, American Rescue Plan Act, Issue Two, ODOT Project, F.C. Dial Trust, Water, Sewer, Trash, and Stormwater Utility Funds.

Governmental Funds – Most of the City's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or less financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the financial statements.

Enterprise Funds – When the City charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in enterprise funds. Enterprise funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

THE CITY AS A WHOLE

As stated previously, the statement of net position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2021 compared to 2020.

City of Franklin, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2021
(Unaudited)

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets:						
Current and Other Assets	\$27,811,554	\$27,311,341	\$7,153,331	\$5,851,695	\$34,964,885	\$33,163,036
Net Pension Asset	31,649	22,543	12,316	8,769	43,965	31,312
Net OPEB Asset	295,797	0	115,034	0	410,831	0
Nondepreciable Capital Assets	21,583,020	21,734,173	1,095,364	1,196,761	22,678,384	22,930,934
Depreciable Capital Assets, Net	26,620,172	21,596,885	19,718,472	19,614,848	46,338,644	41,211,733
Total Assets	76,342,192	70,664,942	28,094,517	26,672,073	104,436,709	97,337,015
Deferred Outflows of Resources:						
Deferred Charge on Refunding	137,796	160,761	3,510	5,428	141,306	166,189
Pension	2,291,286	2,202,770	153,622	250,421	2,444,908	2,453,191
OPEB	1,276,033	1,530,813	66,361	167,939	1,342,394	1,698,752
Asset Retirement Obligation	0	0	28,250	15,952	28,250	15,952
Total Deferred Outflows of Resources	3,705,115	3,894,344	251,743	439,740	3,956,858	4,334,084
Liabilities:						
Current and Other Liabilities	1,276,373	523,861	433,638	492,567	1,710,011	1,016,428
Long-Term Liabilities:						
Due Within One Year	977,402	944,732	491,021	446,820	1,468,423	1,391,552
Due in More Than One Year:						
Net Pension Liability	10,554,785	10,948,800	992,063	1,357,865	11,546,848	12,306,665
Net OPEB Liability	1,243,955	3,440,675	0	912,812	1,243,955	4,353,487
Other Amounts	2,629,546	3,154,774	857,247	1,152,937	3,486,793	4,307,711
Total Liabilities	16,682,061	19,012,842	2,773,969	4,363,001	19,456,030	23,375,843
Deferred Inflows of Resources:						
Property Taxes	2,161,000	2,022,400	0	0	2,161,000	2,022,400
Pension	1,955,083	1,682,222	456,030	299,884	2,411,113	1,982,106
OPEB	1,386,814	748,556	364,426	135,187	1,751,240	883,743
Total Deferred Inflows of Resources	5,502,897	4,453,178	820,456	435,071	6,323,353	4,888,249
Net Position:						
Net Investment in Capital Assets	45,634,920	40,220,125	19,797,199	19,393,755	65,432,119	59,613,880
Restricted	9,045,247	10,043,251	848,402	610,087	9,893,649	10,653,338
Unrestricted	3,182,182	829,890	4,106,234	2,309,899	7,288,416	3,139,789
Total Net Position	\$57,862,349	\$51,093,266	\$24,751,835	\$22,313,741	\$82,614,184	\$73,407,007

City of Franklin, Ohio
Management’s Discussion and Analysis
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(Unaudited)

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2021. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

Governmental activities depreciable capital assets increased \$5,023,287 from the prior year primarily due to several infrastructure projects being completed.

Net OPEB liability in governmental activities decreased \$2,196,720 due to a change in benefit causing the OPEB liability from 2020 to become an asset in 2021 by Ohio Public Employees Retirement System.

Governmental activities net invested in capital assets increased \$5,414,795 due to the completion of infrastructure projects. Unrestricted governmental net position increased \$2,352,292 due primarily to a change in benefit causing the OPEB liability from 2020 to become an asset in 2021 by Ohio Public Employees Retirement System.

Table 2 shows the changes in net position for the years ended December 31, 2021, and December 31, 2020.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for Services and Sales	\$1,795,958	\$1,588,658	\$7,966,382	\$6,722,847	\$9,762,340	\$8,311,505
Operating Grants, Contributions and Interest	2,070,119	1,826,974	0	0	2,070,119	1,826,974
Capital Grants, Contributions and Interest	2,335,272	924,960	0	0	2,335,272	924,960
Total Program Revenues	<u>\$6,201,349</u>	<u>\$4,340,592</u>	<u>\$7,966,382</u>	<u>\$6,722,847</u>	<u>\$14,167,731</u>	<u>\$11,063,439</u>

(Continued)

City of Franklin, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2021
(Unaudited)

Table 2
Changes in Net Position

	Governmental		Business-Type		Total	
	Activities		Activities			
	2021	2020	2021	2020	2021	2020
Revenues:						
General Revenues:						
Property Taxes	\$1,905,429	\$2,015,988	\$0	\$0	\$1,905,429	\$2,015,988
Income Taxes	9,799,231	8,233,811	0	0	9,799,231	8,233,811
Other Local Taxes	169,706	140,692	0	0	169,706	140,692
Grants and Entitlements	503,838	782,774	0	0	503,838	782,774
Unrestricted Interest	492,124	687,817	31	1,253	492,155	689,070
Contributions and Donations	200	0	0	0	200	0
Other	693,958	1,074,885	73,381	129,232	767,339	1,204,117
Gain on Sale of Capital Assets	64,620	0	0	0	64,620	0
Total General Revenues	13,629,106	12,935,967	73,412	130,485	13,702,518	13,066,452
Total Revenues	19,830,455	17,276,559	8,039,794	6,853,332	27,870,249	24,129,891
Program Expenses:						
General Government	2,080,097	3,948,000	0	0	2,080,097	3,948,000
Security of Persons and Property:						
Police	4,485,390	4,833,243	0	0	4,485,390	4,833,243
Fire	3,507,186	3,112,918	0	0	3,507,186	3,112,918
Other	675,165	305,427	0	0	675,165	305,427
Public Health and Welfare	8,119	3,415	0	0	8,119	3,415
Leisure Time Activities	377,753	579,921	0	0	377,753	579,921
Economic Development	56,327	56,329	0	0	56,327	56,329
Public Works	47,318	59,840	0	0	47,318	59,840
Transportation	1,847,223	3,156,912	0	0	1,847,223	3,156,912
Interest and Fiscal Charges	116,794	138,330	0	0	116,794	138,330
Water	0	0	1,662,146	2,143,447	1,662,146	2,143,447
Sewer	0	0	2,286,852	2,623,877	2,286,852	2,623,877
Trash	0	0	835,386	834,928	835,386	834,928
Stormwater Utility	0	0	677,316	839,652	677,316	839,652
Total Expenses	13,201,372	16,194,335	5,461,700	6,441,904	18,663,072	22,636,239
Change in Net Position						
Before Transfers	6,629,083	1,082,224	2,578,094	411,428	9,207,177	1,493,652
Transfers	140,000	195,000	(140,000)	(195,000)	0	0
Change in Net Position	6,769,083	1,277,224	2,438,094	216,428	9,207,177	1,493,652
Beginning Net Position	51,093,266	49,816,042	22,313,741	22,097,313	73,407,007	71,913,355
Ending Net Position	\$57,862,349	\$51,093,266	\$24,751,835	\$22,313,741	\$82,614,184	\$73,407,007

Capital grants, contributions and interest in governmental activities increased \$1,410,312 due to to the City requesting grant reimbursement for capital expenses on infrastructure projects that were completed or are still on-going during the year. Income Taxes increased by \$1,565,420 due to the City working to collect on delinquent income taxes and requiring residents to pay estimated income taxes. Total expenses decreased \$2,992,963 due to a change in benefit causing the OPEB liability from 2020 to become an asset in 2021 by Ohio Public Employees Retirement System and transportation expenses decreasing due to a decrease in depreciation related to infrastructure which is allocated to transportation.

City of Franklin, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2021
(Unaudited)

Governmental Activities

The 2.0 percent income tax is the largest source of revenue for the General Fund and the City of Franklin. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

Income tax proceeds are to be used to pay the cost of administering the tax, General Fund operations, capital improvements, debt service, and other governmental functions when needed, as determined by Council.

The statement of activities shows the cost of program services and the charges for services and grants, contributions, and interest offsetting those services. Table 3 shows, for governmental activities, the total cost of these services supported by taxes and unrestricted entitlements.

Table 3
Governmental Activities

	Total Cost Of Services 2021	Net Cost of Services 2021	Total Cost Of Services 2020	Net Cost of Services 2020
General Government	\$2,080,097	\$1,568,575	\$3,948,000	\$3,558,665
Security of Persons and Property:				
Police	4,485,390	3,802,404	4,833,243	3,602,917
Fire	3,507,186	2,471,840	3,112,918	1,519,183
Other	675,165	507,373	305,427	138,439
Public Health and Welfare	8,119	(12,699)	3,415	(14,608)
Leisure Time Activities	377,753	261,701	579,921	576,019
Economic Development	56,327	51,584	56,329	51,577
Basic Utility Services	47,318	47,318	59,840	59,840
Transportation	1,847,223	(1,814,867)	3,156,912	2,223,381
Interest and Fiscal Charges	116,794	116,794	138,330	138,330
Total Expenses	\$13,201,372	\$7,000,023	\$16,194,335	\$11,853,743

When looking at the sources of income to support governmental activities, it should be noted that charges for services and sales are only 9.06 percent of total governmental revenue. Revenues provided by sources other than City residents in the form of operating or capital grants, contributions, and interest comprise another 22.22 percent. The remaining revenues are primarily generated locally through property and income taxes. City Council relies on these taxes to furnish the quality of life to businesses and citizens to which they and previous Councils have always been committed.

Business-Type Activities

The City's business-type activities include water, sewer, trash, and stormwater utility services.

The Water Fund collects the fees charged for the sale of water. Those fees are then used to maintain lines for delivery, to treat water for further consumption, to maintain its treatment facility and storage towers, and for the payment of debt incurred for improvements. Net position increased \$1,434,448 during 2021, from a combination of increased revenues and the City closely monitoring expenses in addition to a change in benefit causing the OPEB liability from 2020 to become an asset in 2021 by Ohio Public Employees Retirement System.

City of Franklin, Ohio
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(Unaudited)

The Sewer Fund conducts the operations of the City's wastewater collection and treatment system. Money that is collected from the fees which are billed based on the number of gallons of water used is placed in this fund for use in the maintenance of the collections system and improvements to the treatment plant. Net position of the Sewer Fund increased \$944,371 during 2021, a result of increased revenues and a change in benefit causing the OPEB liability from 2020 to become an asset in 2021 by Ohio Public Employees Retirement System.

The Trash Fund charges fees to citizens for the collection of residential garbage. The City outsources the actual collection services. The net position of the Trash Fund saw an increase of \$88,387 as a result of an increase in charges for services provided.

The Stormwater Utility Fund was established to provide a funding mechanism to support Ohio Environmental Protection Agency (OEPA) mandates associated with stormwater management. Each residence is billed a flat fee each month. For all other nonresidential properties, the fee is computed based on total impervious surfaces of the property divided by the average impervious area of an equivalent residential unit. The Stormwater Utility Fund has a decrease in net position of \$29,112 during 2021, primarily due to OPEB expense from to the Ohio Public Employees Retirement System.

THE CITY'S FUNDS

Information about the City's major governmental funds begins on page 16. These funds are reported using the modified accrual basis of accounting. All governmental funds had total revenues of \$19,224,521 and expenditures of \$20,645,358.

The General Fund's balance increased \$426,455 as a result of revenues exceeding expenditures. Revenues increased slightly due to the City working to collect on delinquent income taxes and requiring residents to pay estimated income taxes. Expenditures and transfers increased due to an increase in police salaries and the return of payroll expenditures to the fund from the Local Coronavirus Relief Fund.

The Fire Levy Fund's balance saw a decrease of \$303,715 due to a significant increase in expenditures from the prior year. This was due to an increase in salaries and the return of payroll expenditures to the fund from the Local Coronavirus Relief Fund.

The American Recovery Plan Act Fund received over \$600,000 in federal funding all of which is unearned revenue.

The Issue Two Fund's balance saw a decrease of \$707,042 due to an increase in expenditures related to infrastructure projects that were completed.

The ODOT Project Fund's balance saw a slight increase of \$219,246 due to grant funding and transfers from the General Fund.

The F.C. Dial Trust Fund's balance decreased \$106,673 due to park improvements.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of receipts, disbursements, and encumbrances. The City's budget is adopted at the object level (personal services and other expenditures) within each fund and department by City Council in the form of an appropriations ordinance.

City of Franklin, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2021
(Unaudited)

Original and final General Fund budgeted revenues were \$7,897,665 and \$9,853,546, respectively. This is an increase of \$1,995,881 primarily due to the City working to collect on delinquent income taxes. The City's actual revenues were \$12,517,774 at year-end, which is a \$2,664,228 increase over final budgeted revenues.

Original General Fund appropriations were \$9,663,947 while final appropriations were \$10,553,406. The increase in appropriations was due to an increase in general government and capital expenditures. The City's actual expenditures were \$8,146,692 at year-end, a decrease of \$2,406,714 when compared to the final appropriations. The largest savings contributing to this decrease was within the general government expenditures. The decrease is due to the City closely monitoring expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2021, the City had \$48,203,192 invested in capital assets (net of accumulated depreciation) governmental activities. This is a \$4,872,134 increase from the prior year due to several infrastructure projects. Business-type activities invested in capital assets (net of accumulated depreciation) at the end of 2021 was \$20,813,836. This is a \$2,227 increase from the prior year due to current year additions exceeding current year depreciation.

See Note 10 of the notes to the basic financial statements for more detailed information.

Debt

The City had outstanding debt obligations in governmental activities at year-end, including general obligation bonds, police and fire pension liability, and capital leases payable in the amount of \$2,671,041, including a premium on bonds outstanding of \$147,659 for governmental activities. Business-type activities had debt obligations at year-end consisting of mortgage revenue bonds, Ohio Water Development Authority (OWDA) loans, and capital leases in the amount of \$1,020,147, including a premium on bonds in the amount of \$6,640. The City's long-term obligations also included compensated absences and net pension/OPEB liability for governmental and business-type activities and asset retirement obligations for business-type activities.

As of December 31, 2021, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$27,080,052 with an unvoted debt margin of \$13,249,075.

See Note 17 of the notes to the basic financial statements for more detailed information.

CONTACTING THE CITY'S FINANCE DEPARTMENT

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Finance Director, City of Franklin, 1 Benjamin Franklin Way, Franklin, Ohio 45005.

CITY OF FRANKLIN, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Governmental Activities	Business-Type Activities	Totals
Assets:			
Equity in Pooled Cash and			
Cash Equivalents	\$21,910,975	\$5,058,253	\$26,969,228
Cash and Cash Equivalents with Trustee	0	287,399	287,399
Accrued Interest Receivable	19,763	0	19,763
Accounts Receivable	180,759	1,707,885	1,888,644
Intergovernmental Receivable	651,750	0	651,750
Materials and Supplies Inventory	246,513	99,794	346,307
Income Taxes Receivable	2,340,934	0	2,340,934
Property Taxes Receivable	2,191,158	0	2,191,158
Other Local Taxes Receivable	36,199	0	36,199
Special Assessments Receivable	222,393	0	222,393
Economic Development Property	11,110	0	11,110
Net Pension Asset	31,649	12,316	43,965
Net OPEB Asset	295,797	115,034	410,831
Nondepreciable Capital Assets	21,583,020	1,095,364	22,678,384
Depreciable Capital Assets, Net	26,620,172	19,718,472	46,338,644
Total Assets	76,342,192	28,094,517	104,436,709
Deferred Outflows of Resources:			
Deferred Charge on Refunding	137,796	3,510	141,306
Pension	2,291,286	153,622	2,444,908
OPEB	1,276,033	66,361	1,342,394
Asset Retirement Obligations	0	28,250	28,250
Total Deferred Outflows of Resources	3,705,115	251,743	3,956,858
Liabilities:			
Accounts Payable	35,930	80,080	116,010
Accrued Wages and Benefits Payable	334,182	53,488	387,670
Intergovernmental Payable	210,564	25,324	235,888
Contracts Payable	79,128	125,162	204,290
Accrued Interest Payable	6,243	2,754	8,997
Matured Compensated Absences Payable	2,141	0	2,141
Refundable Deposits	0	146,830	146,830
Unearned Revenue	608,185	0	608,185
Long-Term Liabilities:			
Due Within One Year	977,402	491,021	1,468,423
Due in More Than One Year:			
Net Pension Liability	10,554,785	992,063	11,546,848
Net OPEB Liability	1,243,955	0	1,243,955
Other Amounts	2,629,546	857,247	3,486,793
Total Liabilities	16,682,061	2,773,969	19,456,030
Deferred Inflows of Resources:			
Property Taxes	2,161,000	0	2,161,000
Pension	1,955,083	456,030	2,411,113
OPEB	1,386,814	364,426	1,751,240
Total Deferred Inflows of Resources	5,502,897	820,456	6,323,353
Net Position:			
Net Investment in Capital Assets	45,634,920	19,797,199	65,432,119
Restricted for:			
Debt Service	199,479	286,482	485,961
Capital Outlay	1,292,771	0	1,292,771
Fire Protection	1,792,951	0	1,792,951
Transportation	1,458,086	0	1,458,086
Security of Persons and Property	591,522	0	591,522
Legislative and Executive	866,499	0	866,499
Assessment of Waste Water Treatment	3,244	0	3,244
Revenue Bonds Replacement and Improvement	0	561,920	561,920
Leisure Time Activities Expendable	356,783	0	356,783
Leisure Time Activities Nonexpendable	2,483,912	0	2,483,912
Unrestricted	3,182,182	4,106,234	7,288,416
Total Net Position	\$57,862,349	\$24,751,835	\$82,614,184

See accompanying notes to the basic financial statements

CITY OF FRANKLIN, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest
Governmental Activities:				
General Government	\$2,080,097	\$511,522	\$0	\$0
Security of Persons and Property:				
Police	4,485,390	565,861	117,125	0
Fire	3,507,186	465,451	532,058	37,837
Other	675,165	167,792	0	0
Public Health and Welfare	8,119	7,994	12,824	0
Leisure Time Activities	377,753	68,321	47,731	0
Economic Development	56,327	0	4,743	0
Public Works	47,318	0	0	0
Transportation	1,847,223	9,017	1,355,638	2,297,435
Interest and Fiscal Charges	116,794	0	0	0
Total Governmental Activities	13,201,372	1,795,958	2,070,119	2,335,272
Business-Type Activities:				
Water	1,662,146	3,122,916	0	0
Sewer	2,286,852	3,278,875	0	0
Trash	835,386	922,699	0	0
Stormwater Utility	677,316	641,892	0	0
Total Business-Type Activities	5,461,700	7,966,382	0	0
Total Activities	\$18,663,072	\$9,762,340	\$2,070,119	\$2,335,272

General Revenues and Transfers:

Taxes:

 Property Taxes Levied for:

 General Purposes

 Fire

 Other Purposes

 Income Taxes

 Other Local Taxes Levied for General Purposes

Grants and Entitlements not Restricted to Specific Programs

Unrestricted Interest

Contributions and Donations

Other

Gain on Sale of Capital Assets

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position at Beginning of Year

Net Position at End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
(\$1,568,575)	\$0	(\$1,568,575)
(3,802,404)	0	(3,802,404)
(2,471,840)	0	(2,471,840)
(507,373)	0	(507,373)
12,699	0	12,699
(261,701)	0	(261,701)
(51,584)	0	(51,584)
(47,318)	0	(47,318)
1,814,867	0	1,814,867
(116,794)	0	(116,794)
<u>(7,000,023)</u>	<u>0</u>	<u>(7,000,023)</u>
0	1,460,770	1,460,770
0	992,023	992,023
0	87,313	87,313
0	(35,424)	(35,424)
<u>0</u>	<u>2,504,682</u>	<u>2,504,682</u>
<u>(7,000,023)</u>	<u>2,504,682</u>	<u>(4,495,341)</u>
451,571	0	451,571
1,277,406	0	1,277,406
176,452	0	176,452
9,799,231	0	9,799,231
169,706	0	169,706
503,838	0	503,838
492,124	31	492,155
200	0	200
693,958	73,381	767,339
64,620	0	64,620
140,000	(140,000)	0
<u>13,769,106</u>	<u>(66,588)</u>	<u>13,702,518</u>
6,769,083	2,438,094	9,207,177
<u>51,093,266</u>	<u>22,313,741</u>	<u>73,407,007</u>
<u>\$57,862,349</u>	<u>\$24,751,835</u>	<u>\$82,614,184</u>

CITY OF FRANKLIN, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	General Fund	Fire Levy Fund	American Rescue Plan Act Fund	Issue Two Fund
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$10,965,847	\$2,021,408	\$608,185	\$894,064
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	542,562	0	0	0
Materials and Supplies Inventory	9,180	45,522	0	0
Intergovernmental Receivable	120,909	68,007	0	0
Income Taxes Receivable	2,340,934	0	0	0
Property Taxes Receivable	553,242	1,422,087	0	0
Other Local Taxes Receivable	36,199	0	0	0
Accounts Receivable	101,882	78,319	0	0
Special Assessments Receivable	0	0	0	0
Accrued Interest Receivable	19,763	0	0	0
Total Assets	\$14,690,518	\$3,635,343	\$608,185	\$894,064
Liabilities:				
Accounts Payable	\$7,307	\$15,670	\$0	\$0
Accrued Wages and Benefits Payable	206,563	104,631	0	0
Intergovernmental Payable	102,358	32,043	0	0
Contracts Payable	0	0	0	0
Matured Compensated Absences Payable	2,141	0	0	0
Unearned Revenue	0	0	608,185	0
Total Liabilities	318,369	152,344	608,185	0
Deferred Inflows of Resources:				
Property Taxes	546,000	1,402,000	0	0
Unavailable Revenue	1,660,372	121,031	0	0
Total Deferred Inflows of Resources	2,206,372	1,523,031	0	0
Fund Balances:				
Nonspendable	31,155	45,522	0	0
Restricted	0	1,914,446	0	894,064
Committed	0	0	0	0
Assigned	3,804,788	0	0	0
Unassigned (Deficit)	8,329,834	0	0	0
Total Fund Balances	12,165,777	1,959,968	0	894,064
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$14,690,518	\$3,635,343	\$608,185	\$894,064

See accompanying notes to the basic financial statements

ODOT Project Fund	F.C. Dial Trust Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$272,041	\$2,840,695	\$3,766,173	\$21,368,413
0	0	0	542,562
0	0	191,811	246,513
42,764	0	420,070	651,750
0	0	0	2,340,934
0	0	215,829	2,191,158
0	0	0	36,199
0	0	558	180,759
0	0	222,393	222,393
0	0	0	19,763
<u>\$314,805</u>	<u>\$2,840,695</u>	<u>\$4,816,834</u>	<u>\$27,800,444</u>
\$0	\$0	\$12,953	\$35,930
0	0	22,988	334,182
0	0	76,163	210,564
79,128	0	0	79,128
0	0	0	2,141
0	0	0	608,185
<u>79,128</u>	<u>0</u>	<u>112,104</u>	<u>1,270,130</u>
0	0	213,000	2,161,000
0	0	579,787	2,361,190
<u>0</u>	<u>0</u>	<u>792,787</u>	<u>4,522,190</u>
0	2,483,912	191,811	2,752,400
235,677	356,783	2,609,231	6,010,201
0	0	445,000	445,000
0	0	728,736	4,533,524
0	0	(62,835)	8,266,999
<u>235,677</u>	<u>2,840,695</u>	<u>3,911,943</u>	<u>22,008,124</u>
<u>\$314,805</u>	<u>\$2,840,695</u>	<u>\$4,816,834</u>	<u>\$27,800,444</u>

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CITY OF FRANKLIN, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND
BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2021

Total Governmental Fund Balances		\$22,008,124
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Land	19,714,843	
Construction in Progress	1,868,177	
Infrastructure	75,742,072	
Other Capital Assets	17,922,138	
Accumulated Depreciation	(67,044,038)	
Total Capital Assets	48,203,192	48,203,192
Economic development property is not a financial resource and therefore is not reported in the funds.		
		11,110
Other long-term assets are not available to pay for current-period expenditures and therefore are offset by deferred inflows of resources in the funds:		
Delinquent Property Taxes	30,158	
Other Local Taxes	30,629	
Income Taxes	1,476,538	
Special Assessments	222,393	
Accounts	65,282	
Intergovernmental	518,448	
Interest	17,742	
Total	2,361,190	2,361,190
In the Statement of Activities, interest is accrued on long-term debt, whereas in governmental funds, an interest expenditure is reported when due.		
		(6,243)
Deferred outflows of resources represent deferred charges on refundings which do not provide current financial resources and, therefore, are not reported in the funds.		
		137,796
The net pension and net OPEB liabilities are not due and payable in the current period; therefore, the liabilities and related deferred inflows/outflows are not reported in governmental funds.		
Net Pension Asset	31,649	
Net OPEB Asset	295,797	
Deferred Outflows - Pension	2,291,286	
Deferred Outflows - OPEB	1,276,033	
Net Pension Liability	(10,554,785)	
Net OPEB Liability	(1,243,955)	
Deferred Inflows - Pension	(1,955,083)	
Deferred Inflows - OPEB	(1,386,814)	
Total	(11,245,872)	(11,245,872)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Premium On Debt Issued	(147,659)	
General Obligation Bonds	(1,965,000)	
Capital leases	(514,281)	
Police and Fire Pension	(44,101)	
Compensated Absences	(935,907)	
Total	(3,606,948)	(3,606,948)
Net Position of Governmental Activities		\$57,862,349

See accompanying notes to the basic financial statements

CITY OF FRANKLIN, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	General Fund	Fire Levy Fund	Issue Two Fund
Revenues:			
Property Taxes	\$469,547	\$1,328,278	\$0
Other Local Taxes	61,312	0	0
Income Taxes	9,460,464	0	0
Special Assessments	0	0	0
Charges for Services	162,573	429,113	0
Fines, Licenses and Permits	738,172	0	0
Intergovernmental	496,984	151,366	640,852
Interest	(4,397)	0	0
Rent	0	0	0
Contributions and Donations	200	2,750	0
Other	564,045	86,232	0
Total Revenues	11,948,900	1,997,739	640,852
Expenditures:			
Current:			
General Government	3,075,879	0	0
Security of Persons and Property:			
Police	4,040,633	0	0
Fire	0	2,861,927	0
Other	208,695	0	0
Public Health and Welfare	0	0	0
Leisure Time Activities	155,569	0	0
Economic Development	0	0	0
Transportation	0	0	0
Capital Outlay	573,381	0	1,347,894
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
Total Expenditures	8,054,157	2,861,927	1,347,894
Excess of Revenues Over (Under)			
Expenditures	3,894,743	(864,188)	(707,042)
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	64,705	1,884	0
Transfers In	29,088	1,050,299	0
Inception of Capital Lease	0	0	0
Transfers Out	(3,562,081)	(491,710)	0
Total Other Financing Sources (Uses)	(3,468,288)	560,473	0
Net Change in Fund Balances	426,455	(303,715)	(707,042)
Fund Balances at Beginning of Year	11,739,322	2,263,683	1,601,106
Fund Balances at End of Year	\$12,165,777	\$1,959,968	\$894,064

See accompanying notes to the basic financial statements

ODOT Project Fund	F.C. Dial Trust Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$0	\$0	\$183,471	\$1,981,296
0	0	109,941	171,253
0	0	0	9,460,464
0	0	231,042	231,042
0	0	248	591,934
0	0	256,107	994,279
1,644,083	0	1,690,436	4,623,721
0	443,327	54,500	493,430
0	0	1,200	1,200
0	0	1,481	4,431
0	0	21,194	671,471
<u>1,644,083</u>	<u>443,327</u>	<u>2,549,620</u>	<u>19,224,521</u>
0	0	190,155	3,266,034
0	0	520,634	4,561,267
0	0	258,461	3,120,388
0	0	466,470	675,165
0	0	8,119	8,119
0	0	290,936	446,505
0	0	56,327	56,327
0	0	1,042,479	1,042,479
2,724,837	550,000	1,322,137	6,518,249
0	0	828,387	828,387
0	0	122,438	122,438
<u>2,724,837</u>	<u>550,000</u>	<u>5,106,543</u>	<u>20,645,358</u>
<u>(1,080,754)</u>	<u>(106,673)</u>	<u>(2,556,923)</u>	<u>(1,420,837)</u>
0	0	0	66,589
1,300,000	0	2,258,916	4,638,303
0	0	280,273	280,273
0	0	(444,512)	(4,498,303)
<u>1,300,000</u>	<u>0</u>	<u>2,094,677</u>	<u>486,862</u>
219,246	(106,673)	(462,246)	(933,975)
<u>16,431</u>	<u>2,947,368</u>	<u>4,374,189</u>	<u>22,942,099</u>
<u>\$235,677</u>	<u>\$2,840,695</u>	<u>\$3,911,943</u>	<u>\$22,008,124</u>

CITY OF FRANKLIN, OHIO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

Net Change in Fund Balances - Total Governmental Funds (\$933,975)

Amounts reported for governmental activities in the
Statement of Activities are different because:

Capital outlays are reported as expenditures in governmental funds.
However, in the Statement of Activities, the cost of those assets is allocated
over their estimated useful lives as depreciation expense. In the current
period, these amounts are:

Construction in Progress Additions	4,416,451
Capital Assets Additions	2,180,622
Current Year Depreciation	(1,722,970)

Excess of depreciation expense over capital outlay 4,874,103

Governmental funds only report the disposal of capital assets to the extent proceeds
are received from the sale. In the Statement of Activities, a gain or loss is
reported for each sale.

Proceeds from Sale of Capital Assets	(66,589)
Gain on Sale of Capital Assets	64,620

Total (1,969)

Some revenues that will not be collected for several months after the City's year-end
are not considered "available" revenues and are therefore recorded as deferred inflows
of resources in the funds. Deferred inflows of resources related to the following items
changed by the amounts shown below:

Delinquent Property Taxes	(75,867)
Other Local Taxes	(1,547)
Income Taxes	338,767
Special Assessments	(64,442)
Charges for Services	36,718
Fines, Licenses and Permits	5,227
Intergovernmental	281,277
Interest	(1,306)
Other	22,487

Total 541,314

Contractually required contributions are reported as expenditures in governmental funds;
however, the Statement of Net Position reports these amounts as deferred outflows.

Pension	1,056,072
OPEB	18,527

Total 1,074,599

Except for amounts reported as deferred inflows/outflows, changes in the net pension
liability (asset) are reported as pension expense in the Statement of Activities.

Pension	(837,296)
OPEB	1,580,952

Total \$743,656

(Continued)

CITY OF FRANKLIN, OHIO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)

Other financing sources in the governmental funds, such as inception of capital lease, increase long-term liabilities in the statement of net position.		(\$280,273)
Repayment of long-term obligations is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Special Assessment Principal Retirement	40,000	
Bond Principal Retirement	470,000	
Police and Fire Pension Principal Retirement	2,366	
Capital Lease Principal Retirement	316,021	
Total Long-Term Debt Repayment		828,387
Amortization of bond premiums, the deferred charge on the refunding of debt, as well as accrued interest payable on the bonds are not reported in the funds, but are allocated as expenses over the life of the debt in the Statement of Activities.		
Amortization of Bond Premiums	26,847	
Amortization of Deferred Charge on Refunding	(22,965)	
Accrued Interest	1,762	
Total		5,644
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Increase in Compensated Absences		(82,403)
Change in Net Position of Governmental Activities		\$6,769,083

See accompanying notes to the basic financial statements

CITY OF FRANKLIN, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Property Taxes	\$482,000	\$482,000	\$469,547	(\$12,453)
Other Local Taxes	37,185	50,000	58,433	8,433
Income Taxes	5,882,617	7,650,000	9,244,017	1,594,017
Charges for Services	67,385	338,800	160,889	(177,911)
Fines, Licenses and Permits	466,601	742,350	733,222	(9,128)
Intergovernmental	336,827	257,296	529,294	271,998
Interest	117,427	160,000	184,527	24,527
Contributions and Donations	127	0	200	200
Other	507,496	173,100	1,137,645	964,545
Total Revenues	7,897,665	9,853,546	12,517,774	2,664,228
Expenditures:				
Current:				
General Government	4,102,201	4,435,947	3,130,766	1,305,181
Security of Persons and Property:				
Police	4,372,412	4,580,361	3,958,285	622,076
Other	255,216	310,104	215,189	94,915
Leisure Time Activities	197,860	204,605	155,614	48,991
Capital Outlay	736,258	1,022,389	686,838	335,551
Total Expenditures	9,663,947	10,553,406	8,146,692	2,406,714
Excess of Revenues Over (Under) Expenditures	(1,766,282)	(699,860)	4,371,082	5,070,942
Other Financing Sources (Uses):				
Advances In	500,000	500,000	500,000	0
Advances Out	0	(151,322)	0	151,322
Transfers In	1,050,281	29,088	29,088	0
Transfers Out	(4,518,100)	(3,902,289)	(3,562,081)	340,208
Total Other Financing Sources (Uses)	(2,967,819)	(3,524,523)	(3,032,993)	491,530
Net Change in Fund Balance	(4,734,101)	(4,224,383)	1,338,089	5,562,472
Fund Balance at Beginning of Year	9,785,902	9,785,902	9,785,902	0
Prior Year Encumbrances Appropriated	138,311	138,311	138,311	0
Fund Balance at End of Year	\$5,190,112	\$5,699,830	\$11,262,302	\$5,562,472

See accompanying notes to the basic financial statements

CITY OF FRANKLIN, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
FIRE LEVY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Property Taxes	\$1,352,000	\$1,351,000	\$1,328,278	(\$22,722)
Charges for Services	234,833	518,000	400,642	(117,358)
Intergovernmental	88,722	127,000	151,366	24,366
Contributions and Donations	1,612	0	2,750	2,750
Other	43,869	30,000	76,624	46,624
Total Revenues	<u>1,721,036</u>	<u>2,026,000</u>	<u>1,959,660</u>	<u>(66,340)</u>
Expenditures:				
Current:				
Security of Persons and Property:				
Fire	<u>3,568,654</u>	<u>3,364,314</u>	<u>2,847,785</u>	<u>516,529</u>
Excess of Revenues Under Expenditures	<u>(1,847,618)</u>	<u>(1,338,314)</u>	<u>(888,125)</u>	<u>450,189</u>
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	3,665	0	1,884	1,884
Transfers In	1,050,299	900,213	1,050,299	150,086
Transfers Out	<u>(533,000)</u>	<u>(683,000)</u>	<u>(491,710)</u>	<u>191,290</u>
Total Other Financing Sources (Uses)	<u>520,964</u>	<u>217,213</u>	<u>560,473</u>	<u>343,260</u>
Net Change in Fund Balance	(1,326,654)	(1,121,101)	(327,652)	793,449
Fund Balance at Beginning of Year	2,240,727	2,240,727	2,240,727	0
Prior Year Encumbrances Appropriated	<u>74,164</u>	<u>74,164</u>	<u>74,164</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$988,237</u></u>	<u><u>\$1,193,790</u></u>	<u><u>\$1,987,239</u></u>	<u><u>\$793,449</u></u>

See accompanying notes to the basic financial statements

CITY OF FRANKLIN, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
AMERICAN RESCUE PLAN ACT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Intergovernmental	\$0	\$608,185	\$608,185
Expenditures:	0	0	0
Net Change in Fund Balance	0	608,185	(608,185)
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$608,185	\$608,185

See accompanying notes to the basic financial statements

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CITY OF FRANKLIN, OHIO
STATEMENT OF FUND NET POSITION
ENTERPRISE FUNDS
DECEMBER 31, 2021

	Water Fund	Sewer Fund	Trash Fund	Stormwater Utility Fund	Total
Assets:					
Current Assets:					
Equity in Pooled Cash and Cash Equivalents	\$2,363,682	\$885,924	\$308,688	\$791,209	\$4,349,503
Materials and Supplies Inventory	99,794	0	0	0	99,794
Accounts Receivable	641,460	960,375	70,983	35,067	1,707,885
Restricted Assets:					
Cash and Cash Equivalents with Trustee	275,917	0	0	0	275,917
Total Current Assets	3,380,853	1,846,299	379,671	826,276	6,433,099
Noncurrent Assets:					
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	635,335	73,415	0	0	708,750
Cash and Cash Equivalents with Trustee	11,482	0	0	0	11,482
Net Pension Asset	5,718	3,520	440	2,638	12,316
Net OPEB Asset	53,407	32,867	4,111	24,649	115,034
Nondepreciable Capital Assets	1,020,364	37,500	0	37,500	1,095,364
Depreciable Capital Assets, Net	8,587,508	3,726,287	0	7,404,677	19,718,472
Total Noncurrent Assets	10,313,814	3,873,589	4,551	7,469,464	21,661,418
Total Assets	13,694,667	5,719,888	384,222	8,295,740	28,094,517
Deferred Outflows of Resources:					
Deferred Charge on Refunding	3,510	0	0	0	3,510
Pension	71,326	43,891	5,486	32,919	153,622
OPEB	30,811	18,960	2,371	14,219	66,361
Asset Retirement Obligations	0	28,250	0	0	28,250
Total Deferred Outflows of Resources	105,647	91,101	7,857	47,138	251,743
Liabilities:					
Current Liabilities:					
Accounts Payable	13,309	56,410	2,211	8,150	80,080
Accrued Wages and Benefits Payable	36,858	7,686	798	8,146	53,488
Contracts Payable	0	125,162	0	0	125,162
Intergovernmental Payable	15,775	4,476	662	4,411	25,324
Accrued Interest Payable	2,754	0	0	0	2,754
Compensated Absences Payable	52,325	12,362	1,049	16,139	81,875
Capital Lease Payable	24,612	9,115	0	28,886	62,613
Revenue Bonds Payable	275,000	0	0	0	275,000
OWDA Loans Payable	71,533	0	0	0	71,533
Total Current Liabilities	492,166	215,211	4,720	65,732	777,829
Long Term Liabilities:					
Compensated Absences Payable	108,285	28,252	4,806	44,903	186,246
Capital Lease Payable	25,779	9,548	0	71,906	107,233
Revenue Bonds Payable	6,640	0	0	0	6,640
OWDA Loans Payable	497,128	0	0	0	497,128
Refundable Deposits	73,415	73,415	0	0	146,830
Asset Retirement Obligations	0	60,000	0	0	60,000
Net Pension Liability	460,599	283,445	35,432	212,587	992,063
Total Long Term Liabilities	1,171,846	454,660	40,238	329,396	1,996,140
Total Liabilities	\$1,664,012	\$669,871	\$44,958	\$395,128	\$2,773,969

(Continued)

CITY OF FRANKLIN, OHIO
STATEMENT OF FUND NET POSITION
ENTERPRISE FUNDS
DECEMBER 31, 2021
(Continued)

	Water Fund	Sewer Fund	Trash Fund	Stormwater Utility Fund	Total
Deferred Inflows of Resources:					
Pension	\$211,727	\$130,294	\$16,286	\$97,723	\$456,030
OPEB	169,199	104,122	13,016	78,089	364,426
Total Deferred Inflows of Resources	<u>380,926</u>	<u>234,416</u>	<u>29,302</u>	<u>175,812</u>	<u>820,456</u>
Net Position:					
Net Investment in Capital Assets	8,710,690	3,745,124	0	7,341,385	19,797,199
Restricted for:					
Debt Service	286,482	0	0	0	286,482
Revenue Bonds Replacement and Improvements	561,920	0	0	0	561,920
Unrestricted	<u>2,196,284</u>	<u>1,161,578</u>	<u>317,819</u>	<u>430,553</u>	<u>4,106,234</u>
Total Net Position	<u>\$11,755,376</u>	<u>\$4,906,702</u>	<u>\$317,819</u>	<u>\$7,771,938</u>	<u>\$24,751,835</u>

See accompanying notes to the basic financial statements

CITY OF FRANKLIN, OHIO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Water Fund	Sewer Fund	Trash Fund	Stormwater Utility Fund	Total
Operating Revenues:					
Charges for Services	\$3,122,916	\$3,278,875	\$922,699	\$641,892	\$7,966,382
Operating Expenses:					
Personal Services	644,682	5,607	25,191	112,766	788,246
Contractual Services	458,645	2,086,804	809,458	119,367	3,474,274
Supplies and Materials	169,088	27,885	618	11,993	209,584
Depreciation	338,658	165,259	119	429,338	933,374
Other	3,795	0	0	0	3,795
Total Operating Expenses	1,614,868	2,285,555	835,386	673,464	5,409,273
Operating Income (Loss)	1,508,048	993,320	87,313	(31,572)	2,557,109
Non-Operating Revenues (Expenses):					
Interest	31	0	0	0	31
Other Non-Operating Revenues	48,647	17,348	1,074	6,312	73,381
Interest and Fiscal Charges	(47,278)	(1,297)	0	(3,852)	(52,427)
Total Non-Operating Revenues (Expenses)	1,400	16,051	1,074	2,460	20,985
Income (Loss) Before Transfers	1,509,448	1,009,371	88,387	(29,112)	2,578,094
Transfers Out	(75,000)	(65,000)	0	0	(140,000)
Change in Net Position	1,434,448	944,371	88,387	(29,112)	2,438,094
Net Position at Beginning of Year	10,320,928	3,962,331	229,432	7,801,050	22,313,741
Net Position at End of Year	\$11,755,376	\$4,906,702	\$317,819	\$7,771,938	\$24,751,835

See accompanying notes to the basic financial statements

CITY OF FRANKLIN, OHIO
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Water Fund	Sewer Fund	Trash Fund	Stormwater Utility Fund	Totals
<u>Increase (Decrease) in Cash and Cash Equivalents</u>					
<u>Cash Flows from Operating Activities:</u>					
Cash Received from Customers	\$2,830,691	\$2,738,777	\$933,318	\$644,218	\$7,147,004
Cash Paid for Employee Services and Benefits	(929,170)	(286,308)	(53,674)	(293,712)	(1,562,864)
Cash Paid to Suppliers for Goods and Services	(752,953)	(2,055,962)	(807,865)	(158,122)	(3,774,902)
Utility Deposits Received	19,615	19,415	0	0	39,030
Utility Deposits Returned	(19,315)	(19,115)	0	0	(38,430)
Other Operating Expenses	(1,343)	0	0	0	(1,343)
Other Non-Operating Revenues	44,472	18,623	1,063	13,722	77,880
Net Cash Provided by Operating Activities	1,191,997	415,430	72,842	206,106	1,886,375
<u>Cash Flows from Noncapital Financing Activities:</u>					
Transfers Out to Other Funds	(75,000)	(65,000)	0	0	(140,000)
<u>Cash Flows from Capital and Related Financing Activities:</u>					
Acquisition of Capital Assets	(126,017)	(631,648)	0	(76,522)	(834,187)
Interest Paid on OWDA Loans	(24,814)	0	0	0	(24,814)
Principal Paid on OWDA Loans	(68,641)	0	0	0	(68,641)
Interest Paid on Mortgage Revenue Bonds	(21,800)	0	0	0	(21,800)
Principal Paid on Mortgage Revenue Bonds	(270,000)	0	0	0	(270,000)
Interest Paid on Capital Leases	(3,502)	(1,297)	0	(3,852)	(8,651)
Principal Paid on Capital Leases	(23,498)	(8,703)	0	(27,988)	(60,189)
Net Cash Used for Capital and Related Financing Activities	(538,272)	(641,648)	0	(108,362)	(1,288,282)
<u>Cash Flows from Investing Activities:</u>					
Interest	31	0	0	0	31
Net Increase (Decrease) in Cash and Cash Equivalents	578,756	(291,218)	72,842	97,744	458,124
Cash and Cash Equivalents at Beginning of Year	2,707,660	1,250,557	235,846	693,465	4,887,528
Cash and Cash Equivalents at End of Year	<u>\$3,286,416</u>	<u>\$959,339</u>	<u>\$308,688</u>	<u>\$791,209</u>	<u>\$5,345,652</u>

(Continued)

CITY OF FRANKLIN, OHIO
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)

	Water Fund	Sewer Fund	Trash Fund	Stormwater Utility Fund	Totals
Reconciliation of Operating Income (Loss) to <u>Net Cash Provided by Operating Activities:</u>					
Operating Income (Loss)	\$1,508,048	\$993,320	\$87,313	(\$31,572)	\$2,557,109
Adjustments to Reconcile Operating Income (Loss) <u>to Net Cash Provided by Operating Activities:</u>					
Depreciation Expense	338,658	165,259	119	429,338	933,374
Other Non-Operating Revenues	48,647	17,348	1,074	6,312	73,381
Decrease (Increase) in Assets:					
Materials and Supplies Inventory	(31,085)	0	0	0	(31,085)
Accounts Receivable	(296,400)	(540,330)	10,608	2,247	(823,875)
Intergovernmental Receivable	2,452	1,507	0	7,489	11,448
Deferred Outflows - Pension	98,101	60,371	7,547	45,277	211,296
Deferred Outflows - OPEB	54,647	33,628	4,203	25,222	117,700
Deferred Outflows - ARO	0	(12,298)	0	0	(12,298)
Increase (Decrease) in Liabilities:					
Accounts Payable	(7,125)	52,286	2,211	(26,762)	20,610
Accrued Wages and Benefits Payable	8,737	(3,463)	74	1,062	6,410
Contracts Payable	(85,488)	(1,261)	0	0	(86,749)
Intergovernmental Payable	1,654	(1,324)	201	800	1,331
Compensated Absences Payable	81,265	(43,505)	292	(8,500)	29,552
Net Pension Liability	(3,143)	(1,934)	(243)	(1,451)	(6,771)
Net OPEB Liability	(258,110)	(158,836)	(19,854)	(119,128)	(555,928)
Asset Retirement Obligation	0	20,000	0	0	20,000
Refundable Deposits Payable	300	300	0	0	600
Deferred Inflows - Pension	(149,004)	(91,695)	(11,460)	(68,770)	(320,929)
Deferred Inflows - OPEB	(120,157)	(73,943)	(9,243)	(55,458)	(258,801)
Total Adjustments	(316,051)	(577,890)	(14,471)	237,678	(670,734)
Net Cash Provided by Operating Activities	<u>\$1,191,997</u>	<u>\$415,430</u>	<u>\$72,842</u>	<u>\$206,106</u>	<u>\$1,886,375</u>

Noncash Capital Financing Activities:

The Stormwater Utility Fund received assets in the amount of \$101,414 from capital lease.

See accompanying notes to the basic financial statements

CITY OF FRANKLIN, OHIO
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUND
DECEMBER 31, 2021

	Municipal Court Fund
Assets:	
Cash in Segregated Accounts	\$42,958
Liabilities:	
Due to Other Governments	\$42,958

See accompanying notes to the basic financial statements

CITY OF FRANKLIN, OHIO
STATEMENT OF CHANGE IN FIDUCIARY NET POSITION
CUSTODIAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Municipal Court Fund
Additions:	
Fines, Licenses, and Permits for Other Governments	\$1,200,629
Deductions:	
Distributions to the State of Ohio	560,692
Distributions to Other Governments	639,937
Total Deductions	1,200,629
Change in Net Position	0
Net Position at Beginning of Year	0
Net Position at End of Year	\$0

See accompanying notes to the basic financial statements

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 1 – Description of the City and Reporting Entity

The City of Franklin (the “City”) is a home rule municipal corporation organized under the laws of the State of Ohio. The City operates under its own charter. The current Charter, which provides for a Council/Manager form of government, was adopted in 1984. The seven-member Council is elected to four-year terms. Annually, Council selects one of its members to serve as Mayor. Council appoints the City Manager, Finance Director, and Law Director.

Reporting Entity

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds and departments that are not legally separate from the City. The City departments provide various services, including a police force, a fire fighting force, a street maintenance and repair force, planning and zoning, a parks and recreation system, water, sewer and stormwater drainage systems, a contracting service for trash collection, community development, and a staff to provide essential support to these service providers. Council and the City Manager have direct responsibility for these activities.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of its taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City. The City has no component units.

The City participates in one shared risk pool, and two jointly governed organizations. These organizations are presented in Note 19 of the basic financial statements. These organizations are:

Shared Risk Pool:

Ohio Plan Risk Management, Inc. (OPRM)

Jointly Governed Organizations:

Warren County General Health District

Warren County Fire Response and Life Safety Council of Governments

Note 2 – Summary of Significant Accounting Policies

The financial statements of the City of Franklin have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The government-wide financial statements usually distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business segment is self-financing or draws from the general revenues of the City.

Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities into separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the City are divided into three categories: governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the City are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The following are the City's major governmental funds:

General Fund - This fund is the operating fund of the City and is used to account for and report all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the City for any purpose, provided it is expended or transferred according to the general laws of Ohio and the Charter of the City.

Fire Levy Fund - This fund accounts for and reports property taxes levied by the City and intergovernmental revenues restricted for operating expenditures related to the fire department.

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

American Rescue Plan Act Fund – This fund is used to account for and report monies received from the federal American Rescue Plan Act, whose use is restricted for local Coronavirus relief.

Issue Two Fund – This fund accounts for and reports grant monies restricted for making road improvements.

ODOT Project Fund – This fund is used to account for and report monies assigned to road paving projects whose cost is shared between the City and the Ohio Department of Transportation.

F. C. Dial Trust Fund – To account for and report financial resources restricted for leisure time activities related to parks and recreation. The monies in this fund are restricted through a trust, and only the interest earnings may be spent for parks and recreation.

The other governmental funds of the City account for grants and other resources whose use is restricted, committed, or assigned to a particular purpose.

Proprietary Funds

Proprietary funds focus on the determination of operating income, changes in net position, financial position, and cash flows. The City's proprietary funds are enterprise funds.

Enterprise Funds - Enterprise funds may be used to account for and report any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Water Fund - This fund is used to account for and report the provision of water treatment and distribution to residential and commercial users in the City.

Sewer Fund - This fund is used to account for and report the provision of sanitary sewer service to residential and commercial users in the City.

Trash Fund - This fund is used to account for and report the provision of trash collection services to residential and commercial users in the City.

Stormwater Utility Fund - This fund is used to account for and report the provision of stormwater management within the City.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds (and other employee benefit), investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. The City has no trust funds. Custodial funds are used to report fiduciary activities that are not required to be separated in a trust fund. The City has one custodial fund, Municipal Court that is used to account for various fines and fees collected and distributed on behalf of another government.

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from investment trust funds, private purpose trust funds, and custodial funds.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the statements presented for proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, in the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. “Measurable” means that the amount of the transaction can be determined, and “available” means that the resources are collectible within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, “available” means expected to be received within 31 days of year-end.

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income taxes is recognized in the year in which the exchange on which the tax is imposed takes place, and revenue from property taxes is recognized in the year for which the taxes are levied or would have been levied (See Notes 7 and 8). Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income taxes, interest on investments, intergovernmental revenues (including motor vehicle license tax, gasoline tax, and local government assistance), and grants.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for the deferred charges on refundings, pension, OPEB and asset retirement obligations. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to asset retirement obligations is originally measured at the amount of the corresponding liability. This amount is expensed in a systematic and rational manner over the tangible asset's useful life. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 12 and 13.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2021, but which were levied to finance fiscal year 2022 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables that will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, other local taxes, income taxes, special assessments, accounts receivable, intergovernmental revenues, including grants, and interest. These amounts are deferred and recognized as inflows of resources in the period when the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 19. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide Statement of Net Position (See Notes 12 and 13).

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. The City recognizes unearned revenue for intergovernmental revenue received before the eligibility requirements are met.

Cash and Cash Equivalents

To improve cash management, all cash received by the City is pooled. Monies for all funds, including enterprise funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents." The City's Municipal Court has its own checking accounts for collection and distribution of court fines and forfeitures, which are presented on the financial statements as "Cash in Segregated Accounts." The City's deposits on hand for future principal and interest payments on mortgage revenue bonds are presented as "Restricted Assets: Cash and Cash Equivalents with Trustee." The City maintains separate funds for unclaimed monies, employee retirement benefits, and for the replacement and improvement of capital assets originally acquired with bond proceeds, which are presented on the financial statements as "Restricted Assets: Equity in Pooled Cash and Cash Equivalents."

During the year, the City's investments were limited to STAROhio, common stock, money market mutual fund, Negotiable Certificates of Deposits, Federal Agency Securities, and United States Treasury Bills. Investments are reported at fair value, which is based on quoted market prices.

STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of \$100 million or more. STAR Ohio reserves the right to limit the transactions to \$250 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest credited to the General Fund during 2021 amounted to (\$4,397), which includes (\$2,543) assigned from other City funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the City are presented on the financial statements as cash equivalents.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the General Fund represent cash and cash equivalents legally required to be set aside by the City for unclaimed monies and employee retirement benefits. Restricted assets in the

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

enterprise funds represent cash and cash equivalents with trustee for repayment of current debt service on revenue bonds that are required by the bond indenture to be held by a financial services corporation and cash and cash equivalents for the replacement and improvement of capital assets originally acquired with bond proceeds. In addition, water and sewer customer deposits are presented as restricted assets.

Economic Development Property

The City acquired property through donation, at no cost to the City. The property is held by the City at year end and is reported as economic development property and is valued at fair market value at the time acquired. Since the property is expected to be donated to Habitat for Humanity and not converted to cash, it is reported in the governmental activities column of the statement of activities, but is not reported in the fund financial statements.

Inventory

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expended/expensed when used. Inventories consist of materials and supplies held for consumption.

On fund financial statements, inventories of governmental funds are stated at cost, while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as expenditures/expenses when used.

Capital Assets

General capital assets are capital assets that are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values on the date donated. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expended.

All capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Land Improvements	20 years
Buildings	20-30 years
Equipment	3-20 years
Vehicles	5-20 years
Infrastructure	10-60 years

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

The City's infrastructure consists of streets, curbs and gutters, sidewalks, street lighting, bridges, traffic structures, water and sewer lines, stormwater drains, and a water well field. The City only reports infrastructure amounts acquired after 1980 for its governmental activities.

Compensated Absences

Vacation benefits and compensatory time are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation and compensatory time when earned for all employees.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments.

On the governmental fund financial statements, compensated absences are recognized as a liability and expenditures to the extent that payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees will be paid.

The entire compensated absences liability is reported on the government-wide financial statements.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB asset/liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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Restricted - The restricted fund balance category includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party-such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance or resolution, as both are equally binding) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance or resolution, as both are equally binding) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. City Council approved, by ordinance, to have a committed fund balance in the Recreation Fund in order to utilize the monies for park facility upkeep.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by City Council. In the General Fund and General Capital Improvements Fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance or by State Statute. State statute authorizes the Finance Director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The future appropriations amount assigned in the General Fund represents 2022 appropriations that exceed estimated resources. The Bond Retirement Fund has an assigned balance due to transfers from governmental and business-type funds to support required debt service payments.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

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Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. A portion of certain governmental long-term liabilities is not related to governmental activities because part of the proceeds was used to purchase assets used in the business-type activities. The unrelated portion of these liabilities is included in the calculation of net position restricted for debt service. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

The City's Water Enterprise Fund has restricted net position relative to those resources necessary to comply with various covenants of bond financing agreements.

Internal Activity

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. For reporting purposes, various custodial funds, utilized for internal control purposes, have been combined with the general fund. These custodial funds are not required to be budgeted and appropriated and therefore are not included in the Accountability note (Note 4). The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the object level (personal services and other expenditures) within each fund and department/area of operation. Budgetary modifications at this level may only be made by ordinance of the City Council.

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The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts represent estimates from the amended certificate in effect at the time final appropriations were passed by Council.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources by fund. The amounts reported as the original budgeted amounts reflect the first appropriations ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year, including all supplemental appropriations.

Bond Premiums

On the government-wide financial statements (and in the enterprise funds), bond premiums are deferred and amortized over the term of the bonds using the straight-line method, since the results are not significantly different from the effective interest method. Bond premiums are presented as additions to the face amount of bonds payable.

On the governmental fund financial statements, bond premiums are recognized in the period in which the debt is issued.

Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment of the bond escrow agent.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the City, these revenues are charges for services for water, sewer, and trash utility services, and stormwater management fees. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as non-operating.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 3 – Change in Accounting Principles

For 2021, the City implemented the Governmental Accounting Standards Board's (GASB) Statement No. 98, The Annual Comprehensive Financial Report. GASB 98 establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The City is also implementing Implementation Guide No. 2019-1. These changes were incorporated in the City's 2021 financial statements; however, there was no effect on beginning net position/fund balance.

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Note 4 – Accountability

At December 31, 2021, the Police and Fire Pension fund, which is a special revenue fund, is the only fund with a deficit fund balance. For 2021, the deficit fund balance was \$62,835.

This deficit is due to adjustments for accrued liabilities, which generate expenditures that are greater than those recognized on a cash basis. The General Fund provides transfers to cover deficit balances; however, this is only done when cash is needed rather than when accruals occur.

Note 5 – Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balance on the basis of GAAP, the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The statement of revenues, expenditures and changes in fund balance - budget and actual (budget basis) - General Fund and Fire Levy and American Rescue Plan Act special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance (GAAP basis).
4. Unrecorded cash represents amounts received but not included on the budget basis operating statement. These amounts are included as revenue on the GAAP basis operating statement.
5. Investments are recorded at fair value (GAAP basis) rather than cost (budget basis).
6. Cash that is held by the custodial fund on behalf of City funds on a budget basis are allocated and reported on the balance sheet (GAAP basis) in the appropriate City fund.

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis are as follows:

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Net Change in Fund Balance

	General Fund	Fire Levy Fund	American Rescue Plan Act Fund
GAAP Basis	\$426,455	(\$303,715)	\$0
Revenue Accruals	825,854	(38,079)	608,185
Expenditure Accruals	50,171	48,311	0
Encumbrances	(142,706)	(34,169)	0
Unrecorded Cash - 2020	40	0	0
Increase in Fair Value of Investments - 2020	245,142	0	0
Increase in Fair Value of Investments - 2021	(63,388)	0	0
Custodial Fund Cash Allocation - 2020	36,534	0	0
Custodial Fund Cash Allocation - 2021	(40,013)	0	0
Budget Basis	<u>\$1,338,089</u>	<u>(\$327,652)</u>	<u>\$608,185</u>

Note 6 – Deposits and Investments

State statutes classify monies held by the City into three categories.

Active deposits are public monies determined to be necessary to meet current demands upon the City treasury. Active monies must be maintained either as cash in the City treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Interim monies held by the City can be deposited or invested in the following securities:

1. United States Treasury bills, bonds notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

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2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Investments

As of December 31, 2021, the City had the following investments:

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Measurement/Investment	Measurement Amount	Investment Maturity (in Years)	Moody or S&P Rating	Percentage of Total Investments
Net Asset Value Per Share				
STAROhio	\$4,753,394	Less than One	AAAm	N/A
Fair Value - Level One Inputs				
Common Stock	2,776,585	Less than One	N/A	17.98%
Money Market Mutual Fund	40,557	Less than One	N/A	N/A
Total Fair Value - Level One Inputs	2,817,142			
Fair Value - Level Two Inputs				
Negotiable Certificates of Deposits	4,276,835	Less than Four	AA+	27.69%
Federal Home Loan Bank Notes	1,129,359	Less than Three	AA+	7.31%
Federal Home Loan Mortgage Notes	523,044	Less than Three	AA+	N/A
Federal Farm Credit				
Bank Notes	961,353	Less than Five	AA+	6.22%
Federal National Mortgage				
Association Notes	196,734	Less than Two	AA+	N/A
United States Treasury Notes	787,824	Less than Two	AA+	5.10%
Total Fair Value - Level Two Inputs	7,875,149			
Total Investments	\$15,445,685			

The City has investments in common stock as a result of a donation made to the City through the will and testament of an individual. The donation is restricted for use for parks and recreation.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the City's recurring fair value measurements as of December 31, 2021. The Common Stock is measured at fair value and is valued using quoted market prices (Level 1 inputs). The City's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The investments listed in the table above, with the exception of STAROhio, are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the City's name. The City has no policy for custodial credit risk beyond the requirements of State statute.

Interest Rate Risk

The City has no investment policy that addresses interest rate risk beyond the requirements of State statute. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the City, and that an investment must be purchased with the expectation that it will be held to maturity.

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Credit Risk

The Moody’s ratings of the City’s investments are listed in the table above. STAR Ohio carries a rating of AAAM by Standard & Poor’s. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City has no additional policy regarding credit risk.

Concentration of Credit Risk

The City’s places no limit on the amount it may invest in any one financial institution. The percentage that each investment represents of total investments is listed in the table above.

Note 7 – Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2021 for real and public utility property taxes represents collections of 2020 taxes.

2021 real property taxes were levied after October 1, 2021, on the assessed value as of January 1, 2021, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2021 real property taxes are collected in and intended to finance 2022.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2021 public utility property taxes, which became a lien December 31, 2020, are levied after October 1, 2021, and are collected in 2022 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2021, was \$9.32 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2021 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$248,335,950
Public Utility Personal Property	28,283,590
Totals	\$276,619,540

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies, which were measurable as of December 31, 2021, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2021 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

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Note 8 – Income Tax

The City levies a municipal income tax of 2 percent on substantially all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100 percent of the City's current tax rate.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

Income tax proceeds are to be used to pay the cost of administering the tax, General Fund operations, capital improvements, debt service, and other governmental functions when needed, as determined by Council. In 2021, the proceeds were allocated to the General Fund.

Note 9 – Receivables

Receivables at December 31, 2021, consisted of intergovernmental, including grants, entitlements and shared revenues, income taxes, property taxes, other local taxes, accounts, special assessments, and accrued interest on investments. All receivables are considered fully collectible and will be received within one year with the exception of property taxes, income taxes, and special assessments. Water, sewer, trash, and stormwater charges for accounts receivable, which, if delinquent, may be certified and collected as special assessments, are subject to foreclosure for nonpayment. Property taxes and income taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year.

Special assessments expected to be collected in more than one year amount to \$41,945. The City has \$11,521 in delinquent special assessments at December 31, 2021.

A summary of intergovernmental receivables follows:

<u>Governmental Activities:</u>	<u>Amount</u>
Homestead and Rollback Exemption	\$92,532
Permissive Motor Vehicle License Tax	59,350
Motor Vehicle License Tax	47,597
Gasoline Excise Tax	304,199
Township Fire Runs	7,225
Local Government Monies	98,083
Ohio Department of Transportation	42,764
Total Governmental Activities	<u><u>\$651,750</u></u>

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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Note 10 – Capital Assets

Capital assets activity for the year ended December 31, 2021, was as follows:

	Balance at January 1, 2021	Additions	Deletions	Balance at December 31, 2021
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$19,409,384	\$305,544	(\$85)	\$19,714,843
Construction in Progress	2,324,789	4,416,451	(4,873,063)	1,868,177
Total Capital Assets, Not Being Depreciated	<u>21,734,173</u>	<u>4,721,995</u>	<u>(4,873,148)</u>	<u>21,583,020</u>
Depreciable Capital Assets:				
Land Improvements	1,805,731	692,052	0	2,497,783
Buildings	7,253,772	146,852	0	7,400,624
Equipment	2,765,212	401,990	0	3,167,202
Vehicles	4,618,512	434,513	(196,496)	4,856,529
Infrastructure	70,669,338	5,072,734	0	75,742,072
Total Depreciable Capital Assets	<u>87,112,565</u>	<u>6,748,141</u>	<u>(196,496)</u>	<u>93,664,210</u>
Less Accumulated Depreciation:				
Land Improvements	(1,360,832)	(47,937)	0	(1,408,769)
Buildings	(2,810,035)	(121,472)	0	(2,931,507)
Equipment	(1,847,345)	(183,827)	0	(2,031,172)
Vehicles	(3,319,233)	(287,450)	194,612	(3,412,071)
Infrastructure	(56,178,235)	(1,082,284)	0	(57,260,519)
Total Accumulated Depreciation	<u>(65,515,680)</u>	<u>(1,722,970)</u>	<u>194,612</u>	<u>(67,044,038)</u>
Depreciable Capital Assets, Net	<u>21,596,885</u>	<u>5,025,171</u>	<u>(1,884)</u>	<u>26,620,172</u>
Governmental Activities Capital Assets, Net	<u>\$43,331,058</u>	<u>\$9,747,166</u>	<u>(\$4,875,032)</u>	<u>\$48,203,192</u>

Depreciation expense was charged to governmental programs as follows:

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	Amount
General Government	\$96,636
Security of Persons and Property:	
Police	150,278
Fire	221,275
Leisure Time Activities	57,340
Public Works	47,318
Transportation	1,150,123
Total Depreciation Expense	\$1,722,970

	Balance at January 1, 2021	Additions	Deletions	Balance at December 31, 2021
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$1,095,364	\$0	\$0	\$1,095,364
Construction in Progress	101,397	662,541	(763,938)	0
Total Capital Assets, Not Being Depreciated	1,196,761	662,541	(763,938)	1,095,364
Depreciable Capital Assets:				
Land Improvements	22,301	0	0	22,301
Buildings	87,073	17,830	0	104,903
Equipment	783,855	53,928	0	837,783
Vehicles	804,414	201,301	0	1,005,715
Infrastructure	42,221,672	763,939	0	42,985,611
Total Depreciable Capital Assets	43,919,315	1,036,998	0	44,956,313
Less Accumulated Depreciation:				
Land Improvements	(3,902)	(631)	0	(4,533)
Buildings	(21,552)	(1,634)	0	(23,186)
Equipment	(331,293)	(49,437)	0	(380,730)
Vehicles	(222,926)	(74,116)	0	(297,042)
Infrastructure	(23,724,794)	(807,556)	0	(24,532,350)
Total Accumulated Depreciation	(24,304,467)	(933,374)	0	(25,237,841)
Depreciable Capital Assets, Net	19,614,848	103,624	0	19,718,472
Business-Type Activities Capital Assets, Net	\$20,811,609	\$766,165	(\$763,938)	\$20,813,836

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 DECEMBER 31, 2021

Note 11 – Risk Management

Property and Liability

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the “Plan”), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments (“Members”). The Plan is legally separate from its member’s governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member’s risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member’s exposure to loss. Effective November 1, 2016, the OPRM retained 50 percent of the premium and losses on the first \$250,000 casualty treaty and 30 percent of the first \$1,000,000 property treaty. Effective November 1, 2017, the OPRM retained 47 percent of the premium and losses on the first \$250,000 casualty treaty and 30 percent of the first \$1,000,000 property treaty. Effective November 1, 2018, the OPRM the property retention remained unchanged, however, the Plan assumed 100% of the first \$250,000 casualty treaty. Effective November 1, 2019, the OPRM’s property retention increased from 30% to 33%, while the casualty treaty remains unchanged and still assumes 100% of the first \$250,000 casualty treaty. OPRM had 771 members as of December 31, 2020.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member’s covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Plan’s audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2020 and 2019 (the latest information available).

	2020	2019
Assets	\$18,826,974	\$15,920,504
Liabilities	(13,530,267)	(11,329,011)
Members' Equity	\$5,296,707	\$4,591,493

You can read the complete audited financial statements for OPRM at the Plan’s website, www.ohioplan.org.

The City pays its annual premium to its agent, Hylant Administrative Services, LLC. Coverage is as follows:

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Type of Coverage	Coverage	Deductible
General Liability (per Occurrence/aggregate)	\$8,000,000/\$10,000,000	N/A
Employers Liability (per Occurrence/aggregate)	8,000,000/8,000,000	N/A
Employee Benefits Liability (per Occurrence/aggregate)	8,000,000/10,000,000	N/A
Law Enforcement Officers Liability (per Occurrence/aggregate)	8,000,000/10,000,000	5,000
Public Officials Liability (per Occurrence/aggregate)	8,000,000/10,000,000	5,000
Automobile Liability (per Occurrence)	8,000,000	N/A
Property Coverage	41,240,521	1,000
Special Property Coverage	3,178,166	1,000
Electronic Equipment Coverage	271,181	1,000
Public Employee Dishonesty Coverage	100,000	1,000

There have been no significant reductions in insurance coverage from the prior year and no insurance settlement has exceeded insurance coverage during the last three years.

Workers' Compensation

The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on historic loss history and payroll, as well as any alternate rating plans employees join.

Note 12 – Defined Benefit Pension Plans

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability (Asset)/Net OPEB Liability (Asset)

The net pension liability (asset) and the net OPEB liability (asset) reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension/OPEB liability (asset) represents the City's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits the City's obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

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GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a net pension/OPEB asset or a long-term net pension/OPEB liability on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 13 for the required OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

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Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

Final Average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	<u>State and Local</u>
2021 Statutory Maximum Contribution Rates:	
Employer	14.0%
Employee *	10.0%
2021 Actual Contribution Rates:	
Employer:	
Pension **	14.0%
Post-employment Health Care Benefits **	0.0
Total Employer	14.0%
Employee	10.0%

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For 2021, the City’s contractually required contribution was \$481,994 for the traditional plan, \$9,991 for the combined plan and \$5,274 for the member-directed plan. Of these amounts, \$63,684 is reported as an intergovernmental payable for the traditional plan, \$1,319 for the combined plan, and \$698 for the member-directed plan.

Plan Description – Ohio Police & Fire Pension Fund (OP&F)

Plan Description – City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member’s average annual salary. The following discussion of the pension formula relates to normal service retirement.

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For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit, surviving beneficiaries, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.0 percent of the member’s base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member’s base pension benefit where the percentage is the lesser of 3.0% or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Members who retired prior to July 24, 1986, or their surviving beneficiaries under optional plans are entitled to cost-of-living allowance increases. The annual increase is paid on July 1st of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	<u>Police</u>	<u>Firefighters</u>
2021 Statutory Maximum Contribution Rates:		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
2021 Actual Contribution Rates:		
Employer:		
Pension	19.00%	23.50%
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50%</u>	<u>24.00%</u>
Employee	12.25%	12.25%

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Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OP&F was \$701,843 for 2021. Of this amount, \$107,739 is reported as an intergovernmental payable.

In addition to current contributions, the City pays installments on a specific liability the City incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2021, the specific liability of the City was \$44,101 payable in semi-annual payments through the year 2035.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability (asset) for OPERS was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F’s total pension liability was measured as of December 31, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the City’s defined benefit pension plans:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.02392700%	0.01523100%	0.11740760%	
Prior Measurement Date	<u>0.02453500%</u>	<u>0.01501600%</u>	<u>0.11069720%</u>	
Change in Proportionate Share	<u>(0.00060800%)</u>	<u>0.00021500%</u>	<u>0.00671040%</u>	
Proportionate Share of the:				
Net Pension (Asset)	\$0	(\$43,965)	\$0	(\$43,965)
Net Pension Liability	3,543,067	0	8,003,781	11,546,848
Pension Expense	75,410	845	782,393	858,648

2021 pension expense for the member-directed defined contribution plan was \$7,383. The aggregate pension expense for all pension plans was \$866,031 for 2021.

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

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	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Deferred Outflows of Resources:				
Differences between expected and actual experience	\$0	\$0	\$334,585	\$334,585
Changes of assumptions	0	2,746	134,227	136,973
Changes in proportion and differences between City contributions and proportionate share of contributions	53,873	50	725,599	779,522
City contributions subsequent to the measurement date	481,994	9,991	701,843	1,193,828
Total Deferred Outflows of Resources	\$535,867	\$12,787	\$1,896,254	\$2,444,908

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Deferred Inflows of Resources:				
Differences between expected and actual experience	\$148,210	\$8,294	\$311,804	\$468,308
Net difference between projected and actual earnings on pension plan investments	1,380,985	6,538	388,236	1,775,759
Changes in proportion and differences between City contributions and proportionate share of contributions	83,717	930	82,399	167,046
Total Deferred Inflows of Resources	\$1,612,912	\$15,762	\$782,439	\$2,411,113

\$1,193,828 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Year Ending December 31:				
2022	(\$584,632)	(\$3,281)	\$143,294	(\$444,619)
2023	(223,126)	(2,133)	385,074	159,815
2024	(562,936)	(3,640)	(225,565)	(792,141)
2025	(188,345)	(1,766)	51,167	(138,944)
2026	0	(830)	58,002	57,172
Thereafter	0	(1,316)	0	(1,316)
Total	(\$1,559,039)	(\$12,966)	\$411,972	(\$1,160,033)

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Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2020, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2020, are presented below.

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	.5 percent, simple through 2021, then 2.15 percent, simple	.5 percent, simple through 2021, then 2.15 percent, simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

In October 2020, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 1.4 percent simple through 2020 then 2.15 simple to .5 percent simple through 2021 then 2.15 percent simple.

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic real rates of return were provided by the

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Board’s investment consultant. For each major asset class that is included in the Defined Benefit portfolio’s target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00%	1.32%
Domestic Equities	21.00	5.64
Real Estate	10.00	5.39
Private Equity	12.00	10.42
International Equities	23.00	7.36
Other investments	9.00	4.75
Total	100.00%	5.43%

Discount Rate

The discount rate used to measure the total pension liability was 7.2 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following table presents the City’s proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 7.2 percent, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
City's proportionate share of the net pension liability (asset)			
OPERS Traditional Plan	\$6,758,420	\$3,543,067	\$869,507
OPERS Combined Plan	(30,614)	(43,965)	(53,918)

Changes between the Measurement Date and the Reporting Date

During 2021, the OPERS Board lowered the investment rate of return from 7.2 percent to 6.9 along with certain other changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

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Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered are: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2020, are presented below.

Valuation Date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

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The most recent experience study was completed for the five year period ended December 31, 2016.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00%	0.00%
Domestic Equity	21.00	4.10
Non-US Equity	14.00	4.80
Private Markets	8.00	6.40
Core Fixed Income *	23.00	0.90
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds *	17.00	0.70
Midstream Energy Infrastructure	5.00	5.60
Real Assets	8.00	5.80
Gold	5.00	1.90
Private Real Estate	12.00	5.30
Total	<u>125.00%</u>	

Note: Assumptions are geometric.

* levered 2.5x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

Discount Rate

The total pension liability was calculated using the discount rate of 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return of 8.00 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net pension liability calculated using the discount rate of 8.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$11,142,289	\$8,003,781	\$5,377,168

Note 13 - Defined Benefit OPEB Plans

See Note 12 for a description of the net OPEB liability (asset).

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.

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The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2021, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2021 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$2,109 for 2021. Of this amount, \$279 is reported as an intergovernmental payable.

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Plan Description – Ohio Police and Fire Pension Fund (OP&F)

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2021, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

The OP&F Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contractually required contribution to OP&F was \$17,009 for 2021. Of this amount, \$2,574 is reported as an intergovernmental payable.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2020, and was determined by rolling forward the total OPEB liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net OPEB liability (asset) was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.02306000%	0.11740760%	
Prior Measurement Date	<u>0.02360200%</u>	<u>0.11069720%</u>	
Change in Proportionate Share	<u>(0.00054200%)</u>	<u>0.00671040%</u>	
Proportionate Share of the Net			
OPEB Liability	\$0	\$1,243,955	\$1,243,955
OPEB Asset	(\$410,831)	\$0	(\$410,831)
OPEB Expense	(\$2,487,288)	\$209,898	(\$2,277,390)

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources:			
Changes of assumptions	\$201,970	\$687,217	\$889,187
Changes in proportion and differences between City contributions and proportionate share of contributions	32,925	401,164	434,089
City contributions subsequent to the measurement date	<u>2,109</u>	<u>17,009</u>	<u>19,118</u>
Total Deferred Outflows of Resources	<u>\$237,004</u>	<u>\$1,105,390</u>	<u>\$1,342,394</u>

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	OPERS	OP&F	Total
Deferred Inflows of Resources:			
Differences between expected and actual experience	\$370,774	\$205,186	\$575,960
Changes of assumptions	665,671	198,309	863,980
Net difference between projected and actual earnings on OPEB plan investments	218,815	46,227	265,042
Changes in proportion and differences between City contributions and proportionate share of contributions	46,258	0	46,258
Total Deferred Inflows of Resources	<u>\$1,301,518</u>	<u>\$449,722</u>	<u>\$1,751,240</u>

\$19,118 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS	OP&F	Total
Year Ending December 31:			
2022	(\$545,514)	\$144,448	(\$401,066)
2023	(400,238)	155,395	(244,843)
2024	(95,087)	138,137	43,050
2025	(25,784)	137,632	111,848
2026	0	30,749	30,749
Thereafter	0	32,298	32,298
Total	<u>(\$1,066,623)</u>	<u>\$638,659</u>	<u>(\$427,964)</u>

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

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Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	6.00 percent
Prior Measurement date	3.16 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate:	
Current measurement date	2.00 percent
Prior Measurement date	2.75 percent
Health Care Cost Trend Rate:	
Current measurement date	8.5 percent, initial 3.50 percent, ultimate in 2035
Prior Measurement date	10.5 percent, initial 3.5 percent, ultimate in 2030
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Postretirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Postretirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by OPERS investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

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Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00%	1.07%
Domestic Equities	25.00	5.64
Real Estate Investment Trust	7.00	6.48
International Equities	25.00	7.36
Other investments	9.00	4.02
Total	100.00%	4.43%

Discount Rate

A single discount rate of 6.0 percent was used to measure the OPEB liability on the measurement date of December 31, 2020. A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.00 percent (Fidelity Index’s “20-Year Municipal GO AA Index”). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the City’s Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate

The following table presents the City’s proportionate share of the net OPEB asset calculated using the single discount rate of 6.00 percent, as well as what the City’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
City's proportionate share of the net OPEB asset	(\$102,156)	(\$410,831)	(\$664,589)

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Sensitivity of the City’s Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	Current Health Care Cost Trend Rate		
	1% Decrease	Assumption	1% Increase
City's proportionate share of the net OPEB asset	(\$420,845)	(\$410,831)	(\$399,630)

Changes between Measurement Date and Reporting Date

During 2021, the OPERS Board made various changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

Actuarial Assumptions – OP&F

OP&F’s total OPEB liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

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Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee’s entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent
Blended discount rate:	
Current measurement date	2.96 percent
Prior measurement date	3.56 percent
Cost of Living Adjustments	2.2 percent simple

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77%	68%
68-77	105	87
78 and up	115	120

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
59 or less	35%	35%
60-69	60	45
70-79	75	70
80 and up	100	90

The most recent experience study was completed for the five year period ended December 31, 2016.

The OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 12.

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Discount Rate

For 2020, the total OPEB liability was calculated using the discount rate of 2.96 percent. For 2019, the total OPEB liability was calculated using the discount rate of 3.56 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8 percent. Based on those assumptions, OP&F’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.12 percent at December 31, 2020 and 2.75 percent at December 31, 2019, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 2.96 percent for 2020 and 3.56 percent for 2019. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments until 2037. The long-term expected rate of return on health care investments was applied to projected costs through 2037, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 2.96 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.96 percent), or one percentage point higher (3.96 percent) than the current rate.

	1% Decrease (1.96%)	Current Discount Rate (2.96%)	1% Increase (3.96%)
City's proportionate share of the net OPEB liability	\$1,551,138	\$1,243,955	\$990,561

Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

Note 14 – Asset Retirement Obligations

The Governmental Accounting Standard Board’s (GASB) Statement No. 83, Certain Asset Retirement Obligations, provides guidance related to asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewerage system to the Ohio EPA for approval. Through this review process, the City would be responsible to address any public safety issues associated with their waste water treatment facilities. These public safety issues would include removing any pumps and equipment, relocating and reconnecting any existing sewer mains, removing the structure to three feet below grade, filling in the old lift station chamber and backfilling, grading, installing topsoil and seed to the disturbed areas. This asset retirement obligation (ARO) of \$60,000, associated with the City waste water treatment facilities, were estimated by the City engineer. The remaining useful life of these facilities range from 5 to 60 years.

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Note 15 –Employee Benefits

Compensated Absences

Accumulated Unpaid Vacation

City employees earn vacation leave at varying rates based upon length of service. Upon departure from City employment, an employee (or his or her estate) will be paid for unused vacation leave.

Accumulated Unpaid Sick Leave

City employees earn sick leave at a rate of 4.60 hours per 80 hours of service. Sick leave is cumulative without limit. In the case of death or retirement, employees hired before June 7, 2005, will be paid a payment up to 150 days of sick leave hours. Upon retirement with at least ten years of service credit, employees hired on or after June 7, 2005, will be paid 25 percent of accumulated sick leave up to a maximum payment of 240 hours.

Accumulated Unpaid Compensatory Time

City employees working over their designated work hours are entitled to either overtime pay or compensatory time according to the Fair Labor Standards Act. Employees may elect to receive compensatory time in lieu of overtime pay. Compensatory time must be used within 180 days of accrual or the time must be paid. Employees may accrue compensatory time up to a maximum of 240 hours, except police employees, who may accrue a maximum of 160 hours or clerical and service employees, who may accrue a maximum of 16 hours. Upon departure from City employment, an employee (or his or her estate) will be paid for unused compensatory time.

Health Care Benefits

The City has elected to provide employee medical/surgical benefits through Anthem Blue Cross/Blue Shield. The City provides life insurance and accidental death and dismemberment insurance to most employees as part of the health care plan. The employees share the cost of the monthly premium with the City. The premium varies with employee depending on the terms of the union contract. Dental insurance is provided by the City to all employees through Dental Care Plus.

Health Savings Account

In 2021, employees had the option of contributing to a Health Savings Account up to \$2,600 for single coverage or \$6,200 for family coverage. The City may contribute a match up to \$1,000 to each employee's Health Savings Account.

Deferred Compensation

City employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death, or an unforeseeable emergency.

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Note 16 - Leases – Lessee Disclosure

In 2021 and in prior years, the City entered into capital leases for the purchase of vehicles. By the terms of the lease agreements, ownership of the vehicles is transferred to the City at the end of the lease term if the City exercises their bargain purchase option. Capital lease payments will be reclassified and reflected as debt service expenditures in the basic financial statements for the governmental funds. For the business-type activities, principal payments are reflected as a decrease to the liability on the Statement of Fund Net Position. These expenditures are reported as function expenditures on the budgetary statements. Principal payments in 2021 totaled \$316,021 and \$60,189 for governmental and business-type, respectively.

The assets acquired through capital leases are as follows:

	Governmental Activities	Business-Type Activities
Asset: Vehicles	\$1,225,919	\$394,191
Less: Accumulated Depreciation	(313,031)	(97,831)
Total	<u>\$912,888</u>	<u>\$296,360</u>

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2021.

December 31,	Governmental Activities	Business-Type Activities
2022	\$280,070	\$68,841
2023	219,556	68,840
2024	21,840	21,840
2025	21,841	21,841
Total	543,307	181,362
Less: Amount Representing Interest	(29,026)	(11,516)
Present Value of Minimum Lease Payments	<u>514,281</u>	<u>169,846</u>

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 17– Long-Term Obligations

A schedule of changes in bonds and other long-term obligations of the governmental activities of the City during 2021 follows:

Types/Issues	Balance January 1, 2021	Increases	Decreases	Balance December 31, 2021	Due Within One Year
<u>Special Assessment Bonds with Governmental Commitment:</u>					
2001 - 5.125% Shotwell Drive Phase III \$490,000	\$40,000	\$0	\$40,000	\$0	\$0
<u>General Obligation Bonds (Unvoted):</u>					
2012 - 3.00% - 4.00% Various Purpose Refunding Bonds \$5,630,000	2,435,000	0	470,000	1,965,000	415,000
Premium on Debt Issue	174,506	0	26,847	147,659	0
Total - General Obligation Bonds	<u>2,609,506</u>	<u>0</u>	<u>496,847</u>	<u>2,112,659</u>	<u>415,000</u>
<u>Net Pension Liability:</u>					
OPERS	3,491,644	0	940,640	2,551,004	0
OP&F	7,457,156	546,625	0	8,003,781	0
Total - Net Pension Liability	<u>10,948,800</u>	<u>546,625</u>	<u>940,640</u>	<u>10,554,785</u>	<u>0</u>
<u>Net OPEB Liability:</u>					
OPERS	2,347,237	0	2,347,237	0	0
OP&F	1,093,438	150,517	0	1,243,955	0
Total - Net OPEB Liability	<u>3,440,675</u>	<u>150,517</u>	<u>2,347,237</u>	<u>1,243,955</u>	<u>0</u>
<u>Other Long-Term Obligations:</u>					
Compensated Absences	853,504	544,157	461,754	935,907	298,367
2.50% - Police and Fire Pension	46,467	0	2,366	44,101	2,468
Capital Leases Payable	550,029	280,273	316,021	514,281	261,567
Total - Other Long-Term Obligations	<u>1,450,000</u>	<u>824,430</u>	<u>780,141</u>	<u>1,494,289</u>	<u>562,402</u>
Total - All General Long-Term Obligations	<u>\$18,488,981</u>	<u>\$1,521,572</u>	<u>\$4,604,865</u>	<u>\$15,405,688</u>	<u>\$977,402</u>

The special assessment bond issues were backed by the full faith and credit of the City. In the event that an assessed property owner fails to make payments, the City was required to pay the related debt.

On April 17, 2012, the City issued \$5,630,000 in General Obligation Bonds for the purpose of refunding bonds that were previously issued for making improvements to second street and constructing a new administration building, a new police building, and a new fire department building. Of these bonds, \$4,495,000 are serial bonds and \$1,135,000 are term bonds. The bonds will be paid from the Debt Service Fund with transfers from the General, Water, and Sewer funds.

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The term bonds issued at \$545,000 and maturing on December 1, 2025, are subject to mandatory sinking fund redemption, on December 1, in the years and in the respective principal amounts as follows:

<u>Year</u>	<u>Amount</u>
2024	\$270,000
2025	275,000
Total	<u>\$545,000</u>

The term bonds issued at \$590,000 and maturing on December 1, 2027, are subject to mandatory sinking fund redemption, on December 1, in the years and in the respective principal amounts as follows:

<u>Year</u>	<u>Amount</u>
2026	\$290,000
2027	300,000
Total	<u>\$590,000</u>

Capital lease obligations are paid from the Transportation and Fire and EMS Replacement Funds. Compensated absences of the governmental activities will be paid from the General Fund and the Fire Levy, Transportation, and Recreation special revenue funds. There is no repayment schedule for the net pension/OPEB liability. However, employer pension/OPEB contributions are made from the following funds: General, Transportation, Fire, E-911, and Recreation. For additional information related to the net pension and OPEB liabilities see Notes 12 and 13.

The Police and Fire Pension liability is paid from special revenue fund taxes and is recorded as an expenditure of Debt Service: Principal Retirement. In addition to current contributions, the City pays installments on the accrued liability incurred when the State of Ohio established the Statewide pension system for police and firefighters in 1967. As of December 31, 2021, \$44,101 was payable in semiannual installments through the year 2035. This is an accounting liability of the City that will not vary. The liability is reported on the government-wide financial statements.

Changes in the long-term obligations reported in the business-type activities of the City during 2021 were as follows:

Types/Issues	Balance January 1, 2021	Increases	Decreases	Balance December 31, 2021	Due Within One Year
Mortgage Revenue Refunding Bonds:					
2006 - 4.000% - 4.125% - \$6,140,000	\$545,000	\$0	\$270,000	\$275,000	\$275,000
Premium on Debt Issue	10,265	0	3,625	6,640	0
Total Mortgage Revenue Refunding Bonds	555,265	0	273,625	281,640	275,000
Direct Borrowing:					
OWDA Loans	637,302	0	68,641	568,661	71,533
Net Pension Liability - OPERS	1,357,865	0	365,802	992,063	0
Net OPEB Liability - OPERS	912,812	0	912,812	0	0
Asset Retirement Obligations	40,000	20,000	0	60,000	0
Compensated Absences	238,569	91,112	61,560	268,121	81,875
Capital Leases Payable	128,621	101,414	60,189	169,846	62,613
Total - Business-Type Activities	\$3,870,434	\$212,526	\$1,742,629	\$2,340,331	\$491,021

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

During 2006, the City issued \$6,140,000 in Mortgage Revenue Bonds. A portion of the proceeds were used to advance refund Mortgage Revenue Bonds in the amount of \$3,385,000. The refunded bonds have been retired. The bonds contain a provision in the event of a default, upon written request from at least 25 percent of the holders all of the outstanding bonds may become due and payable immediately.

The Water Fund's bond indentures have certain restrictive covenants and principally require that bond reserve funds be maintained and charges for fees to customers be in sufficient amounts, as defined, to satisfy the obligations under the indenture agreements. In addition, special provisions exist regarding covenant violations, redemption of principal, and maintenance of properties in good condition.

The Ohio Water Development Authority (OWDA) loans from direct borrowings are for the construction of water mains and a new water tower. The loans will be paid from Water Fund operating revenues. The City's outstanding OWDA loans from direct borrowings of \$568,661 related to business-type activities contain provisions that in an event of default (1) the amount of any such default shall bear interest at the default rate from the due date until the date of payment, (2) for each additional 30 days during which the charges remain unpaid, the City shall continue to pay an additional late charge on the default amount until such charges are paid, and (3) pay any cost incurred by OWDA to cure the default as part of their loan agreement.

The City has pledged future revenues, net of operating expenses, to repay the OWDA Loans and the Mortgage Revenue Refunding Bonds in the City's Water Fund. The debt is payable solely from net revenues and is payable through 2027. Annual principal and interest payments on the debt issues are expected to require less than 40 percent of net revenues. The total principal and interest remaining to be paid on the debt is \$943,771, with principal and interest of \$657,771 remaining on the OWDA Loan and \$286,000 on the Mortgage Revenue Refunding Bonds. Principal and interest paid for the current year was \$385,255, with \$93,455 paid on the OWDA Loans, and \$291,800 paid on the Mortgage Revenue Refunding Bonds. Total net revenues were \$1,846,737.

Capital lease obligations are paid from the Water, Sewer, and Stormwater Utility funds. Compensated absences of the business-type activities will be paid from the Water, Sewer, Trash, and Stormwater Utility funds. There is no repayment schedule for the net pension and OPEB liabilities. However, employer pension and OPEB contributions are made from the following funds: Water, Sewer, Trash, and Stormwater Utility. For additional information related to the net pension and OPEB liabilities see Notes 12 and 13.

As of December 31, 2021, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$27,080,052, with an unvoted debt margin of \$13,249,075.

Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2021, are:

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

Governmental Activities		
General Obligation Bonds		
Year	Principal	Interest
2022	\$415,000	\$70,825
2023	415,000	54,225
2024	270,000	37,625
2025	275,000	28,850
2026	290,000	19,912
2027	300,000	10,125
Totals	\$1,965,000	\$221,562

Business-Type Activities				
From Direct Borrowing				
Year	OWDA Loans		Mortgage Revenue Bonds	
	Principal	Interest	Principal	Interest
2022	\$71,533	\$22,038	\$275,000	\$11,000
2023	74,547	19,148	0	0
2024	77,688	16,135	0	0
2025	80,961	12,995	0	0
2026	84,372	9,723	0	0
2027-2028	179,560	9,071	0	0
Totals	\$568,661	\$89,110	\$275,000	\$11,000

Revenue Housing Bonds

The City served as the issuer of \$6,955,000 in revenue housing bonds in 1997 and \$4,500,000 in 2007. The proceeds of the \$6,955,000 bonds were used by Emerald Edge/Warren, Limited Partnership and the proceeds of the \$4,500,000 bonds were used by Sound Preservation 202 LP to finance the acquisition, construction and equipping of separate multi-family residential rental housing facilities. The housing revenue bonds do not constitute a general obligation, debt or bonded indebtedness of the City. Neither is the full faith and credit or taxing power of the City pledged to make repayment. The outstanding balance at December 31, 2022, on the Emerald Edge/Warren, Limited Partnership revenue housing bonds is \$6,182,000. The outstanding balance at December 31, 2021, on the Sound Preservation 202 LP revenue housing bonds is \$2,982,449.

Note 18 – Interfund Activity

Advances From/To Other Funds

At December 31, 2021, there were no outstanding interfund balances. During the year the Issue Two Fund repaid a prior year outstanding balance to the General Fund.

Transfers From/To Other Funds

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

		Transfers From					Total
		General Fund	Fire Levy Fund	Nonmajor Governmental Funds	Water Fund	Sewer Fund	
Transfers to	General Fund	\$0	\$0	\$29,088	\$0	\$0	\$29,088
	Fire Levy Fund	648,678	0	401,621	0	0	1,050,299
	ODOT Project Fund	1,300,000	0	0	0	0	1,300,000
	Nonmajor Governmental Funds	1,613,403	491,710	13,803	75,000	65,000	2,258,916
	Total	\$3,562,081	\$491,710	\$444,512	\$75,000	\$65,000	\$4,638,303

Transfers from the General Fund to the Fire Levy, ODOT Project, and nonmajor governmental funds are to subsidize expenditures in the funds. Transfers to the Nonmajor Governmental Funds were made for scheduled debt service payments, including the amounts transferred from the Water and Sewer Funds for their portion of payments on the municipal building general obligation bonds, as well as for operating expenditures, upkeep of park facilities and the City’s share of police pension. Transfers from the Fire Levy Fund to Nonmajor Governmental Funds were for the City’s share of fire pension. Transfers from Nonmajor Governmental Funds to the General fund, Fire Levy Fund and Other Nonmajor Governmental Funds is a transfer of FEMA funds to the fund that paid for the expenditures related to a storm event.

Note 19 – Shared Risk Pool and Jointly Governed Organizations

Shared Risk Pool

The City belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the “Plan”), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments (“Members”). The Plan was legally separate from its member governments. The Board of Trustees consists of 7 members that include appointed and elected officials from member organizations.

Jointly Governed Organizations

The Warren County General Health District (the District), a jointly governed organization, provides health services to the citizens within the County. The Board of Health, which consists of a representative from each of the participating governments, including the City, oversees the operation of the District. The Board exercises total control over the operation of the District including budgeting, appropriating, contracting and designating management. Each member’s degree of control is limited to its representation of the Board.

The City contributed \$6,512 during 2021 for the operation of the District. The City does not have any financial interest in or responsibility for the District. The County Commissioners serve as the taxing authority, and the County Auditor and Treasurer serve as fiscal officers. Financial information may be obtained at the Warren County Health District, 416 S. East Street, Lebanon, Ohio 45036.

The Warren County Fire Response and Life Safety Council of Governments (the COG) is a jointly governed organization, consisting of cities, villages and townships in Warren County. The COG, which consists of a representative from each of the participating governments, including the City, contracts with the Greater Cincinnati Hazardous Materials Unit, Inc. for hazardous materials response services to each of the participating governments. The Council exercises total control over the operation of the COG including budgeting, appropriating, contracting and designating management. Each member’s degree of control is limited it’s representation of the Council. The City contributed \$1,858 during 2021 for the operation of the COG. The City does not have any financial interest in or responsibility for the COG. Matt Nolan acts as fiscal agent for the organization. Financial information may be obtained at 406 Justice Drive, Lebanon, Ohio 45036.

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 20 – Significant Commitments

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year-end, the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

Governmental Funds:	
General Fund	\$142,706
Fire Fund	34,169
ODOT Project Fund	227,767
Nonmajor Governmental Funds	<u>278,752</u>
Total Governmental Funds	<u>683,394</u>
Proprietary Funds:	
Water Fund	146,240
Sewer Fund	201
Trash Fund	68
Stormwater Utility Fund	<u>18,167</u>
Total Proprietary Funds	<u>164,676</u>
Total	<u><u>\$848,070</u></u>

Contractual Commitments

As of December 31, 2021, the City had the following contractual purchase commitments:

Contractor/Project	Contract Amount	Amount Expended	Balance at December 31, 2021
CT Consultants:			
Clearcreek Bikepath	\$670,480	\$516,655	\$153,825
State Route 123 at Beal/Shotwell	313,480	263,785	49,695
Bryant Water Main Replacement	47,260	27,300	19,960
Franklin Community Park Drive Intersection	65,068	53,751	11,317
Millard Water Main Replacement	51,960	31,120	20,840
Third Street Water Tank Replacement	69,360	16,043	53,317
Perram Electric:			
Downtown Signal Management Phase 2	678,000	493,166	184,834
Kleingers:			
Seventh Street Water Main Replacement	14,395	0	14,395
Downtown Water and Sewer Improvements	26,850	0	26,850
North Dixie Repaving Phase 2	10,700	0	10,700
State Route 73 Resurfacing	22,000	0	22,000
Martin Wood:			
Clearcreek Bikepath	14,475	0	14,475
Dunrobyn:			
Clearcreek Bikepath	47,745	0	47,745
Total	<u><u>\$2,031,773</u></u>	<u><u>\$1,401,820</u></u>	<u><u>\$629,953</u></u>

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 21 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are as follows:

Fund Balances	General Fund	Fire Levy Fund	Issue Two Fund	ODOT Project Fund	F.C. Dial Trust Fund	Nonmajor Governmental Funds	Total
<i>Nonspendable:</i>							
Inventory	\$9,180	\$45,522	\$0	\$0	\$0	\$191,811	\$246,513
Unclaimed Monies	21,975	0	0	0	0	0	21,975
Leisure Time Activities	0	0	0	0	2,483,912	0	2,483,912
Total Nonspendable	31,155	45,522	0	0	2,483,912	191,811	2,752,400
<i>Restricted For:</i>							
Debt Service	0	0	0	0	0	205,381	205,381
Capital Outlay	0	0	894,064	235,677	0	83,902	1,213,643
Fire Protection	0	1,914,446	0	0	0	0	1,914,446
Transportation	0	0	0	0	0	948,720	948,720
Security of Persons and Property	0	0	0	0	0	549,715	549,715
Legislative and Executive	0	0	0	0	0	821,422	821,422
Assessment of Wastewater Treatment	0	0	0	0	0	91	91
Leisure Time Activities	0	0	0	0	356,783	0	356,783
Total Restricted	0	1,914,446	894,064	235,677	356,783	2,609,231	6,010,201
<i>Committed To:</i>							
Park Facilities	0	0	0	0	0	445,000	445,000
<i>Assigned To:</i>							
Debt Service Payments	0	0	0	0	0	17,182	17,182
Future Appropriations	3,326,552	0	0	0	0	0	3,326,552
Capital Improvements	443,284	0	0	0	0	711,554	1,154,838
Purchases On Order For:							
General Government	12,057	0	0	0	0	0	12,057
Security of Persons and Property:							
Police	7,546	0	0	0	0	0	7,546
Other	8,850	0	0	0	0	0	8,850
Capital Outlay	6,499	0	0	0	0	0	6,499
Total Assigned	3,804,788	0	0	0	0	728,736	4,533,524
Unassigned (Deficit)	8,329,834	0	0	0	0	(62,835)	8,266,999
Total Fund Balances	\$12,165,777	\$1,959,968	\$894,064	\$235,677	\$2,840,695	\$3,911,943	\$22,008,124

Note 22 – Contingencies

Federal and State Grants

For the period January 1, 2021, to December 31, 2021, the City received federal and State grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

CITY OF FRANKLIN, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

Litigation

The City of Franklin is currently a party to legal proceedings seeking damages or injunctive relief generally incidental to its operations as of December 31, 2021. The City's management is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

Note 23 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2021, the City received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

Note 24 – Subsequent Event

On March 17, 2022 the City issued Various Purpose Refunding Bonds, Series 2022 in the amount of \$1,965,000. The bonds were issued at 1.72% interest. The bonds were issued to refund the 2012 Various Purpose Refunding Bonds.

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City of Franklin

Required Supplementary Information

City of Franklin, Ohio
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Liability
 Ohio Public Employees Retirement System - Traditional Plan
 Last Eight Years (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's Proportion of the Net Pension Liability	0.02392700%	0.02453500%	0.02339000%
City's Proportionate Share of the Net Pension Liability	\$3,543,067	\$4,849,509	\$6,406,047
City's Covered Payroll	\$3,370,007	\$3,449,600	\$3,159,271
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	105.14%	140.58%	202.77%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	82.17%	74.70%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

Amounts presented as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

2018	2017	2016	2015	2014
0.02394900%	0.02357200%	0.02366400%	0.02287300%	0.02287300%
\$3,703,234	\$5,352,801	\$4,098,904	\$2,758,741	\$2,696,429
\$3,263,108	\$3,142,750	\$2,945,024	\$2,804,208	\$2,860,364
113.49%	170.32%	139.18%	98.38%	94.27%
84.66%	77.25%	81.08%	86.45%	86.36%

City of Franklin, Ohio
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the
 Net Pension Liability
 Ohio Public Employees Retirement System - Combined Plan
 Last Four Years (1)

	2021	2020	2019	2018
City's Proportion of the Net Pension Liability	0.01523100%	0.01501600%	0.01497700%	0.01393500%
City's Proportionate Share of the Net Pension (Asset)	(\$43,965)	(\$31,312)	(\$16,748)	(\$18,969)
City's Covered Payroll	\$67,121	\$66,843	\$64,057	\$57,069
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	(65.50%)	(46.84%)	(26.15%)	(33.24%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	157.67%	145.28%	126.64%	137.28%

(1) Amounts for the combined plan are not presented prior to 2018 as the City's participation in this plan was considered immaterial in previous years.

Amounts presented as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

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City of Franklin, Ohio
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net OPEB Liability/Asset
 Ohio Public Employees Retirement System - OPEB Plan
 Last Five Years (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's Proportion of the Net OPEB Liability (Asset)	0.02306000%	0.02360200%	0.02253500%
City's Proportionate Share of the Net OPEB Liability (Asset)	(\$410,831)	\$3,260,049	\$2,938,031
City's Covered Payroll	\$3,487,428	\$3,563,293	\$3,268,578
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-11.78%	91.49%	89.89%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.57%	47.80%	46.33%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

Amounts presented as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

<u>2018</u>	<u>2017</u>
0.02304000%	0.02274000%
\$2,501,974	\$2,296,817
\$3,361,352	\$3,238,283
74.43%	70.93%
54.14%	54.04%

City of Franklin, Ohio
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Liability
 Ohio Police and Fire Pension Fund
 Last Eight Years (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's Proportion of the Net Pension Liability	0.11740760%	0.11069720%	0.10981200%
City's Proportionate Share of the Net Pension Liability	\$8,003,781	\$7,457,156	\$8,963,559
City's Covered Payroll	\$2,950,366	\$2,692,040	\$2,559,919
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	271.28%	277.01%	350.15%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.65%	69.89%	63.07%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

Amounts presented as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

2018	2017	2016	2015	2014
0.10360700%	0.09630500%	0.10455000%	0.10590010%	0.10590010%
\$6,358,828	\$6,099,862	\$6,725,775	\$5,486,066	\$5,157,667
\$2,347,911	\$2,216,434	\$2,261,788	\$2,209,509	\$2,843,578
270.83%	275.21%	297.37%	248.29%	181.38%
70.91%	68.36%	66.77%	71.71%	73.00%

City of Franklin, Ohio
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net OPEB Liability
 Ohio Police and Fire Pension Fund
 Last Five Years (1)

	<u>2021</u>	<u>2020</u>
City's Proportion of the Net OPEB Liability	0.11740760%	0.11069720%
City's Proportionate Share of the Net OPEB Liability	\$1,243,955	\$1,093,438
City's Covered Payroll	\$2,950,366	\$2,692,040
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	42.16%	40.62%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	45.40%	47.08%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

Amounts presented as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

2019	2018	2017
0.10981200%	0.10360700%	0.09630500%
\$1,000,008	\$5,870,227	\$4,571,382
\$2,559,919	\$2,347,911	\$2,216,434
39.06%	250.02%	206.25%
46.57%	14.13%	15.96%

City of Franklin, Ohio
Required Supplementary Information
Schedule of the City's Contributions
Ohio Public Employees Retirement System
Last Nine Years (1)(2)

	2021	2020	2019	2018
Net Pension Liability - Traditional Plan				
Contractually Required Contribution	\$481,994	\$471,801	\$482,944	\$442,298
Contributions in Relation to the Contractually Required Contribution	<u>(481,994)</u>	<u>(471,801)</u>	<u>(482,944)</u>	<u>(442,298)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$3,442,814	\$3,370,007	\$3,449,600	\$3,159,271
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net Pension Liability - Combined Plan				
Contractually Required Contribution	\$9,991	\$9,397	\$9,358	\$8,968
Contributions in Relation to the Contractually Required Contribution	<u>(9,991)</u>	<u>(9,397)</u>	<u>(9,358)</u>	<u>(8,968)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$71,364	\$67,121	\$66,843	\$64,057
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net OPEB Liability/Asset - OPEB Plan				
Contractually Required Contribution	\$2,109	\$2,012	\$1,874	\$1,810
Contributions in Relation to the Contractually Required Contribution	<u>(2,109)</u>	<u>(2,012)</u>	<u>(1,874)</u>	<u>(1,810)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (3)	\$3,566,903	\$3,487,428	\$3,563,293	\$3,268,578
OPEB Contributions as a Percentage of Covered Payroll	<u>0.06%</u>	<u>0.06%</u>	<u>0.05%</u>	<u>0.06%</u>

- (1) Although this schedule is intended to reflect information for ten years, information prior to 2013 is not available. An additional column will be added each year.
- (2) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented for the OPEB plan.
- (3) The OPEB plan includes the members from the traditional plan, the combined plan, and the member directed plan. The member directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$424,204	\$377,130	\$353,403	\$336,504	\$371,847
<u>(424,204)</u>	<u>(377,130)</u>	<u>(353,403)</u>	<u>(336,504)</u>	<u>(371,847)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$3,263,108	\$3,142,750	\$2,945,024	\$2,804,208	\$2,860,364
<u>13.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$7,419	\$6,583	\$6,430	\$6,155	\$6,347
<u>(7,419)</u>	<u>(6,583)</u>	<u>(6,430)</u>	<u>(6,155)</u>	<u>(6,347)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$57,069	\$54,858	\$53,583	\$51,292	\$48,823
<u>13.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$34,849	\$65,579			
<u>(34,849)</u>	<u>(65,579)</u>			
<u>\$0</u>	<u>\$0</u>			
\$3,361,352	\$3,238,283			
<u>1.04%</u>	<u>2.03%</u>			

City of Franklin, Ohio
Required Supplementary Information
Schedule of City Contributions
Ohio Police and Fire Pension Fund
Last Ten Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net Pension Liability				
Contractually Required Contribution	\$701,843	\$601,388	\$542,139	\$513,084
Contributions in Relation to the Contractually Required Contribution	<u>(701,843)</u>	<u>(601,388)</u>	<u>(542,139)</u>	<u>(513,084)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (1)	\$3,401,818	\$2,950,366	\$2,692,040	\$2,559,919
Contributions as a Percentage of Covered Payroll:	20.63%	20.38%	20.14%	20.04%
Net OPEB Liability				
Contractually Required Contribution	\$17,009	\$14,751	\$13,461	\$12,800
Contributions in Relation to the Contractually Required Contribution	<u>(17,009)</u>	<u>(14,751)</u>	<u>(13,461)</u>	<u>(12,800)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>
Total Contributions as a Percentage of Covered Payroll	<u>21.13%</u>	<u>20.88%</u>	<u>20.64%</u>	<u>20.54%</u>

(1) The City's covered payroll is the same for pension and OPEB.

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$467,507	\$440,233	\$453,453	\$443,185	\$488,777	\$393,075
<u>(467,507)</u>	<u>(440,233)</u>	<u>(453,453)</u>	<u>(443,185)</u>	<u>(488,777)</u>	<u>(393,075)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$2,347,911	\$2,216,434	\$2,261,788	\$2,209,509	\$2,843,578	\$2,790,432
19.91%	19.86%	20.05%	20.06%	17.19%	14.09%
\$11,738	\$11,082	\$11,309	\$11,048	\$102,843	\$188,354
<u>(11,738)</u>	<u>(11,082)</u>	<u>(11,309)</u>	<u>(11,048)</u>	<u>(102,843)</u>	<u>(188,354)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>3.62%</u>	<u>6.75%</u>
<u>20.41%</u>	<u>20.36%</u>	<u>20.55%</u>	<u>20.56%</u>	<u>20.81%</u>	<u>20.84%</u>

CITY OF FRANKLIN, OHIO
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
 DECEMBER 31, 2021

Changes in Assumptions – OPERS Pension – Traditional Plan

Amounts reported beginning in 2019 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	2019	2018 and 2017	2016 and prior
Wage Inflation	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below
Investment Rate of Return	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

The assumptions related COLA or Ad Hoc COLA for Post-January 7, 2013 Retirees are as follows:

COLA or Ad Hoc COLA, Post-January 7, 2013 Retirees:

2021	0.5 percent, simple through 2021 then 2.15 percent, simple
2020	1.4 percent, simple through 2020 then 2.15 percent, simple
2017 through 2019	3.0 percent, simple through 2018 then 2.15 percent, simple
2016 and prior	3.0 percent, simple through 2018 then 2.80 percent, simple

Amounts reported beginning in 2017 use pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

CITY OF FRANKLIN, OHIO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021

Changes in Assumptions – OPERS Pension – Combined Plan

For 2021 and 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013 retirees as the Traditional Plan. For 2019, the investment rate of return changed from 7.5 percent to 7.2 percent.

Changes in Assumptions – OP&F Pension

Amounts reported beginning in 2018 incorporate changes in assumptions used by OP&F in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented below:

	Beginning in 2018	2017 and Prior
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increases based on the lesser of the increase in CPI and 3 percent

Amounts reported beginning in 2018 use valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck/Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

Age	Police	Fire
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Amounts reported beginning in 2018 use valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck/Conduent Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

Amounts reported for 2017 and prior use valuation, rates of death were based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

CITY OF FRANKLIN, OHIO
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
 DECEMBER 31, 2021

Changes in Assumptions – OPERS OPEB

Investment Return Assumption:	
Beginning in 2019	6.00 percent
2018	6.50 percent
Municipal Bond Rate:	
2021	2.00 percent
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate:	
2021	6.00 percent
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
Health Care Cost Trend Rate:	
2021	8.5 percent, initial 3.5 percent, ultimate in 2035
2020	10.5 percent, initial 3.5 percent, ultimate in 2030
2019	10.0 percent, initial 3.25 percent, ultimate in 2029
2018	7.5 percent, initial 3.25 percent, ultimate in 2028

Changes in Assumptions – OP&F OPEB

Blended Discount Rate:	
2021	2.96 percent
2020	3.56 percent
2019	4.66 percent
2018	3.24 percent

Changes in Benefit Terms – OPERS OPEB

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in 2021.

Changes in Benefit Terms – OP&F OPEB

For 2019, OP&F recognized a change in benefit terms. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years.

Combining Financial Statements and Individual Fund Schedules

CITY OF FRANKLIN, OHIO

NONMAJOR FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS

To account for and report the proceeds of specific revenue sources (other than major capital projects) that are restricted, committed, or assigned to expenditure for specified purposes other than debt service or capital projects. The following are descriptions of the City's nonmajor Special Revenue Funds.

NONMAJOR SPECIAL REVENUE FUNDS

Transportation Fund

To account for and report gasoline tax and motor vehicle license fees restricted for routine maintenance of streets and State highways within the City.

E-911 Fund

To account for and report monies received from Warren County restricted for operation of the City's emergency 911 dispatch services as well as for the purchase of emergency 911 communications equipment.

Court Fund

To account for and report fines related to law enforcement, received by the Municipal Court, whose use is restricted for services required to be provided by State statute.

FEMA Fund

To account for and report federal monies received by the City restricted to assisting with the cost of fire services and equipment.

Drug Law Enforcement Fund

To account for and report monies received from drug conviction fines restricted for drug law enforcement expenditures.

Recreation Fund

To account for and report recreation fees and transfers from the General Fund committed for expenditures pertaining to recreational activities and upkeep of park facilities.

Indigent Drivers Fund

To account for and report monies received from fines for driving while intoxicated and intergovernmental resources which are restricted for treatment and rehabilitation of convicted drivers.

Indigent Drivers Alcohol Monitoring Fund

To account for and report monies received from fines for driving while intoxicated which are restricted for probation activities related to such violations.

In-House Monitoring Fund

To account for and report monies received from fines for in-house monitoring of convicted individuals restricted for the activities related to the continued operations of the program.

(Continued)

CITY OF FRANKLIN, OHIO

**NONMAJOR FUND DESCRIPTIONS
(Continued)**

Street Lighting Fund

To account for and report an assessment levied by the City restricted to pay for street lighting.

Miami Conservancy District (formerly U.S. Filter) Fund

To account for and report a restricted property tax levied for the purpose of paying the City's annual assessment for wastewater treatment.

Police and Fire Pension Fund

To account for and report the accumulation of restricted property taxes levied for the payment of the current and accrued liability for police and fire disability and pension benefits.

DEBT SERVICE FUNDS

To account for and report financial resources that are restricted, committed, or assigned for the payment of general obligation principal and interest and fiscal charges.

NONMAJOR DEBT SERVICE FUNDS

Bond Retirement Fund

To account for and report assigned resources that are used for the payment of principal and interest and fiscal charges for general obligation debt.

Special Assessment Bond Fund

This fund accounts for and reports the resources restricted for payment of principal and interest and fiscal charges on special assessment debt.

CAPITAL PROJECTS FUNDS

To account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

NONMAJOR CAPITAL PROJECTS FUNDS

Property Acquisition Fund

To account for and report monies assigned for economic development purchases and projects within the City.

Tax Increment Financing Fund

To account for and report payments received in lieu of taxes on property granted a tax exemption by the City. These monies are restricted for land purchases or infrastructure improvements. This fund had no cash activity during fiscal year 2021. Therefore, no budgetary statement is presented.

Fire and EMS Replacement Fund

To account for and report monies assigned for the purpose of accumulating resources for the acquisition, construction or improvement of the City's Fire & EMS Division of Safety Department.

CITY OF FRANKLIN, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$2,748,154	\$222,563	\$795,456	\$3,766,173
Materials and Supplies Inventory	191,811	0	0	191,811
Intergovernmental Receivable	420,070	0	0	420,070
Property Taxes Receivable	215,829	0	0	215,829
Accounts Receivable	558	0	0	558
Special Assessments Receivable	222,393	0	0	222,393
Total Assets	\$3,798,815	\$222,563	\$795,456	\$4,816,834
Liabilities:				
Accounts Payable	\$12,953	\$0	\$0	\$12,953
Accrued Wages and Benefits Payable	22,988	0	0	22,988
Intergovernmental Payable	76,163	0	0	76,163
Total Liabilities	112,104	0	0	112,104
Deferred Inflows of Resources:				
Property Taxes	213,000	0	0	213,000
Unavailable Revenue	579,787	0	0	579,787
Total Deferred Inflows of Resources	792,787	0	0	792,787
Fund Balances:				
Nonspendable	191,811	0	0	191,811
Restricted	2,319,948	205,381	83,902	2,609,231
Committed	445,000	0	0	445,000
Assigned	0	17,182	711,554	728,736
Unassigned (Deficit)	(62,835)	0	0	(62,835)
Total Fund Balances	2,893,924	222,563	795,456	3,911,943
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$3,798,815	\$222,563	\$795,456	\$4,816,834

CITY OF FRANKLIN, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property Taxes	\$183,471	\$0	\$0	\$183,471
Other Local Taxes	109,941	0	0	109,941
Special Assessments	231,042	0	0	231,042
Charges for Services	248	0	0	248
Fines, Licenses and Permits	256,107	0	0	256,107
Intergovernmental	1,675,040	0	15,396	1,690,436
Interest	7,352	47,148	0	54,500
Rent	1,200	0	0	1,200
Contributions and Donations	1,481	0	0	1,481
Other	20,943	0	251	21,194
Total Revenues	<u>2,486,825</u>	<u>47,148</u>	<u>15,647</u>	<u>2,549,620</u>
Expenditures:				
Current:				
General Government	190,155	0	0	190,155
Security of Persons and Property:				
Police	520,634	0	0	520,634
Fire	258,461	0	0	258,461
Other	466,470	0	0	466,470
Public Health and Welfare	8,119	0	0	8,119
Leisure Time Activities	290,936	0	0	290,936
Economic Development	56,327	0	0	56,327
Transportation	1,042,479	0	0	1,042,479
Capital Outlay	888,527	0	433,610	1,322,137
Debt Service:				
Principal Retirement	78,814	510,000	239,573	828,387
Interest and Fiscal Charges	11,758	92,775	17,905	122,438
Total Expenditures	<u>3,812,680</u>	<u>602,775</u>	<u>691,088</u>	<u>5,106,543</u>
Excess of Revenues Under Expenditures	<u>(1,325,855)</u>	<u>(555,627)</u>	<u>(675,441)</u>	<u>(2,556,923)</u>
Other Financing Sources (Uses):				
Transfers In	1,405,113	540,000	313,803	2,258,916
Inception of Capital Lease	101,414	0	178,859	280,273
Transfers Out	(444,512)	0	0	(444,512)
Total Other Financing Sources (Uses)	<u>1,062,015</u>	<u>540,000</u>	<u>492,662</u>	<u>2,094,677</u>
Net Change in Fund Balances	(263,840)	(15,627)	(182,779)	(462,246)
Fund Balances at Beginning of Year	<u>3,157,764</u>	<u>238,190</u>	<u>978,235</u>	<u>4,374,189</u>
Fund Balances at End of Year	<u>\$2,893,924</u>	<u>\$222,563</u>	<u>\$795,456</u>	<u>\$3,911,943</u>

CITY OF FRANKLIN, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021

	Transportation Fund	E-911 Fund	Court Fund	Drug Law Enforcement Fund	Recreation Fund	Indigent Drivers Fund
Assets:						
Equity in Pooled Cash and Cash Equivalents	\$920,340	\$135,348	\$821,915	\$91,879	\$454,872	\$83,121
Materials and Supplies Inventory	191,811	0	0	0	0	0
Intergovernmental Receivable	411,146	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0	0
Accounts Receivable	420	23	0	0	115	0
Special Assessments Receivable	91,067	0	0	0	0	0
Total Assets	\$1,614,784	\$135,371	\$821,915	\$91,879	\$454,987	\$83,121
Liabilities:						
Accounts Payable	\$9,431	\$0	\$493	\$0	\$2,865	\$0
Accrued Wages and Benefits Payable	18,691	0	0	0	4,297	0
Intergovernmental Payable	9,423	1,080	0	0	2,825	0
Total Liabilities	37,545	1,080	493	0	9,987	0
Deferred Inflows of Resources:						
Property Taxes	0	0	0	0	0	0
Unavailable Revenue	436,708	0	0	0	0	0
Total Deferred Inflows of Resources	436,708	0	0	0	0	0
Fund Balances:						
Nonspendable	191,811	0	0	0	0	0
Restricted	948,720	134,291	821,422	91,879	0	83,121
Committed	0	0	0	0	445,000	0
Unassigned (Deficit)	0	0	0	0	0	0
Total Fund Balances (Deficit)	1,140,531	134,291	821,422	91,879	445,000	83,121
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$1,614,784	\$135,371	\$821,915	\$91,879	\$454,987	\$83,121

Indigent Drivers Alcohol Monitoring Fund	In-House Monitoring Fund	Street Lighting Fund	Miami Conservancy District Fund	Police and Fire Pension Fund	Total Nonmajor Special Revenue Funds
\$50,757	\$45,077	\$144,754	\$91	\$0	\$2,748,154
0	0	0	0	0	191,811
0	0	0	2,394	6,530	420,070
0	0	0	57,759	158,070	215,829
0	0	0	0	0	558
0	0	131,326	0	0	222,393
<u>\$50,757</u>	<u>\$45,077</u>	<u>\$276,080</u>	<u>\$60,244</u>	<u>\$164,600</u>	<u>\$3,798,815</u>
\$164	\$0	\$0	\$0	\$0	\$12,953
0	0	0	0	0	22,988
0	0	0	0	62,835	76,163
<u>164</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>62,835</u>	<u>112,104</u>
0	0	0	57,000	156,000	213,000
0	0	131,326	3,153	8,600	579,787
<u>0</u>	<u>0</u>	<u>131,326</u>	<u>60,153</u>	<u>164,600</u>	<u>792,787</u>
0	0	0	0	0	191,811
50,593	45,077	144,754	91	0	2,319,948
0	0	0	0	0	445,000
0	0	0	0	(62,835)	(62,835)
<u>50,593</u>	<u>45,077</u>	<u>144,754</u>	<u>91</u>	<u>(62,835)</u>	<u>2,893,924</u>
<u>\$50,757</u>	<u>\$45,077</u>	<u>\$276,080</u>	<u>\$60,244</u>	<u>\$164,600</u>	<u>\$3,798,815</u>

CITY OF FRANKLIN, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Transportation Fund	E-911 Fund	Court Fund	FEMA Fund	Drug Law Enforcement Fund	Recreation Fund
Revenues:						
Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Other Local Taxes	109,941	0	0	0	0	0
Special Assessments	62,018	0	0	0	0	0
Charges for Services	0	0	0	0	0	248
Fines, Licenses and Permits	8,801	0	230,112	0	2,075	0
Intergovernmental	1,010,213	187,153	0	444,512	2,552	0
Interest	7,352	0	0	0	0	0
Rent	0	0	0	0	0	1,200
Contributions and Donations	0	0	0	0	0	1,481
Other	10,056	1,917	0	0	3,830	3,821
Total Revenues	1,208,381	189,070	230,112	444,512	8,457	6,750
Expenditures:						
Current:						
General Government	0	0	190,155	0	0	0
Security of Persons and Property:						
Police	0	92,290	0	0	27,424	0
Fire	0	0	0	0	0	0
Other	0	0	0	0	0	0
Public Health and Welfare	0	0	0	0	2,120	0
Leisure Time Activities	0	0	0	0	0	290,936
Economic Development	0	0	0	0	0	0
Transportation	1,042,479	0	0	0	0	0
Capital Outlay	706,694	0	30,596	0	0	151,237
Debt Service:						
Principal Retirement	76,448	0	0	0	0	0
Interest and Fiscal Charges	9,824	0	0	0	0	0
Total Expenditures	1,835,445	92,290	220,751	0	29,544	442,173
Excess of Revenues Over (Under) Expenditures	(627,064)	96,780	9,361	444,512	(21,087)	(435,423)
Other Financing Sources (Uses):						
Transfers In	500,000	0	0	0	0	400,000
Inception of Capital Lease	101,414	0	0	0	0	0
Transfers Out	0	0	0	(444,512)	0	0
Total Other Financing Sources (Uses)	601,414	0	0	(444,512)	0	400,000
Net Change in Fund Balances	(25,650)	96,780	9,361	0	(21,087)	(35,423)
Fund Balances (Deficit) at Beginning of Year	1,166,181	37,511	812,061	0	112,966	480,423
Fund Balances (Deficit) at End of Year	<u>\$1,140,531</u>	<u>\$134,291</u>	<u>\$821,422</u>	<u>\$0</u>	<u>\$91,879</u>	<u>\$445,000</u>

Indigent Drivers Fund	Indigent Drivers Alcohol Monitoring Fund	In-House Monitoring Fund	Street Lighting Fund	Miami Conservancy District Fund	Police and Fire Pension Fund	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$49,224	\$134,247	\$183,471
0	0	0	0	0	0	109,941
0	0	0	169,024	0	0	231,042
0	0	0	0	0	0	248
1,260	6,734	7,125	0	0	0	256,107
6,282	6,542	0	0	4,772	13,014	1,675,040
0	0	0	0	0	0	7,352
0	0	0	0	0	0	1,200
0	0	0	0	0	0	1,481
0	1,319	0	0	0	0	20,943
<u>7,542</u>	<u>14,595</u>	<u>7,125</u>	<u>169,024</u>	<u>53,996</u>	<u>147,261</u>	<u>2,486,825</u>
0	0	0	0	0	0	190,155
0	0	0	0	0	400,920	520,634
0	0	0	0	0	258,461	258,461
0	0	0	466,470	0	0	466,470
0	5,999	0	0	0	0	8,119
0	0	0	0	0	0	290,936
0	0	0	0	56,327	0	56,327
0	0	0	0	0	0	1,042,479
0	0	0	0	0	0	888,527
0	0	0	0	0	2,366	78,814
0	0	0	0	0	1,934	11,758
<u>0</u>	<u>5,999</u>	<u>0</u>	<u>466,470</u>	<u>56,327</u>	<u>663,681</u>	<u>3,812,680</u>
7,542	8,596	7,125	(297,446)	(2,331)	(516,420)	(1,325,855)
0	0	0	3,100	0	502,013	1,405,113
0	0	0	0	0	0	101,414
0	0	0	0	0	0	(444,512)
<u>0</u>	<u>0</u>	<u>0</u>	<u>3,100</u>	<u>0</u>	<u>502,013</u>	<u>1,062,015</u>
7,542	8,596	7,125	(294,346)	(2,331)	(14,407)	(263,840)
75,579	41,997	37,952	439,100	2,422	(48,428)	3,157,764
<u>\$83,121</u>	<u>\$50,593</u>	<u>\$45,077</u>	<u>\$144,754</u>	<u>\$91</u>	<u>(\$62,835)</u>	<u>\$2,893,924</u>

CITY OF FRANKLIN, OHIO
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2021

	<u>Bond Retirement Fund</u>	<u>Special Assessment Bond Fund</u>	<u>Total Nonmajor Debt Service Funds</u>
Assets:			
Equity in Pooled Cash and Cash Equivalents	<u>\$17,182</u>	<u>\$205,381</u>	<u>\$222,563</u>
Liabilities:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Fund Balances:			
Restricted	0	205,381	205,381
Assigned	<u>17,182</u>	<u>0</u>	<u>17,182</u>
Total Fund Balances	<u>17,182</u>	<u>205,381</u>	<u>222,563</u>
Total Liabilities and Fund Balances	<u>\$17,182</u>	<u>\$205,381</u>	<u>\$222,563</u>

CITY OF FRANKLIN, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Bond Retirement Fund</u>	<u>Special Assessment Bond Fund</u>	<u>Total Nonmajor Debt Service Funds</u>
Revenues:			
Interest	<u>\$0</u>	<u>\$47,148</u>	<u>\$47,148</u>
 Expenditures:			
Debt Service:			
Principal Retirement	470,000	40,000	510,000
Interest and Fiscal Charges	<u>90,725</u>	<u>2,050</u>	<u>92,775</u>
 Total Expenditures	<u>560,725</u>	<u>42,050</u>	<u>602,775</u>
 Excess of Revenues Under Expenditures	(560,725)	5,098	(555,627)
 Other Financing Sources:			
Transfers In	<u>540,000</u>	<u>0</u>	<u>540,000</u>
 Net Change in Fund Balances	(20,725)	5,098	(15,627)
 Fund Balances at Beginning of Year	<u>37,907</u>	<u>200,283</u>	<u>238,190</u>
 Fund Balances at End of Year	<u><u>\$17,182</u></u>	<u><u>\$205,381</u></u>	<u><u>\$222,563</u></u>

CITY OF FRANKLIN, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2021

	<u>Property Acquisition Fund</u>	<u>Tax Increment Financing Fund</u>	<u>Fire and EMS Replacement Fund</u>	<u>Total Nonmajor Capital Projects Funds</u>
Assets:				
Equity in Pooled Cash and Cash Equivalents	<u>\$461,120</u>	<u>\$83,902</u>	<u>\$250,434</u>	<u>\$795,456</u>
Fund Balances:				
Restricted	0	83,902	0	83,902
Assigned	<u>461,120</u>	<u>0</u>	<u>250,434</u>	<u>711,554</u>
Total Fund Balances	<u>461,120</u>	<u>83,902</u>	<u>250,434</u>	<u>795,456</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>\$461,120</u></u>	<u><u>\$83,902</u></u>	<u><u>\$250,434</u></u>	<u><u>\$795,456</u></u>

CITY OF FRANKLIN, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Property Acquisition Fund	Tax Increment Financing Fund	Fire and EMS Replacement Fund	Total Nonmajor Capital Projects Funds
Revenues:				
Intergovernmental	\$12,500	\$0	\$2,896	\$15,396
Other	0	0	251	251
Total Revenues	12,500	0	3,147	15,647
Expenditures:				
Capital Outlay	224,219	0	209,391	433,610
Debt Service:				
Principal Retirement	0	0	239,573	239,573
Interest and Fiscal Charges	0	0	17,905	17,905
Total Expenditures	224,219	0	466,869	691,088
Excess of Revenues Under Expenditures	(211,719)	0	(463,722)	(675,441)
Other Financing Sources:				
Transfers In	0	0	313,803	313,803
Inception of Capital Lease	0	0	178,859	178,859
Total Other Financing Sources	0	0	492,662	492,662
Net Change in Fund Balances	(211,719)	0	28,940	(182,779)
Fund Balances at Beginning of Year	672,839	83,902	221,494	978,235
Fund Balances at End of Year	<u>\$461,120</u>	<u>\$83,902</u>	<u>\$250,434</u>	<u>\$795,456</u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Property Taxes	\$482,000	\$469,547	(\$12,453)
Other Local Taxes	50,000	58,433	8,433
Income Taxes	7,650,000	9,244,017	1,594,017
Charges for Services	338,800	160,889	(177,911)
Fines, Licenses and Permits	742,350	733,222	(9,128)
Intergovernmental	257,296	529,294	271,998
Interest	160,000	184,527	24,527
Contributions and Donations	0	200	200
Other	173,100	1,137,645	964,545
Total Revenues	9,853,546	12,517,774	2,664,228
Expenditures:			
Current:			
General Government			
Clerk and Council			
Personal Services	181,473	165,812	15,661
Other	96,320	60,243	36,077
Total Clerk and Council	277,793	226,055	51,738
Municipal Court			
Personal Services	753,184	705,773	47,411
Other	249,948	168,738	81,210
Total Municipal Court	1,003,132	874,511	128,621
Probation			
Personal Services	273,335	250,387	22,948
Other	14,050	8,196	5,854
Total Probation	287,385	258,583	28,802
Mayor's and Administrative Office			
Personal Services	382,471	153,597	228,874
Other	16,347	11,935	4,412
Total Mayor's and Administrative Office	\$398,818	\$165,532	\$233,286

(Continued)

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)

	Final Budget	Actual	Variance With Final Budget
Clerk Treasurer			
Personal Services	\$788,777	\$493,790	\$294,987
Other	121,930	84,293	37,637
Total Clerk Treasurer	910,707	578,083	332,624
Income Tax Administration			
Personal Services	178,895	145,165	33,730
Other	320,222	310,769	9,453
Total Income Tax Administration	499,117	455,934	43,183
Solicitor			
Personal Services	38,533	37,177	1,356
Other	391,272	149,276	241,996
Total Solicitor	429,805	186,453	243,352
Civil Service Commission			
Personal Services	29,400	15,944	13,456
Other	600	0	600
Total Civil Service Commission	30,000	15,944	14,056
Planning Commission			
Other	9,200	7,674	1,526
Building and Grounds			
Personal Services	64,460	58,661	5,799
Other	162,530	102,273	60,257
Total Building and Grounds	226,990	160,934	66,056
Special Appropriations			
Other	310,000	185,475	124,525
Economic Development			
Other	53,000	15,588	37,412
Total General Government	\$4,435,947	\$3,130,766	\$1,305,181

(Continued)

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)

	Final Budget	Actual	Variance With Final Budget
Security of Persons and Property:			
Police Law Enforcement			
Personal Services	\$3,951,862	\$3,378,108	\$573,754
Other	628,499	580,177	48,322
Total Police Law Enforcement	4,580,361	3,958,285	622,076
Other			
Building Inspection			
Personal Services	195,706	146,017	49,689
Other	114,398	69,172	45,226
Total Building Inspection	310,104	215,189	94,915
Total Security of Persons and Property	4,890,465	4,173,474	716,991
Leisure Time Activities:			
Joint Recreation			
Personal Services	124,900	96,643	28,257
Other	79,705	58,971	20,734
Total Leisure Time Activities	204,605	155,614	48,991
Capital Outlay	1,022,389	686,838	335,551
Total Expenditures	10,553,406	8,146,692	2,406,714
Excess of Revenues Over (Under) Expenditures	(699,860)	4,371,082	5,070,942
Other Financing Sources (Uses):			
Advances In	500,000	500,000	0
Advances Out	(151,322)	0	151,322
Transfers In	29,088	29,088	0
Transfers Out	(3,902,289)	(3,562,081)	340,208
Total Other Financing Sources (Uses)	(3,524,523)	(3,032,993)	491,530
Net Change in Fund Balance	(4,224,383)	1,338,089	5,562,472
Fund Balance at Beginning of Year	9,785,902	9,785,902	0
Prior Year Encumbrances Appropriated	138,311	138,311	0
Fund Balance at End of Year	\$5,699,830	\$11,262,302	\$5,562,472

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
FIRE LEVY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Property Taxes	\$1,351,000	\$1,328,278	(\$22,722)
Charges for Services	518,000	400,642	(117,358)
Intergovernmental	127,000	151,366	24,366
Contributions and Donations	0	2,750	2,750
Other	30,000	76,624	46,624
Total Revenues	<u>2,026,000</u>	<u>1,959,660</u>	<u>(66,340)</u>
Expenditures:			
Current:			
Security of Persons and Property			
Fire			
Personal Services	2,712,953	2,332,087	380,866
Other	651,361	515,698	135,663
Total Expenditures	<u>3,364,314</u>	<u>2,847,785</u>	<u>516,529</u>
Excess of Revenues Under Expenditures	<u>(1,338,314)</u>	<u>(888,125)</u>	<u>450,189</u>
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	0	1,884	1,884
Transfers In	900,213	1,050,299	150,086
Transfers Out	(683,000)	(491,710)	191,290
Total Other Financing Sources (Uses)	<u>217,213</u>	<u>560,473</u>	<u>343,260</u>
Net Change in Fund Balance	(1,121,101)	(327,652)	793,449
Fund Balance at Beginning of Year	2,240,727	2,240,727	0
Prior Year Encumbrances Appropriated	74,164	74,164	0
Fund Balance at End of Year	<u><u>\$1,193,790</u></u>	<u><u>\$1,987,239</u></u>	<u><u>\$793,449</u></u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
AMERICAN RESCUE PLAN ACT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Intergovernmental	\$0	\$608,185	\$608,185
Expenditures:	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	608,185	(608,185)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$608,185</u></u>	<u><u>\$608,185</u></u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
ISSUE TWO FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:			
Intergovernmental	\$659,000	\$640,852	(\$18,148)
Expenditures:			
Capital Outlay	<u>1,469,018</u>	<u>1,347,894</u>	<u>121,124</u>
Excess of Revenues Under Expenditures	(810,018)	(707,042)	102,976
Other Financing Uses:			
Advances - Out	<u>(500,000)</u>	<u>(500,000)</u>	<u>0</u>
Net Change in Fund Balance	(1,310,018)	(1,207,042)	102,976
Fund Balance at Beginning of Year	782,088	782,088	0
Prior Year Encumbrances Appropriated	<u>1,319,018</u>	<u>1,319,018</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$791,088</u></u>	<u><u>\$894,064</u></u>	<u><u>\$102,976</u></u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
ODOT PROJECT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Intergovernmental	\$2,086,350	\$2,084,192	(\$2,158)
Expenditures:			
Capital Outlay	3,404,851	3,393,860	10,991
Excess of Revenues Under Expenditures	(1,318,501)	(1,309,668)	8,833
Other Financing Sources:			
Transfers In	1,300,000	1,300,000	0
Net Change in Fund Balance	(18,501)	(9,668)	8,833
Fund Balance at Beginning of Year	22,323	22,323	0
Prior Year Encumbrances Appropriated	31,619	31,619	0
Fund Balance at End of Year	<u>\$35,441</u>	<u>\$44,274</u>	<u>\$8,833</u>

CITY OF FRANKLIN, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 F.C. DIAL TRUST FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Intergovernmental	\$275,000	\$0	(\$275,000)
Expenditures:			
Capital Outlay	550,000	550,000	0
Net Change in Fund Balance	(275,000)	(550,000)	(275,000)
Fund Balance at Beginning of Year	570,510	570,510	0
Fund Balance at End of Year	\$295,510	\$20,510	(\$275,000)

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL (BUDGET BASIS)
WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Charges for Services	\$2,144,065	\$2,830,691	\$686,626
Deposits Received	22,000	19,615	(2,385)
Other	23,000	44,472	21,472
Total Revenues	<u>2,189,065</u>	<u>2,894,778</u>	<u>705,713</u>
Expenses:			
Personal Services	982,038	929,170	52,868
Contractual Services	745,817	623,428	122,389
Materials and Supplies	242,738	197,825	44,913
Other	135,959	1,381	134,578
Deposit Refunds	43,000	19,315	23,685
Capital Outlay	463,836	230,919	232,917
Debt Service:			
Principal Retirement	338,641	178,078	160,563
Interest and Fiscal Charges	51,109	33,649	17,460
Total Expenses	<u>3,003,138</u>	<u>2,213,765</u>	<u>789,373</u>
Excess of Revenues Over (Under) Expenses Before Transfers	(814,073)	681,013	1,495,086
Transfers Out	<u>(75,000)</u>	<u>(75,000)</u>	<u>0</u>
Net Change in Fund Equity	(889,073)	606,013	1,495,086
Fund Equity at Beginning of Year	2,213,216	2,213,216	0
Prior Year Encumbrances Appropriated	<u>33,548</u>	<u>33,548</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$1,357,691</u></u>	<u><u>\$2,852,777</u></u>	<u><u>\$1,495,086</u></u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL (BUDGET BASIS)
SEWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Charges for Services	\$2,763,565	\$2,738,777	(\$24,788)
Deposits Received	22,500	19,415	(3,085)
Other	13,000	18,623	5,623
Total Revenues	<u>2,799,065</u>	<u>2,776,815</u>	<u>(22,250)</u>
Expenses:			
Current:			
Personal Services	318,325	286,308	32,017
Contractual Services	2,289,435	2,242,396	47,039
Supplies and Materials	47,935	27,706	20,229
Deposit Refunds	41,835	19,115	22,720
Capital Outlay	618,609	427,709	190,900
Total Expenses	<u>3,316,139</u>	<u>3,003,234</u>	<u>312,905</u>
Excess of Revenues Over (Under) Expenses Before Transfers	(517,074)	(226,419)	290,655
Transfers Out	<u>(165,000)</u>	<u>(65,000)</u>	<u>100,000</u>
Net Change in Fund Equity	(682,074)	(291,419)	390,655
Fund Equity at Beginning of Year	1,233,185	1,233,185	0
Prior Year Encumbrances Appropriated	<u>17,374</u>	<u>17,374</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$568,485</u></u>	<u><u>\$959,140</u></u>	<u><u>\$390,655</u></u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL (BUDGET BASIS)
TRASH FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Charges for Services	\$905,000	\$933,318	\$28,318
Other	500	1,063	563
Total Revenues	<u>905,500</u>	<u>934,381</u>	<u>28,881</u>
Expenses:			
Personal Services	57,844	53,674	4,170
Contractual Services	821,653	807,247	14,406
Supplies and Materials	3,155	686	2,469
Other	36,629	0	36,629
Total Expenses	<u>919,281</u>	<u>861,607</u>	<u>57,674</u>
Net Change in Fund Equity	(13,781)	72,774	86,555
Fund Equity at Beginning of Year	235,149	235,149	0
Prior Year Encumbrances Appropriated	<u>697</u>	<u>697</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$222,065</u></u>	<u><u>\$308,620</u></u>	<u><u>\$86,555</u></u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL (BUDGET BASIS)
STORMWATER UTILITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Charges for Services	\$580,300	\$644,218	\$63,918
Other	600	13,722	13,122
Total Revenues	<u>580,900</u>	<u>657,940</u>	<u>77,040</u>
Expenses:			
Personal Services	316,686	293,712	22,974
Contractual Services	72,485	52,397	20,088
Supplies and Materials	23,100	12,010	11,090
Other	23,703	0	23,703
Capital Outlay	231,596	220,244	11,352
Total Expenses	<u>667,570</u>	<u>578,363</u>	<u>89,207</u>
Excess of Revenues Over (Under) Expenses Before Transfers	(86,670)	79,577	166,247
Transfers In	<u>17,000</u>	<u>0</u>	<u>(17,000)</u>
Net Change in Fund Equity	(69,670)	79,577	149,247
Fund Equity at Beginning of Year	682,774	682,774	0
Prior Year Encumbrances Appropriated	<u>10,691</u>	<u>10,691</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$623,795</u></u>	<u><u>\$773,042</u></u>	<u><u>\$149,247</u></u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TRANSPORTATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Other Local Taxes	\$113,000	\$117,906	\$4,906
Special Assessments	35,000	62,018	27,018
Fines, Licenses and Permits	12,000	15,074	3,074
Intergovernmental	862,500	946,483	83,983
Interest	9,100	7,352	(1,748)
Other	2,200	11,573	9,373
Total Revenues	1,033,800	1,160,406	126,606
Expenditures:			
Current:			
Transportation			
Street Maintenance and Repair			
Personal Services	708,321	670,152	38,169
Other	455,649	371,488	84,161
Total Street Maintenance and Repair	1,163,970	1,041,640	122,330
State Highway Maintenance			
Other	37,000	34,359	2,641
Total Transportation	1,200,970	1,075,999	124,971
Capital Outlay	785,354	691,552	93,802
Total Expenditures	1,986,324	1,767,551	218,773
Excess of Revenues Under Expenditures	(952,524)	(607,145)	345,379
Other Financing Sources:			
Transfers In	500,000	500,000	0
Total Other Financing Sources	500,000	500,000	0
Net Change in Fund Balance	(452,524)	(107,145)	345,379
Fund Balance at Beginning of Year	1,000,798	1,000,798	0
Prior Year Encumbrances Appropriated	18,006	18,006	0
Fund Balance at End of Year	\$566,280	\$911,659	\$345,379

CITY OF FRANKLIN, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 E-911 FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Intergovernmental	\$212,000	\$187,153	(\$24,847)
Other	200	1,894	1,694
Total Revenues	212,200	189,047	(23,153)
Expenditures:			
Current:			
Police Law Enforcement			
Personal Services	97,424	87,219	10,205
Other	11,299	7,951	3,348
Total Expenditures	108,723	95,170	13,553
Net Change in Fund Balance	103,477	93,877	(9,600)
Fund Balance at Beginning of Year	39,548	39,548	0
Prior Year Encumbrances Appropriated	1,923	1,923	0
Fund Balance at End of Year	\$144,948	\$135,348	(\$9,600)

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
COURT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Fines, Licenses and Permits	\$303,100	\$224,145	(\$78,955)
Expenditures:			
Current:			
General Government			
Municipal Court			
Personal Services	120,416	84,656	35,760
Other	283,731	113,968	169,763
Total General Government	404,147	198,624	205,523
Capital Outlay	64,596	30,596	34,000
Total Expenditures	468,743	229,220	239,523
Net Change in Fund Balance	(165,643)	(5,075)	160,568
Fund Balance at Beginning of Year	770,417	770,417	0
Prior Year Encumbrances Appropriated	30,600	30,600	0
Fund Balance at End of Year	\$635,374	\$795,942	\$160,568

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
FEMA FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Intergovernmental	\$444,605	\$444,512	(\$93)
Expenditures:	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Uses:			
Transfers Out	<u>(444,605)</u>	<u>(444,512)</u>	<u>93</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
DRUG LAW ENFORCEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Fines, Licenses and Permits	\$2,950	\$1,975	(\$975)
Intergovernmental	0	2,552	2,552
Other	18,000	3,830	(14,170)
Total Revenues	<u>20,950</u>	<u>8,357</u>	<u>(12,593)</u>
Expenditures:			
Current:			
Security of Persons and Property			
Police Law Enforcement			
Other	<u>63,000</u>	<u>32,159</u>	<u>30,841</u>
Public Health and Welfare			
Health			
Other	<u>3,000</u>	<u>2,120</u>	<u>880</u>
Total Expenditures	<u>66,000</u>	<u>34,279</u>	<u>31,721</u>
Net Change in Fund Balance	(45,050)	(25,922)	19,128
Fund Balance at Beginning of Year	<u>112,966</u>	<u>112,966</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$67,916</u></u>	<u><u>\$87,044</u></u>	<u><u>\$19,128</u></u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
RECREATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Charges for Services	\$13,000	\$188	(\$12,812)
Intergovernmental	25,000	0	(25,000)
Rent	4,000	1,200	(2,800)
Contributions and Donations	2,300	1,481	(819)
Other	2,500	4,950	\$2,450
Total Revenues	<u>46,800</u>	<u>7,819</u>	<u>(38,981)</u>
Expenditures:			
Current:			
Leisure Time Activities			
Parks and Recreation			
Personal Services	258,218	184,832	73,386
Other	163,067	107,485	55,582
Total Leisure Time Activities	<u>421,285</u>	<u>292,317</u>	<u>128,968</u>
Capital Outlay	169,496	151,987	17,509
Total Expenditures	<u>590,781</u>	<u>444,304</u>	<u>146,477</u>
Excess of Revenues Under Expenditures	(543,981)	(436,485)	107,496
Other Financing Sources:			
Transfers In	500,000	400,000	(100,000)
Net Change in Fund Balance	(43,981)	(36,485)	7,496
Fund Balance at Beginning of Year	485,509	485,509	0
Prior Year Encumbrances Appropriated	3,791	3,791	0
Fund Balance at End of Year	<u>\$445,319</u>	<u>\$452,815</u>	<u>\$7,496</u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
INDIGENT DRIVERS FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Fines, Licenses and Permits	\$1,100	\$1,137	\$37
Intergovernmental	3,700	6,282	2,582
Total Revenues	4,800	7,419	2,619
Expenditures:			
Current:			
Public Health			
Other	7,000	0	7,000
Net Change in Fund Balance	(2,200)	7,419	9,619
Fund Balance at Beginning of Year	75,554	75,554	0
Fund Balance at End of Year	\$73,354	\$82,973	\$9,619

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
INDIGENT DRIVERS ALCOHOL MONITORING FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Fines, Licenses and Permits	\$9,000	\$6,593	(\$2,407)
Intergovernmental	6,000	6,542	542
Other	500	1,319	819
	<u>15,500</u>	<u>14,454</u>	<u>(1,046)</u>
Total Revenues			
Expenditures:			
Current:			
Public Health			
Other	20,250	10,731	9,519
	<u>(4,750)</u>	<u>3,723</u>	<u>8,473</u>
Net Change in Fund Balance			
Fund Balance at Beginning of Year	41,620	41,620	0
Fund Balance at End of Year	<u>\$36,870</u>	<u>\$45,343</u>	<u>\$8,473</u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
IN-HOUSE MONITORING FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:			
Fines, Licenses and Permits	\$7,001	\$7,001	\$0
Expenditures:			
Current:			
General Government			
Municipal Court			
Other	7,001	0	7,001
Net Change in Fund Balance	0	7,001	7,001
Fund Balance at Beginning of Year	<u>37,618</u>	<u>37,618</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$37,618</u></u>	<u><u>\$44,619</u></u>	<u><u>\$7,001</u></u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
STREET LIGHTING FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Special Assessments	\$151,900	\$169,024	\$17,124
Expenditures:			
Current:			
Security of Persons and Property			
Street Lighting			
Other	520,000	466,654	53,346
Excess of Revenues Under Expenditures	(368,100)	(297,630)	70,470
Other Financing Sources:			
Transfers In	3,100	3,100	0
Net Change in Fund Balance	(365,000)	(294,530)	70,470
Fund Balance at Beginning of Year	439,100	439,100	0
Fund Balance at End of Year	<u>\$74,100</u>	<u>\$144,570</u>	<u>\$70,470</u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
MIAMI CONSERVANCY DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Property Taxes	\$43,000	\$49,224	\$6,224
Intergovernmental	4,500	4,772	272
Total Revenues	<u>47,500</u>	<u>53,996</u>	<u>6,496</u>
Expenditures:			
Current:			
Economic Development			
Other	<u>59,650</u>	<u>56,327</u>	<u>3,323</u>
Excess of Revenues Under Expenditures	(12,150)	(2,331)	9,819
Other Financing Sources:			
Transfers In	<u>11,000</u>	<u>0</u>	<u>(11,000)</u>
Net Change in Fund Balance	(1,150)	(2,331)	(1,181)
Fund Balance at Beginning of Year	<u>2,422</u>	<u>2,422</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,272</u></u>	<u><u>\$91</u></u>	<u><u>(\$1,181)</u></u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
POLICE AND FIRE PENSION FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Property Taxes	\$126,000	\$134,247	\$8,247
Intergovernmental	12,800	13,014	214
Total Revenues	<u>138,800</u>	<u>147,261</u>	<u>8,461</u>
Expenditures:			
Current:			
Security of Persons and Property			
Police Law Enforcement			
Personal Services	505,000	380,217	124,783
Other	1,000	806	194
Total Police Law Enforcement	<u>506,000</u>	<u>381,023</u>	<u>124,977</u>
Fire Department			
Personal Services	350,011	263,146	86,865
Other	1,000	805	195
Total Fire Department	<u>351,011</u>	<u>263,951</u>	<u>87,060</u>
Total Security of Persons and Property	<u>857,011</u>	<u>644,974</u>	<u>212,037</u>
Debt Service:			
Principal Retirement	2,366	2,366	0
Interest and Fiscal Charges	1,934	1,934	0
Total Debt Service	<u>4,300</u>	<u>4,300</u>	<u>0</u>
Total Expenditures	<u>861,311</u>	<u>649,274</u>	<u>212,037</u>
Excess of Revenues Under Expenditures	(722,511)	(502,013)	220,498
Other Financing Sources:			
Transfers In	722,511	502,013	(220,498)
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
BOND RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:	\$0	\$0	\$0
Expenditures:			
Debt Service:			
Principal Retirement	470,000	470,000	0
Interest and Fiscal Charges	91,000	90,725	275
Total Expenditures	561,000	560,725	275
Excess of Revenues Under Expenditures	(561,000)	(560,725)	275
Other Financing Sources:			
Transfers In	540,000	540,000	0
Net Change in Fund Balance	(21,000)	(20,725)	275
Fund Balance at Beginning of Year	37,907	37,907	0
Fund Balance at End of Year	\$16,907	\$17,182	\$275

CITY OF FRANKLIN, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL ASSESSMENT BOND FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:			
Special Assessments	<u>\$57,000</u>	<u>\$47,148</u>	<u>(\$9,852)</u>
Expenditures:			
Debt Service:			
Principal Retirement	40,000	40,000	0
Interest and Fiscal Charges	<u>5,000</u>	<u>2,050</u>	<u>2,950</u>
Total Expenditures	<u>45,000</u>	<u>42,050</u>	<u>2,950</u>
Net Change in Fund Balance	12,000	5,098	(6,902)
Fund Balance at Beginning of Year	<u>200,283</u>	<u>200,283</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$212,283</u></u>	<u><u>\$205,381</u></u>	<u><u>(\$6,902)</u></u>

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
PROPERTY ACQUISITION FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:	\$30,000	\$12,500	(\$17,500)
Expenditures:			
Capital Outlay	575,000	400,574	174,426
Excess of Revenues Under Expenditures	(545,000)	(388,074)	174,426
Other Financing Sources:			
Transfers In	100,000	0	(100,000)
Net Change in Fund Balance	(445,000)	(388,074)	74,426
Fund Balance at Beginning of Year	642,839	642,839	0
Prior Year Encumbrances Appropriated	30,000	30,000	0
Fund Balance at End of Year	\$227,839	\$284,765	\$74,426

CITY OF FRANKLIN, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
FIRE AND EMS REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Intergovernmental	\$0	\$2,896	\$2,896
Contributions and Donations	4,000	0	(\$4,000)
Other	0	251	251
Total Revenues	4,000	3,147	(853)
Expenditures:			
Capital Outlay	441,615	301,731	139,884
Excess of Revenues Under Expenditures	(437,615)	(298,584)	139,031
Other Financing Sources:			
Transfers In	404,168	313,803	(90,365)
Net Change in Fund Balance	(33,447)	15,219	48,666
Fund Balance at Beginning of Year	157,687	157,687	0
Prior Year Encumbrances Appropriated	4,650	4,650	0
Fund Balance at End of Year	<u>\$128,890</u>	<u>\$177,556</u>	<u>\$48,666</u>

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Statistical Section

STATISTICAL TABLES

This part of the City of Franklin’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

<u>CONTENTS</u>	<u>PAGES</u>
Financial Trends	148-159
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
Revenue Capacity	160-161
These schedules contain information to help the reader assess the City’s most significant local revenue source, the income tax.	
Debt Capacity	162-168
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Demographic and Economic Information	169-171
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
Operating Information	172-177
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

City of Franklin, Ohio
Net Position by Component
Last Ten Years
(accrual basis of accounting)

	2012	2013	2014	2015
Governmental Activities:				
Net Investment in Capital Assets	\$39,750,554	\$39,365,157	\$39,594,071	\$39,854,845
Restricted For:				
Debt Service	1,349,506	1,061,246	751,216	466,684
Capital Outlay	1,766,673	1,049,228	1,584,069	1,512,898
Fire Protection	302,684	561,889	988,131	1,521,593
Transportation	1,140,087	1,140,136	1,209,777	1,111,673
Other Purposes	668,427	662,162	745,528	870,216
Leisure Time Activities Expendable	247,845	127,025	335,947	363,454
Leisure Time Activities Nonexpendable	1,162,406	1,391,796	1,506,708	1,360,832
Unrestricted	6,426,853	8,128,201	1,358,946	1,240,722
<i>Total Governmental Activities Net Position</i>	<u>52,815,035</u>	<u>53,486,840</u>	<u>48,074,393</u>	<u>48,302,917</u>
Business-Type Activities:				
Net Investment in Capital Assets	16,862,816	17,650,787	17,408,300	18,014,569
Restricted For:				
Debt Service	617,060	617,111	570,861	586,603
Revenue Bonds Replacement and Improvement	277,630	377,630	477,630	577,630
Unrestricted	3,026,717	2,342,465	1,989,846	2,327,024
<i>Total Business-Type Activities</i>	<u>20,784,223</u>	<u>20,987,993</u>	<u>20,446,637</u>	<u>21,505,826</u>
Primary Government:				
Net Investment in Capital Assets	56,613,370	57,015,944	57,002,371	57,869,414
Restricted	7,532,318	6,988,223	8,169,867	8,371,583
Unrestricted	9,453,570	10,470,666	3,348,792	3,567,746
<i>Total Primary Government Net Position</i>	<u>\$73,599,258</u>	<u>\$74,474,833</u>	<u>\$68,521,030</u>	<u>\$69,808,743</u>

Note: The City reported the impact of GASB Statement No. 68 in 2014.

Note: The City reported the impact of GASB Statement No. 75 in 2017.

Note: The City reported the impact of GASB Statement No. 84 in 2018.

Note: The City reported the impact of GASB Statement No. 83 in 2019.

2016	2017	2018	2019	2020	2021
\$40,191,340	\$40,644,424	\$40,444,418	\$39,420,795	\$40,220,125	\$45,634,920
194,323	216,697	182,708	190,980	192,643	199,479
1,906,135	1,844,814	111,347	1,522,548	1,722,519	1,292,771
1,970,539	2,409,448	2,015,999	1,949,802	2,195,965	1,792,951
1,108,766	1,063,412	1,068,768	1,243,670	1,252,862	1,458,086
910,172	1,014,447	1,204,907	1,287,985	1,731,894	1,461,265
605,177	537,849	576,322	1,782,254	2,316,468	356,783
1,279,396	1,403,446	1,336,270	832,501	630,900	2,483,912
997,246	(4,502,499)	(2,746,063)	1,585,507	829,890	3,182,182
<u>49,163,094</u>	<u>44,632,038</u>	<u>44,194,676</u>	<u>49,816,042</u>	<u>51,093,266</u>	<u>57,862,349</u>
18,125,979	18,407,077	18,631,808	19,718,072	19,393,755	19,797,199
590,651	586,318	561,753	470,642	459,079	286,482
677,630	927,630	1,177,630	238,045	151,008	561,920
<u>2,833,316</u>	<u>1,857,291</u>	<u>1,478,299</u>	<u>1,670,554</u>	<u>2,309,899</u>	<u>4,106,234</u>
<u>22,227,576</u>	<u>21,778,316</u>	<u>21,849,490</u>	<u>22,097,313</u>	<u>22,313,741</u>	<u>24,751,835</u>
58,317,319	59,051,501	59,076,226	59,138,867	59,613,880	65,432,119
9,242,789	10,004,061	8,235,704	9,518,427	10,653,338	9,893,649
<u>3,830,562</u>	<u>(2,645,208)</u>	<u>(1,267,764)</u>	<u>3,256,061</u>	<u>3,139,789</u>	<u>7,288,416</u>
<u>\$71,390,670</u>	<u>\$66,410,354</u>	<u>\$66,044,166</u>	<u>\$71,913,355</u>	<u>\$73,407,007</u>	<u>\$82,614,184</u>

City of Franklin, Ohio
Changes in Net Position
Last Ten Years
(accrual basis of accounting)

	2012	2013	2014	2015 (1)
Program Revenues:				
Charges for Services and Sales:				
General Government	\$794,169	\$289,851	\$532,555	\$464,392
Security of Persons and Property:				
Police	8,787	388,207	440,377	428,749
Fire	50,253	348,778	548,905	552,753
Other	137,793	140,549	144,766	149,023
Public Health and Welfare	12,026	9,496	11,847	8,759
Leisure Time Activities	0	0	0	19,305
Transportation	663	1,256	1,764	550
Operating Grants, Contributions and Interest	848,632	1,030,371	1,024,216	925,943
Capital Grants, Contributions and Interest	796,103	124,668	331,344	876,492
<i>Total Governmental Activities Program Revenues</i>	<u>2,648,426</u>	<u>2,333,176</u>	<u>3,035,774</u>	<u>3,425,966</u>
Business-Type Activities:				
Charges for Services:				
Water	2,509,825	2,527,385	2,566,139	2,628,095
Sewer	2,510,827	2,403,048	2,474,765	2,669,288
Trash	736,048	746,766	762,790	747,963
Stormwater Utility	470,519	455,305	484,006	513,732
Operating Grants, Contributions and Interest	0	105,072	0	0
Capital Grants, Contributions and Interest	0	0	0	432,086
<i>Total Business-Type Activities Program Revenues</i>	<u>6,227,219</u>	<u>6,237,576</u>	<u>6,287,700</u>	<u>6,991,164</u>
<i>Total Primary Government Program Revenues</i>	<u>8,875,645</u>	<u>8,570,752</u>	<u>9,323,474</u>	<u>10,417,130</u>
Expenses:				
Governmental Activities:				
Current:				
General Government	2,474,033	2,421,208	2,474,594	2,729,627
Security of Persons and Property	5,660,608	6,173,685	6,301,359	6,407,213
Public Health and Welfare	8,567	11,250	27,356	31,824
Leisure Time Activities	326,993	316,393	339,652	306,096
Economic Development	44,414	51,449	51,449	54,124
Public Works	101,875	97,090	105,532	87,531
Transportation	2,225,466	3,524,995	1,866,068	3,614,786
Interest and Fiscal Charges	329,589	279,948	258,996	231,397
<i>Total Governmental Activities Expenses</i>	<u>11,171,545</u>	<u>12,876,018</u>	<u>11,425,006</u>	<u>13,462,598</u>
Business-Type Activities:				
Water	1,935,129	1,924,148	1,989,322	1,805,446
Sewer	2,576,395	2,522,418	2,484,895	2,532,207
Trash	712,050	811,545	852,135	749,283
Stormwater Utility	791,053	656,697	777,287	772,918
<i>Total Business-Type Activities Expenses</i>	<u>6,014,627</u>	<u>5,914,808</u>	<u>6,103,639</u>	<u>5,859,854</u>
Net (Expense)/Revenue:				
Governmental Activities	(8,523,119)	(10,542,842)	(8,389,232)	(10,036,632)
Business-Type Activities	212,592	322,768	184,061	1,131,310
<i>Total Primary Government Net Expense</i>	<u>(\$8,310,527)</u>	<u>(\$10,220,074)</u>	<u>(\$8,205,171)</u>	<u>(\$8,905,322)</u>

2016	2017	2018 (2)	2019 (3)	2020 (4)	2021
\$827,299	\$816,288	\$884,730	\$510,062	\$389,335	\$511,522
366,674	533,566	610,393	633,791	561,270	565,861
552,665	465,504	420,574	409,855	365,500	465,451
148,965	151,899	166,600	167,922	166,988	167,792
9,261	10,724	12,495	11,153	7,048	7,994
15,720	17,316	16,398	74,843	2,550	68,321
2,196	12,871	97,243	159,486	95,967	9,017
859,323	842,790	856,345	943,681	1,826,974	2,070,119
868	793,884	0	188,900	924,960	2,335,272
2,782,971	3,644,842	3,064,778	3,099,693	4,340,592	6,201,349
2,785,464	2,672,773	2,568,554	2,592,073	2,614,390	3,122,916
2,499,263	2,412,378	2,508,522	2,483,277	2,648,665	3,278,875
770,084	793,821	816,973	859,449	864,345	922,699
567,527	579,193	584,840	591,240	595,447	641,892
0	0	0	0	0	0
0	0	0	98,851	0	0
6,622,338	6,458,165	6,478,889	6,624,890	6,722,847	7,966,382
9,405,309	10,103,007	9,543,667	9,724,583	11,063,439	14,167,731
2,844,525	2,971,030	3,109,064	3,593,221	3,948,000	2,080,097
6,077,154	6,661,747	7,558,997	3,026,100	8,251,588	8,667,741
27,006	13,369	8,042	9,271	3,415	8,119
407,527	377,392	483,546	692,783	579,921	377,753
57,487	56,469	56,022	56,242	56,329	56,327
68,611	59,840	59,840	59,840	59,840	47,318
3,031,901	3,266,332	3,429,614	3,179,003	3,156,912	1,847,223
203,307	179,092	149,865	151,189	138,330	116,794
12,717,518	13,585,271	14,854,990	10,767,649	16,194,335	13,201,372
1,691,652	1,661,217	1,892,400	1,860,237	2,143,447	1,662,146
2,264,959	2,702,896	2,771,880	2,716,212	2,623,877	2,286,852
777,811	801,469	816,988	832,463	834,928	835,386
1,054,550	1,013,580	877,092	927,657	839,652	677,316
5,788,972	6,179,162	6,358,360	6,336,569	6,441,904	5,461,700
(9,934,547)	(9,940,429)	(11,790,212)	(7,667,956)	(11,853,743)	(7,000,023)
833,366	279,003	120,529	288,321	280,943	2,504,682
(\$9,101,181)	(\$9,661,426)	(\$11,669,683)	(\$7,379,635)	(\$11,572,800)	(\$4,495,341)

(Continued)

City of Franklin, Ohio
Changes in Net Position
Last Ten Years
(accrual basis of accounting)
(Continued)

	2012	2013	2014	2015 (1)
General Revenues and Other Changes in Net Position:				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	\$402,435	\$382,168	\$394,024	\$410,545
Fire	534,509	1,236,803	1,209,420	1,224,778
Other Purposes	154,252	166,527	174,732	177,381
Income Taxes	9,079,755	8,091,731	6,764,284	7,665,010
Other Local Taxes Levied for General Purposes	185,820	191,449	184,737	208,667
Payments in Lieu of Taxes	203,459	199,588	107,787	0
Grants and Entitlements not Restricted to Specific Programs	284,897	553,230	211,427	232,675
Gain on Sale of Capital Assets	0	0	0	0
Unrestricted Interest	56,470	77,465	94,468	25,681
Contributions and Donations	0	0	0	0
Other	159,958	185,686	100,436	190,419
Transfers	143,823	130,000	78,300	130,000
<i>Total Governmental Activities</i>	<u>11,205,378</u>	<u>11,214,647</u>	<u>9,319,615</u>	<u>10,265,156</u>
Business-Type Activities:				
Gain on Sale of Capital Assets	0	0	0	0
Unrestricted Interest	0	0	0	0
Other	21,449	11,002	84,460	57,879
Transfers	(143,823)	(130,000)	(78,300)	(130,000)
<i>Total Business-Type Activities</i>	<u>(122,374)</u>	<u>(118,998)</u>	<u>6,160</u>	<u>(72,121)</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>11,083,004</u>	<u>11,095,649</u>	<u>9,325,775</u>	<u>10,193,035</u>
Change in Net Position				
Governmental Activities	2,682,259	671,805	930,383	228,524
Business-Type Activities	90,218	203,770	190,221	1,059,189
Prior Year Restatement of Net Position	<u>0</u>	<u>0</u>	<u>(7,074,407)</u>	<u>0</u>
<i>Total Primary Government Changes in Net Position</i>	<u>\$2,772,477</u>	<u>\$875,575</u>	<u>(\$5,953,803)</u>	<u>\$1,287,713</u>

- (1) Expenses are first impacted by the implementation of GASB Statement No. 68 in 2015.
(2) Expenses are first impacted by the implementation of GASB Statement No. 75 in 2018.
(3) Governmental Activities are first impacted by the implementation of GASB Statement No. 84 in 2019.
(4) Business-Type Activities are first impacted by the implementation of GASB Statement No. 83 in 2020.

2016	2017	2018 (2)	2019 (3)	2020 (4)	2021
\$419,946	\$419,772	\$431,965	\$445,416	\$478,325	\$451,571
1,243,468	1,245,046	1,282,700	1,256,145	1,350,748	1,277,406
164,114	164,029	168,788	174,054	186,915	176,452
7,844,529	8,304,978	8,346,175	8,787,229	8,233,811	9,799,231
174,175	183,308	177,101	173,582	140,692	169,706
0	0	0	0	0	0
287,718	214,524	240,029	590,830	782,774	503,838
0	133,883	0	0	0	64,620
300,759	489,784	252,730	1,216,055	687,817	492,124
0	1,050	2,450	800	0	200
230,015	311,277	308,984	339,637	1,074,885	693,958
130,000	130,000	141,928	216,070	195,000	140,000
<u>10,794,724</u>	<u>11,597,651</u>	<u>11,352,850</u>	<u>13,199,818</u>	<u>13,130,967</u>	<u>13,769,106</u>
0	0	0	100,000	0	0
0	578	7,594	9,713	1,253	31
18,384	34,785	84,979	89,239	129,232	73,381
<u>(130,000)</u>	<u>(130,000)</u>	<u>(141,928)</u>	<u>(216,070)</u>	<u>(195,000)</u>	<u>(140,000)</u>
<u>(111,616)</u>	<u>(94,637)</u>	<u>(49,355)</u>	<u>(17,118)</u>	<u>(64,515)</u>	<u>(66,588)</u>
<u>10,683,108</u>	<u>11,503,014</u>	<u>11,303,495</u>	<u>13,182,700</u>	<u>13,066,452</u>	<u>13,702,518</u>
860,177	1,657,222	(437,362)	5,531,862	1,277,224	6,769,083
721,750	184,366	71,174	271,203	216,428	2,438,094
0	(6,821,904)	0	0	0	0
<u>\$1,581,927</u>	<u>(\$4,980,316)</u>	<u>(\$366,188)</u>	<u>\$5,803,065</u>	<u>\$1,493,652</u>	<u>\$9,207,177</u>

City of Franklin, Ohio
Program Revenues by Function/Program
Last Ten Years
(accrual basis of accounting)

Function / Program:	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental Activities:				
General Government	\$1,101,565	\$291,939	\$535,907	\$466,079
Security of Persons and Property:				
Police	151,562	511,274	551,717	541,044
Fire	92,122	593,711	696,268	702,789
Other	137,793	140,549	144,766	149,023
Public Health and Welfare	22,696	15,876	19,288	18,803
Leisure Time Activities	82,875	124,668	331,344	26,998
Economic Development	3,978	9,773	2,390	990
Transportation	1,055,835	645,386	754,094	1,520,240
<i>Total Governmental Activities</i>	<u>2,648,426</u>	<u>2,333,176</u>	<u>3,035,774</u>	<u>3,425,966</u>
Business-Type Activities:				
Water	2,509,825	2,527,385	2,566,139	2,691,995
Sewer	2,510,827	2,403,048	2,474,765	2,913,738
Trash	736,048	851,838	762,790	747,963
Stormwater Utility	470,519	455,305	484,006	637,468
<i>Total Business-Type Activities</i>	<u>6,227,219</u>	<u>6,237,576</u>	<u>6,287,700</u>	<u>6,991,164</u>
<i>Total Primary Government</i>	<u><u>\$8,875,645</u></u>	<u><u>\$8,570,752</u></u>	<u><u>\$9,323,474</u></u>	<u><u>\$10,417,130</u></u>

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$827,667	\$816,288	\$884,730	\$515,062	\$389,335	\$511,522
485,320	651,919	726,985	753,232	1,230,326	682,986
796,477	629,989	604,451	567,886	1,593,735	1,035,346
148,965	151,899	166,600	167,922	166,988	167,792
14,833	26,565	18,787	22,313	18,023	20,818
19,139	19,655	18,284	86,698	3,902	116,052
4,670	4,610	4,592	16,249	4,752	4,743
485,900	1,343,917	640,349	970,331	933,531	3,662,090
<u>2,782,971</u>	<u>3,644,842</u>	<u>3,064,778</u>	<u>3,099,693</u>	<u>4,340,592</u>	<u>6,201,349</u>
2,785,464	2,672,773	2,568,554	2,592,073	2,614,390	3,122,916
2,499,263	2,412,378	2,508,522	2,483,277	2,648,665	3,278,875
770,084	793,821	816,973	859,449	864,345	922,699
567,527	579,193	584,840	690,091	595,447	641,892
<u>6,622,338</u>	<u>6,458,165</u>	<u>6,478,889</u>	<u>6,624,890</u>	<u>6,722,847</u>	<u>7,966,382</u>
<u>\$9,405,309</u>	<u>\$10,103,007</u>	<u>\$9,543,667</u>	<u>\$9,724,583</u>	<u>\$11,063,439</u>	<u>\$14,167,731</u>

City of Franklin, Ohio
Fund Balances - Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund				
Nonspendable	\$20,301	\$24,599	\$34,432	\$31,649
Assigned	115,154	152,330	593,718	1,355,540
Unassigned	<u>5,045,729</u>	<u>6,471,899</u>	<u>6,176,518</u>	<u>5,284,020</u>
<i>Total General Fund</i>	<u>5,181,184</u>	<u>6,648,828</u>	<u>6,804,668</u>	<u>6,671,209</u>
All Other Governmental Funds				
Nonspendable	1,341,689	1,510,720	1,801,205	1,570,745
Restricted	3,194,444	3,425,266	4,542,443	5,071,075
Committed	69,140	79,913	67,495	97,237
Assigned	27,637	157,536	151,532	155,532
Unassigned (Deficit)	<u>(439,720)</u>	<u>(49,858)</u>	<u>(36,690)</u>	<u>(24,154)</u>
<i>Total All Other Governmental Funds</i>	<u>4,193,190</u>	<u>5,123,577</u>	<u>6,525,985</u>	<u>6,870,435</u>
<i>Total Governmental Funds</i>	<u>\$9,374,374</u>	<u>\$11,772,405</u>	<u>\$13,330,653</u>	<u>\$13,541,644</u>

(1) Implementation of GASB 84 resulted in a fund balance restatement.

<u>2016</u>	<u>2017</u>	<u>2018 (1)</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$25,962	\$38,208	\$49,959	\$51,329	\$71,323	\$31,155
147,990	1,038,597	1,840,310	3,369,063	4,852,391	3,804,788
<u>6,841,186</u>	<u>7,049,388</u>	<u>7,004,397</u>	<u>6,318,020</u>	<u>6,815,608</u>	<u>8,329,834</u>
<u>7,015,138</u>	<u>8,126,193</u>	<u>8,894,666</u>	<u>9,738,412</u>	<u>11,739,322</u>	<u>12,165,777</u>
1,721,427	1,528,866	1,492,071	2,002,410	2,374,915	2,721,245
5,985,872	6,546,886	5,322,018	6,503,001	7,510,874	6,010,201
116,886	426,980	511,169	547,231	480,423	445,000
135,107	106,082	2,323,470	1,921,591	884,993	728,736
<u>(4,205)</u>	<u>(38,139)</u>	<u>(43,137)</u>	<u>(49,832)</u>	<u>(48,428)</u>	<u>(62,835)</u>
<u>7,955,087</u>	<u>8,570,675</u>	<u>9,605,591</u>	<u>10,924,401</u>	<u>11,202,777</u>	<u>9,842,347</u>
<u>\$14,970,225</u>	<u>\$16,696,868</u>	<u>\$18,500,257</u>	<u>\$20,662,813</u>	<u>\$22,942,099</u>	<u>\$22,008,124</u>

City of Franklin, Ohio
Changes in Fund Balances - Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2012	2013	2014	2015
Revenues:				
Property Taxes	\$1,083,889	\$1,780,029	\$1,765,711	\$1,841,533
Other Local Taxes	152,896	191,711	185,344	211,815
Income Taxes	8,125,750	8,106,000	7,305,812	7,619,746
Payments in Lieu of Taxes	203,459	199,588	107,787	0
Special Assessments	397,406	423,490	469,089	432,571
Charges for Services	79,297	389,831	790,782	727,576
Fines, Licenses and Permits	786,601	645,207	745,001	738,997
Intergovernmental	1,598,314	1,842,515	1,243,956	1,792,798
Interest	206,927	202,133	425,812	25,681
Rent	0	0	0	5,475
Contributions and Donations	13,151	3,302	3,352	9,380
Other	159,958	185,686	100,436	190,419
<i>Total Revenues</i>	<u>12,807,648</u>	<u>13,969,492</u>	<u>13,143,082</u>	<u>13,595,991</u>
Expenditures:				
Current:				
General Government	2,177,554	2,369,068	2,423,409	2,748,434
Security of Persons and Property	5,398,829	6,176,635	6,266,741	6,282,006
Public Health and Welfare	8,567	11,250	27,356	31,824
Leisure Time Activities	293,064	290,506	315,950	423,556
Economic Development	44,414	51,449	51,449	54,124
Transportation	1,150,966	1,253,886	1,068,905	1,275,227
Capital Outlay	2,049,678	612,417	550,529	1,755,113
Debt Service:				
Principal Retirement	642,621	650,295	694,161	716,973
Interest and Fiscal Charges	337,951	285,955	264,634	237,478
Current Refunding	147,000	0	0	0
<i>Total Expenditures</i>	<u>12,250,644</u>	<u>11,701,461</u>	<u>11,663,134</u>	<u>13,524,735</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>557,004</u>	<u>2,268,031</u>	<u>1,479,948</u>	<u>71,256</u>
Other Financing Sources (Uses):				
Refunding Bonds Issued	5,630,000	0	0	0
Proceeds from Sale of Capital Assets	0	0	0	9,735
Transfers In	3,330,421	2,806,611	3,234,442	3,361,173
Inception of Capital Lease	179,138	0	0	0
Premium on Debt Issued	402,706	0	0	0
Payment to Refunded Bond Escrow Agent	(5,938,729)	0	0	0
Transfers Out	(3,186,598)	(2,676,611)	(3,156,142)	(3,231,173)
<i>Total Other Financing Sources (Uses)</i>	<u>416,938</u>	<u>130,000</u>	<u>78,300</u>	<u>139,735</u>
<i>Prior Year Restatement of Fund Balance</i>	0	0	0	0
<i>Net Change in Fund Balances</i>	<u>\$973,942</u>	<u>\$2,398,031</u>	<u>\$1,558,248</u>	<u>\$210,991</u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	10.5%	8.7%	8.9%	8.5%

(1) Implementation of GASB 84 resulted in a fund balance restatement.

2016	2017	2018 (1)	2019	2020	2021
\$1,804,502	\$1,830,316	\$1,914,208	\$1,949,623	\$1,947,861	\$1,981,296
177,276	182,259	173,844	173,262	139,602	171,253
7,805,163	8,281,543	8,347,632	8,455,157	8,540,491	9,460,464
0	0	0	0	0	0
440,067	232,980	254,107	252,570	269,701	231,042
843,302	806,525	785,244	519,827	397,882	591,934
931,538	1,045,969	1,152,428	1,132,779	936,855	994,279
1,227,704	1,597,689	1,214,969	1,465,892	3,941,501	4,623,721
300,759	478,101	243,509	1,201,983	703,745	493,430
3,225	4,200	5,475	2,175	2,325	1,200
3,539	3,389	4,396	7,265	1,352	4,431
229,895	311,277	308,984	339,637	1,074,885	671,471
<u>13,766,970</u>	<u>14,774,248</u>	<u>14,404,796</u>	<u>15,500,170</u>	<u>17,956,200</u>	<u>19,224,521</u>
2,718,417	2,861,518	2,812,855	2,972,843	3,145,805	3,266,034
6,629,946	6,202,273	6,674,260	7,091,209	6,956,320	8,356,820
27,006	13,369	8,042	9,271	3,415	8,119
417,100	479,788	556,936	565,773	267,966	446,505
57,487	56,469	56,022	56,242	56,329	56,327
1,338,692	1,455,240	1,556,904	1,197,426	805,999	1,042,479
511,634	1,524,859	1,140,718	1,123,853	3,903,467	6,518,249
722,881	700,497	521,803	656,944	667,119	828,387
209,404	185,387	155,311	156,760	143,922	122,438
0	0	0	0	0	0
<u>12,632,567</u>	<u>13,479,400</u>	<u>13,482,851</u>	<u>13,830,321</u>	<u>15,950,342</u>	<u>20,645,358</u>
<u>1,134,403</u>	<u>1,294,848</u>	<u>921,945</u>	<u>1,669,849</u>	<u>2,005,858</u>	<u>(1,420,837)</u>
0	0	0	0	0	0
0	301,795	0	0	78,428	66,589
3,655,824	3,210,104	3,993,957	3,553,488	3,981,891	4,638,303
164,178	0	596,940	297,707	0	280,273
0	0	0	0	0	0
0	0	0	0	0	0
<u>(3,525,824)</u>	<u>(3,080,104)</u>	<u>(3,798,957)</u>	<u>(3,358,488)</u>	<u>(3,786,891)</u>	<u>(4,498,303)</u>
<u>294,178</u>	<u>431,795</u>	<u>791,940</u>	<u>492,707</u>	<u>273,428</u>	<u>486,862</u>
0	0	89,504	0	0	0
<u>\$1,428,581</u>	<u>\$1,726,643</u>	<u>\$1,803,389</u>	<u>\$2,162,556</u>	<u>\$2,279,286</u>	<u>(\$933,975)</u>
8.7%	7.8%	5.7%	6.8%	6.2%	6.8%

City of Franklin, Ohio
Income Tax Revenue by Payer Type
Last Ten Years

Year	Individual						Business Accounts		Total
	Withholding	Percentage of Total	Non-Withholding	Percentage of Total	Total Individual	Percentage of Total	Business Accounts	Percentage of Total	
2012	\$6,355,829	70%	\$998,773	11%	\$7,354,602	81%	\$1,725,153	19%	\$9,079,755
2013	5,258,669	65%	879,859	11%	6,138,528	76%	1,953,203	24%	8,091,731
2014	5,270,728	72%	859,745	12%	6,130,473	84%	1,158,847	16%	7,289,320
2015	5,642,638	75%	911,342	12%	6,553,980	87%	965,070	13%	7,519,050
2016	5,814,443	74%	897,829	11%	6,712,272	85%	1,173,898	15%	7,886,170
2017	5,762,265	70%	1,060,379	13%	6,822,644	83%	1,350,973	17%	8,173,617
2018	5,971,365	71%	1,042,071	13%	7,013,436	84%	1,382,554	16%	8,395,990
2019	6,272,664	73%	976,044	11%	7,248,708	84%	1,376,159	16%	8,624,867
2020	6,015,065	71%	944,901	11%	6,959,966	82%	1,519,980	18%	8,479,946
2021	6,360,060	69%	1,103,757	12%	7,463,817	81%	1,780,200	19%	9,244,017

Source: City Income Tax Department - Cash Basis

The income tax rate is 2% for all years presented.

City of Franklin, Ohio
Principal Income Taxpayers - Withholding Accounts
2021 and 2012

Range of Withholding Amount	2021		2012	
	Number of Withholding Accounts	Percentage of Total Withholding Revenue	Number of Withholding Accounts	Percentage of Total Withholding Revenue
\$100,001 - 300,000	9	27.99%	6	23.52%
\$55,001 - 100,000	9	8.39	7	19.20
Total	18	36.38	13	42.72
All Others	1,160	63.62	1,075	57.28
Total Withholding Accounts	1,178	100.00%	1,088	100.00%

Source: City Income Tax Department

Note: Due to confidentiality issues, the names of the 10 largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenues.

City of Franklin, Ohio
 Computation of All Direct and Overlapping Governmental Activities Debt
 December 31, 2021

Jurisdiction	Debt Outstanding	Percentage Applicable to the City of Franklin	Amount Applicable to the City of Franklin
Direct			
City of Franklin			
General Obligation Bonds	\$2,112,659	100.00%	\$2,112,659
Capital Leases	514,281	100.00	514,281
Total Direct Debt	<u>2,626,940</u>		<u>2,626,940</u>
Overlapping Subdivisions			
Warren County			
General Obligation Bonds	32,619,926	3.72	1,213,461
Special Assessment Bonds	1,547,978	3.72	57,585
OPWC Loan	646,228	3.72	24,040
Franklin City School District			
General Obligation Bonds	66,357,117	52.77	35,016,651
Energy Conservation Bonds	255,737	52.77	134,952
Carlisle Local School District			
General Obligation Bonds	19,825,000	0.11	21,808
Warren County Career Center			
Energy Conservation Notes	<u>2,098,952</u>	5.55	<u>116,492</u>
Total Overlapping Debt	<u>123,350,938</u>		<u>36,584,989</u>
Grand Total	<u><u>\$125,977,878</u></u>		<u><u>\$39,211,929</u></u>

Source: Ohio Municipal Advisory Council

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt, of each overlapping government.

City of Franklin, Ohio
Ratio of General Obligation Bonded Debt to Estimated
Actual Value and General Obligation Bonded Debt Per Capita
Last Ten Years

Collection Year	General Obligation Bonded Debt (1)	Estimated Actual Value of Taxable Property (2) (3)	Population (4)	Ratio of General Obligation Bonded Debt to Estimated Actual Value	General Obligation Bonded Debt Per Capita
2012	\$5,984,282	\$579,321,740	11,896	1.03%	\$503.05
2013	5,617,435	590,609,400	11,819	0.95%	475.29
2014	5,230,588	571,917,389	11,829	0.91%	442.18
2015	4,833,741	596,436,123	11,829	0.81%	408.63
2016	4,426,894	635,487,085	11,829	0.70%	374.24
2017	4,000,047	643,031,257	11,780	0.62%	339.56
2018	3,553,200	680,337,114	11,735	0.52%	302.79
2019	3,091,353	689,585,486	11,686	0.45%	264.53
2020	2,609,506	699,295,371	11,612	0.37%	224.72
2021	2,112,659	790,341,543	11,690	0.27%	180.72

(1) Includes all general obligation debt financed with general government resources

(2) Warren County Auditor

(3) Although the bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

(4) U.S. Census Bureau and the City of Franklin

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements

City of Franklin, Ohio
Ratio of Outstanding Debt by Type to
Total Personal Income and Debt Per Capita
Last Ten Years

Year	Governmental Activities				Business-Type Activities			
	General Obligation Bonds	Special Assessment Bonds	Notes Payable	Capital Leases	Mortgage Revenue Bonds	OWDA Loans	Notes Payable	Capital Leases
2012	\$5,984,282	\$1,507,000	\$137,500	\$179,138	\$3,944,265	\$2,598,675	\$445,000	\$0
2013	5,617,435	1,259,000	0	118,533	3,510,640	2,402,315	0	0
2014	5,230,588	985,000	0	60,134	3,062,015	2,193,717	0	0
2015	4,833,741	700,000	0	0	2,593,390	1,972,092	0	0
2016	4,426,894	415,000	0	108,214	2,104,765	1,736,598	0	0
2017	4,000,047	170,000	0	54,717	1,601,140	1,486,337	0	0
2018	3,553,200	125,000	0	596,940	1,072,515	1,220,352	0	0
2019	3,091,353	80,000	0	719,879	818,890	937,623	0	167,673
2020	2,609,506	40,000	0	550,029	555,265	637,302	0	128,621
2021	2,112,659	0	0	514,281	281,640	568,661	0	169,846

Sources:

- (1) U.S. Census Bureau and the City of Franklin
- (2) Per capita income multiplied by population

Total Outstanding Debt	Population (1)	Personal Income (2)	Ratio of Debt to Personal Income	Debt Per Capita
\$14,795,860	11,896	\$212,117,576	6.98	\$1,244
12,907,923	11,819	240,634,840	5.36	1,092
11,531,454	11,829	211,857,390	5.44	975
10,099,223	11,829	257,470,014	3.92	854
8,791,471	11,829	266,956,872	3.29	743
7,312,241	11,780	277,277,640	2.64	621
6,568,007	11,735	315,589,355	2.08	560
5,815,418	11,686	321,528,604	1.81	498
4,520,723	11,612	325,159,224	1.39	389
3,647,087	11,690	311,304,700	1.17	312

City of Franklin, Ohio
Computation of Legal Debt Margin
Last Ten Years

	2012	2013	2014	2015
Total Assessed Property Value	<u>\$209,515,900</u>	<u>\$206,713,290</u>	<u>\$218,280,760</u>	<u>\$221,549,310</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>21,999,170</u>	<u>21,704,895</u>	<u>22,919,480</u>	<u>23,262,678</u>
Debt Outstanding:				
General Obligation Bonds	5,595,000	5,255,000	4,895,000	4,525,000
Mortgage Revenue Bonds	3,905,000	3,475,000	3,030,000	2,565,000
Special Assessment Bonds	1,507,000	1,259,000	985,000	700,000
Bond Anticipation Notes	582,500	0	0	0
OWDA Loans	<u>2,598,675</u>	<u>2,402,315</u>	<u>2,193,717</u>	<u>1,972,092</u>
Total Gross Indebtedness	14,188,175	12,391,315	11,103,717	9,762,092
Less:				
Mortgage Revenue Bonds	(3,905,000)	(3,475,000)	(3,030,000)	(2,565,000)
Special Assessment Bonds	(1,507,000)	(1,259,000)	(985,000)	(700,000)
Bond Anticipation Notes	(445,000)	0	0	0
OWDA Loans	<u>(2,598,675)</u>	<u>(2,402,315)</u>	<u>(2,193,717)</u>	<u>(1,972,092)</u>
Total Net Debt Applicable to Debt Limit	<u>5,732,500</u>	<u>5,255,000</u>	<u>4,895,000</u>	<u>4,525,000</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$16,266,670</u>	<u>\$16,449,895</u>	<u>\$18,024,480</u>	<u>\$18,737,678</u>
Legal Debt Margin as a Percentage of the Debt Limit	73.94%	75.79%	78.64%	80.55%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$11,523,375</u>	<u>\$11,369,231</u>	<u>\$12,005,442</u>	<u>\$12,185,212</u>
Total Gross Indebtedness	14,188,175	12,391,315	11,103,717	9,762,092
Less:				
Mortgage Revenue Bonds	(3,905,000)	(3,475,000)	(3,030,000)	(2,565,000)
Special Assessment Bonds	(1,507,000)	(1,259,000)	(985,000)	(700,000)
Bond Anticipation Notes	(445,000)	0	0	0
OWDA Loans	<u>(2,598,675)</u>	<u>(2,402,315)</u>	<u>(2,193,717)</u>	<u>(1,972,092)</u>
Net Debt Within 5 ½ % Limitations	<u>5,732,500</u>	<u>5,255,000</u>	<u>4,895,000</u>	<u>4,525,000</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$5,790,875</u>	<u>\$6,114,231</u>	<u>\$7,110,442</u>	<u>\$7,660,212</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	50.25%	53.78%	59.23%	62.86%

Source: City Financial Records

2016	2017	2018	2019	2020	2021
<u>\$222,420,480</u>	<u>\$225,060,940</u>	<u>\$238,117,990</u>	<u>\$241,354,920</u>	<u>\$244,753,380</u>	<u>\$276,619,540</u>
<u>23,354,150</u>	<u>23,631,399</u>	<u>25,002,389</u>	<u>25,342,267</u>	<u>25,699,105</u>	<u>29,045,052</u>
4,145,000	3,745,000	3,325,000	2,890,000	2,435,000	1,965,000
2,080,000	1,580,000	1,055,000	805,000	545,000	275,000
415,000	170,000	125,000	80,000	40,000	0
0	0	0	0	0	0
<u>1,736,598</u>	<u>1,486,337</u>	<u>1,220,352</u>	<u>937,623</u>	<u>637,302</u>	<u>568,661</u>
8,376,598	6,981,337	5,725,352	4,712,623	3,657,302	2,808,661
(2,080,000)	(1,580,000)	(1,055,000)	(805,000)	(545,000)	(275,000)
(415,000)	(170,000)	(125,000)	(80,000)	(40,000)	0
0	0	0	0	0	0
<u>(1,736,598)</u>	<u>(1,486,337)</u>	<u>(1,220,352)</u>	<u>(937,623)</u>	<u>(637,302)</u>	<u>(568,661)</u>
<u>4,145,000</u>	<u>3,745,000</u>	<u>3,325,000</u>	<u>2,890,000</u>	<u>2,435,000</u>	<u>1,965,000</u>
<u>\$19,209,150</u>	<u>\$19,886,399</u>	<u>\$21,677,389</u>	<u>\$22,452,267</u>	<u>\$23,264,105</u>	<u>\$27,080,052</u>
82.25%	84.15%	86.70%	88.60%	90.52%	93.23%
<u>\$12,233,126</u>	<u>\$12,378,352</u>	<u>\$13,096,489</u>	<u>\$13,274,521</u>	<u>\$13,461,436</u>	<u>\$15,214,075</u>
8,376,598	6,981,337	5,725,352	4,712,623	3,657,302	2,808,661
(2,080,000)	(1,580,000)	(1,055,000)	(805,000)	(545,000)	(275,000)
(415,000)	(170,000)	(125,000)	(80,000)	(40,000)	0
0	0	0	0	0	0
<u>(1,736,598)</u>	<u>(1,486,337)</u>	<u>(1,220,352)</u>	<u>(937,623)</u>	<u>(637,302)</u>	<u>(568,661)</u>
<u>4,145,000</u>	<u>3,745,000</u>	<u>3,325,000</u>	<u>2,890,000</u>	<u>2,435,000</u>	<u>1,965,000</u>
<u>\$8,088,126</u>	<u>\$8,633,352</u>	<u>\$9,771,489</u>	<u>\$10,384,521</u>	<u>\$11,026,436</u>	<u>\$13,249,075</u>
66.12%	69.75%	74.61%	78.23%	81.91%	87.08%

City of Franklin, Ohio
Pledged Revenue Coverage
Last Ten Years

Year	Water Service Charges and Interest	Direct Operating Expenses (1)	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
2012	\$2,509,825	\$1,378,664	\$1,131,161	\$599,862	\$285,837	1.28
2013	2,527,385	1,389,393	1,137,992	626,360	355,972	1.16
2014	2,566,139	1,299,153	1,266,986	653,598	314,718	1.31
2015	2,628,095	1,342,448	1,285,647	686,625	260,782	1.36
2016	2,785,464	1,273,534	1,511,930	720,494	182,532	1.67
2017	2,673,351	1,256,630	1,416,721	750,261	153,112	1.57
2018	2,576,148	1,484,212	1,091,936	790,985	123,032	1.19
2019	2,601,786	1,477,058	1,124,728	532,729	90,711	1.80
2020	2,615,643	1,747,624	868,019	560,321	69,303	1.38
2021	3,122,947	1,276,210	1,846,737	338,641	46,614	4.79

(1) Direct operating expenses do not include depreciation expense.

City of Franklin, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (2)	Per Capita Income (3)	School Enrollment (4)	Unemployment Rate (5) Warren County
2012	11,896	\$212,117,576	\$17,831	3,038	6.3
2013	11,819	240,634,840	20,360	2,944	6.1
2014	11,829	211,857,390	17,910	3,071	4.4
2015	11,829	257,470,014	21,766	2,993	4.8
2016	11,829	266,956,872	22,568	2,862	4.5
2017	11,780	277,277,640	23,538	2,975	3.6
2018	11,735	315,589,355	26,893	3,000	3.9
2019	11,686	321,528,604	27,514	3,000	3.9
2020	11,612	325,159,224	28,002	3,000	3.9
2021	11,690	311,304,700	26,630	3,000	2.6

Sources: (1) U.S. Census Bureau and the City of Franklin
(2) Per capita income multiplied by population
(3) U.S. Department of Commerce, Bureau of the Census and Computation
based on change in Warren County
(4) Ohio Department of Education and Franklin City School District Treasurer
(5) Ohio Department of Job and Family Services, Office of Workforce Development

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City of Franklin, Ohio

Principal Employers

2021 and 2012

2021

Employer	Number of Employees	Rank	Percentage of Total Employment
Walmart Associates	590	1	4.52%
Burrows Paper Company	556	2	4.26
Franklin City School District	450	3	3.45
Faurecia	390	4	2.99
Minute Men	383	5	2.94
Valued Relations	284	6	2.18
Greenpoint Metals	207	7	1.59
Atlas Roofing	198	8	1.52
Kettering Health	190	9	1.46
Huhtamaki	185	10	1.42
Total	3,433		26.33
All Other Employers	9,614		73.67
Total Employment within the City	13,047		100.00%

2012

Employer	Number of Employees	Rank	Percentage of Total Employment
Franklin City School District	526	1	5.30%
Cox Media	404	2	4.07
CBS Personnel	367	3	3.70
Faurecia	348	4	3.51
Walmart Associates	300	5	3.02
Valued Relations	271	6	2.73
Patrick Staffing	218	7	2.20
Ferco Tech	187	8	1.88
J&A Management Company	180	9	1.81
City of Franklin	173	10	1.74
Total	2,974		29.96
All Other Employers	6,951		70.04
Total Employment within the City	9,925		100.00%

Source: City of Franklin Tax Department

City of Franklin, Ohio
City Government Employees by Function/Program
Last Ten Years

Function/Program	2012		2013		2014		2015	
	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All
General Government	19	26	19	25	21	26	22	26
Security of Persons and Property	38	63	38	81	38	92	36	88
Leisure Time Activities	2	58	2	49	2	50	2	57
Public Works	17	26	17	26	17	22	19	28
<i>Total Number of Employees</i>	<u>76</u>	<u>173</u>	<u>76</u>	<u>181</u>	<u>78</u>	<u>190</u>	<u>79</u>	<u>199</u>

Source: City Payroll Records

2016		2017		2018		2019		2020		2021	
Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All
24	29	21	25	22	31	22	32	22	32	26	30
34	75	37	77	39	83	42	85	48	88	47	81
2	54	2	55	2	59	2	54	2	3	2	49
18	23	19	24	19	25	22	29	22	26	19	24
<u>78</u>	<u>181</u>	<u>79</u>	<u>181</u>	<u>82</u>	<u>198</u>	<u>88</u>	<u>200</u>	<u>94</u>	<u>149</u>	<u>94</u>	<u>184</u>

City of Franklin, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2012	2013	2014	2015
General Government:				
Government Center	1	1	1	1
Security of Persons and Property:				
Number of Police Stations	1	1	1	1
Number of Fire/EMS Stations	1	1	1	1
Leisure Time Activities:				
Number of Parks	6	6	6	6
Number of Swimming Pools	1	1	1	1
Number of Libraries	1	1	1	1
Basic Utility Services:				
Miles of Water Mains	65	65	65	65
Miles of Sanitary Sewers	63.50	63.50	63.50	63.50
Water Treatment Facility	1	1	1	1
Transportation:				
Miles of Streets	109.00	109.00	109.00	109.34
Number of Street Lights	929	937	937	946

Source: City Capital Assets Records

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
6	6	6	6	6	6
1	1	1	1	1	1
1	1	1	1	1	1
65	65	65	65	65	65
63.50	63.50	63.50	63.50	63.50	63.50
1	1	1	1	1	1
109.34	109.34	109.34	109.34	109.34	109.34
946	946	946	947	947	947

City of Franklin, Ohio
 Operating Indicators by Function/Program
 Last Ten Years

Function/Program	2012	2013	2014	2015
General Government:				
Active Income Tax Accounts	7,454	7,683	8,133	7,786
Individual	5,508	5,759	6,019	5,943
Business	847	855	947	940
Withholding	1,099	1,069	1,167	903
Clerk of Courts:				
Traffic Court Cases	7,170	6,322	7,506	6,837
Civil Court Cases	626	524	551	543
Small Claims Court Cases	37	41	33	25
Security of Persons and Property:				
Police Calls	23,759	23,543	23,143	24,091
Physical Arrests	2,226	2,192	1,727	1,491
Citations	1,654	1,708	1,104	998

Source: Department reports

2016	2017	2018	2019	2020	2021
8,117	7,294	7,665	8,608	8,509	8,431
6,208	5,297	5,595	6,391	6,158	6,155
963	942	892	1,041	1,083	1,098
946	1,055	1,178	1,176	1,268	1,178
7,665	9,533	8,876	8,115	5,599	6,448
592	635	667	767	575	618
37	25	56	77	71	34
23,656	24,513	24,140	24,134	21,195	23,800
1,429	1,943	1,808	1,726	1,620	1,160
749	998	891	755	831	976

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF FRANKLIN

WARREN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 7/5/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov