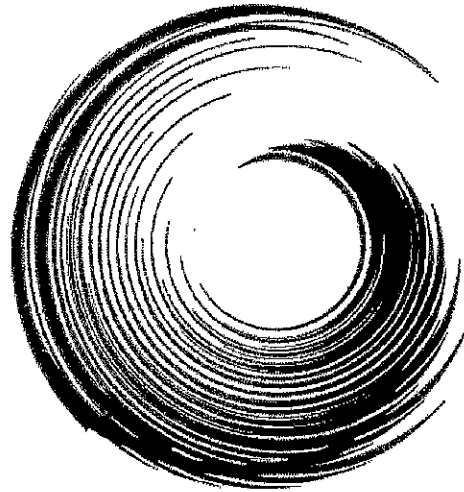


**FINANCIAL REPORT TO THE VILLAGE BOARD
FOR THE YEAR ENDING
DECEMBER 31, 2018 (unaudited)**



GRAFTON
QUALITY LIFE. NATURALLY.

The attached information is a summary of the General, Fire & Rescue and Enterprise (Water and Wastewater Utility) Funds.
Also included is a summary of cash balances and yield on investments.
For a review of other Funds or financial information please contact the Department of Administrative Services and a summary will be provided.

VILLAGE OF GRAFTON
GENERAL FUND REVENUES
Unaudited
Year-To-Date as of December 31, 2018

	Annual Budget	Year To Date	Percentage of Budget
Taxes	\$ 5,071,421	\$ 5,074,545	100.1%
Intergovernmental	1,319,819	1,323,730	100.3%
Licenses & Permits	406,005	463,105	114.1%
Fines & Forfeitures	124,550	108,308	87.0%
Charges for Services	589,239	632,341	107.3%
Intergovernmental Charges for Service	106,529	146,302	137.3%
Miscellaneous	374,417	455,715	121.7%
Other Financing Sources	60,513	62,181	102.8%
Total Revenues	\$ 8,052,493	\$ 8,266,227	102.7%

OVERVIEW

Final total revenues exceed the budget amount by \$180,069 or 2.2% mainly due to charges for Inspection Services to the Village of Saukville, permit related activity and the renegotiated ground lease with American Tower Corp.

TAXES

This category consists mainly of property tax collections. All three installments have been collected. Delinquent real property taxes were purchased by Ozaukee County in August.

INTERGOVERNMENTAL

This category consists mainly of state revenues; transportation and highway aids, state shared revenue program, expenditure restraint revenue and recycling grant. Aids received in January, April, July, November, and December.

LICENSES AND PERMITS

This category consists mostly of Inspection Department issued permits, liquor and operators licenses, dog and cat licenses, land use fees, etc. This category is mainly driven by development. Revenues for this category are 114.1% of the budget amount due to Inspection Department issued permits.

FINES AND FORFEITURES

This category is mainly for collections from the Mid-Moraine Municipal Court for Village issued citations and parking citations. Revenues for this category were 87.0% of the budget amount as Municipal Court revenue decreased.

CHARGES FOR SERVICES

This category is mainly for recycling fees, Planning Department charges, General Fund charges to other funds, engineering charges, park fees, etc. Revenues for this category are 107.3% of the budget amount due to charges for Assessing Records Maintenance, Engineering Fees to Other Funds, Senior Recreation Fees and General Fund Charges to Other Funds.

INTERGOVERNMENTAL CHARGES FOR SERVICE

This category is for charges received from the Village of Saukville for providing inspection services, the school districts for providing crossing guard services and the Fire Department for Dispatch Services. Due to higher than anticipated building activity in Saukville this category exceeded the budget amount.

MISCELLANEOUS

This category is mainly for PILOT payments, interest earnings, land/building rental. The PILOT payment is the main revenue source for this category and the payment is received annually in October. Revenues in this category are 121.7% of the budget amount due to a renegotiated ground lease (unbudgeted) and higher than anticipated interest income on investments.

OTHER FINANCING SOURCES

This category is for an annual charge to the Sewer Fund and interest earnings from the Woodlawn Cemetery Perpetual Care Fund. The Use of Applied Fund Balance is only applied for budgeting purposes and is not included in the analysis.

VILLAGE OF GRAFTON
 GENERAL FUND EXPENDITURES
 Unaudited
 Year-To-Date as of December 31, 2018

	Annual Budget	Year To Date	Percentage of Budget
General Government	\$ 974,734	\$ 967,076	99.2%
Public Safety	3,850,895	3,784,743	98.3%
Public Works	2,894,891	2,783,738	96.2%
Community Enrichment Services	503,927	503,791	100.0%
Conservation and Development	213,794	155,450	72.7%
Unallocated/Transfers to Other Funds	198,185	134,593	67.9%
Total Expenditures	\$ 8,636,226	\$ 8,329,391	96.4%

OVERVIEW

Year-to-date expenditures are 96.4% of budget mainly due to unused contingency funds as well as all program areas ending within budget.

GENERAL GOVERNMENT

This Program Area is at 99.2% of budget.

PUBLIC SAFETY

This Program Area is at 98.3% of budget. This is due mainly to staff changes and a .5 FTE position not being filled.

PUBLIC WORKS

This Program Area is at 96.2% of budget. This is due mainly to less than anticipated expenditures in various contracted services, street materials, and equipment repairs.

COMMUNITY ENRICHMENT SERVICES

This Program Area is at 100.0% of budget.

CONSERVATION AND DEVELOPMENT

This Program Area is at 72.7% of budget due to expenses related a proposed Business Park expensed to the Sundry account.

UNALLOCATED

This program area budget is mainly for Contingency and Wage Adjustment Reserve, support of the Aquatics Fund and Recreation Fund. No requests from Staff for Contingency transfers.

VILLAGE OF GRAFTON
 CHANGES IN GENERAL FUND FUND BALANCE
 Unaudited
 Year-To-Date as of December 31, 2018

Balance as of December 31, 2017	\$ 3,544,837
2018 Year-To-Date Revenues	8,266,227
2018 Year-To-Date Expenditures	<u>(8,329,391)</u>
Balance as of December 31, 2018	\$ 3,481,673

OVERVIEW

Fund balance increases from January - August due to tax collections and is drawn on September - December. Fund Balance decreased by \$96,829 for Fiscal Year 2018. This compares favorably to the budget amount of use of fund balance of \$583,733.

VILLAGE OF GRAFTON
 FIRE PROTECTION AND RESCUE FUND REVENUES
 Unaudited
 Year-To-Date as of December 31, 2018

	Annual Budget	Year To Date	Percentage of Budget
Property Taxes	\$ 614,060	\$ 614,060	100.0%
Intergovernmental Revenue	77,000	75,422	98.0%
Charges for Services	325,000	316,348	97.3%
Intergovernmental Charges for Services	218,000	216,966	99.5%
Miscellaneous	-	2,170	n/a
	\$ 1,234,060	\$ 1,224,966	99.3%

OVERVIEW

Final total revenues are 99.3% of budget.

PROPERTY TAXES

This revenue category is 100% of budget.

INTERGOVERNMENTAL REVENUE

This category is for 2% Fire Insurance Dues received from the State of Wisconsin. The Town of Grafton forwards their revenue to the Village per State law.

CHARGES FOR SERVICES

This revenue category is at 97.3% of budget amount.

INTERGOVERNMENTAL CHARGES FOR SERVICES

This revenue category is at 99.5% of budget amount. This reflects charges for services provided to the Town of Grafton by agreement. The 0.5% reflects the amount due to the Town primarily because expenses were less than the approved budget.

VILLAGE OF GRAFTON
 FIRE PROTECTION AND RESCUE FUND EXPENDITURES
 Unaudited
 Year-To-Date as of December 31, 2018

	Annual Budget	Year To Date	Percentage of Budget
Personnel	\$ 631,096	\$ 589,070	93.3%
Non-Personnel	627,722	627,981	100.0%
	\$ 1,258,818	\$ 1,217,051	96.7%

OVERVIEW

Total expenditures are 96.7% of budget. Personnel expenses are below budget (\$42,026) due to health insurance coverage not taken by eligible staff and part-time wages being below budget by \$17,515.

VILLAGE OF GRAFTON
WATER AND WASTEWATER UTILITY FUND REVENUES
Unaudited
Year-To-Date as of December 31, 2018

	Annual Budget	Year To Date	Percentage of Budget
Operating Revenue - Water	\$ 1,782,896	\$ 1,815,921	101.9%
Operating Revenue - Wastewater	2,848,352	2,726,623	95.7%
Non-Operating Revenue	323,857	223,933	69.1%
	<u>\$ 4,955,105</u>	<u>\$ 4,766,477</u>	<u>96.2%</u>

OVERVIEW

Operating Revenue - Water is at 101.9% of budget amount primarily due to the impact of the rate increase.

Operating Revenue - Sewer is at 95.7% of budget amount primarily due to the sewer rate increase implemented in December, 2018 and budgeted for September, 2018.

Non-Operating revenues are at 69.1% of budget due to capital contributions less than the budget amount by \$96,566.

VILLAGE OF GRAFTON
WATER AND WASTEWATER UTILITY FUND EXPENDITURES
Unaudited
Year-To-Date as of December 31, 2018

	Annual Budget	Year To Date	Percentage of Budget
Expenses - Water	\$ 1,837,605	\$ 1,722,214	93.7%
Expenses - Wastewater	2,627,901	2,437,772	92.8%
	<u>\$ 4,465,506</u>	<u>\$ 4,159,986</u>	<u>93.2%</u>

OVERVIEW

Expenses - Water is at 94.1% of budget amount due to savings from contractual expenses and maintenance in distribution and pumping and staff changes.

Expenses - Sewer is at 92.8% of budget amount due to savings from contractual expenses and maintenance in collection systems, lift station and general plant operations.

VILLAGE OF GRAFTON
CASH BALANCES

Year-To-Date as of December 31, 2018

General Fund	\$ 3,939,907
Special Revenue Funds (Committed)	1,987,753
Debt Service/Impact Fee (Committed)	855,662
Capital Projects/Equipment/TIDs (Committed)	2,028,126
Water and Wastewater Utility	4,284,220
	<u>\$ 13,095,668</u>

Village Total Portfolio

Y-T-D Yield
1.63%

OVERVIEW

The guidelines of the Village's Investment Policy allows investments based on legality, safety, liquidity, yield, and full investment of available funds.