



Village of Grafton Annual Report to the Citizens

For the year ending December 31, 2011

Grafton, Wisconsin

Performance Dashboard

The intent of the following table is to provide the residents of Grafton with some meaningful data on the performance of selected Village services. Three years of data history are provided with the Village’s target goal for the service. The color coded column on the far right of the table gives the reader with a quick indication of whether 2011 data reported met or exceeded the established goal. For current dashboard information, visit the Village’s website www.QualityLifeGrafton.com

Dashboard Key
Met or exceeded target
Within 10% of target
Not within 10% of target

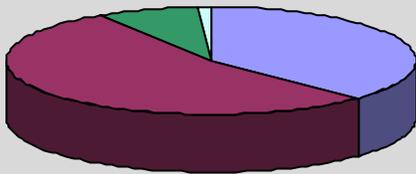
Category	2009 Actual	2010 Actual	2011 Actual	2011 Goal	2011 Status
Public Safety					
Accidents	262	271	317	325	Met or exceeded target
Violent crimes	31	24	25	30	Met or exceeded target
Property crimes	216	209	145	255	Met or exceeded target
Recovery of property stolen	62.8%	8.9%	40.0%	50.0%	Not within 10% of target
Citations issued	4,864	5,584	4,015	4,000	Met or exceeded target
Parks and Recreation					
Number of park shelter rentals	N/A	292	298	175	Met or exceeded target
Family Aquatic Center attendance	25,117	30,157	22,836	20,000	Met or exceeded target
Public Works					
Miles of streets maintained	52.39	52.65	52.95	52.10	Met or exceeded target
Crack sealing (square feet)	682,474	1,140,417	1,890,570	600,000	Met or exceeded target
Average street condition rating	6.6	6.6	6.6	6.2	Met or exceeded target
Percentage of residents rating street maintenance as excellent or good in community survey	N/A	N/A	76%	80%	Within 10% of target
Recycling recovery rate	31%	31%	31%	30%	Met or exceeded target
Village Management and Services					
Percentage of residents rating the performance of Village staff as excellent or good in the community survey	N/A	N/A	89%	80%	Met or exceeded target
Rate of return on investment	0.86%	0.83%	1.04%	1.00%	Met or exceeded target
Bond rating	A1	A1	Aa2	Aa2	Met or exceeded target

Residents give high marks for Village services.

In October, the Village received results of the 2011 community survey. This survey, which is conducted yearly, is an important tool for the Village in providing a snapshot of the thoughts and opinions of the Village residents. For complete survey results, visit the Village's website at www.QualityLifeGrafton.com

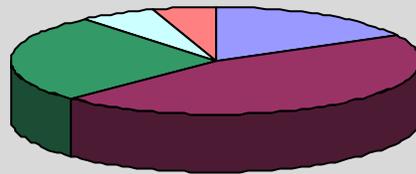


Performance Color Key



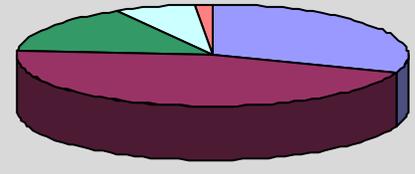
Quality of Life in Grafton

Excellent	37.2%
Good	53.7%
Average	7.9%
Fair	1.2%
Poor	0.0%



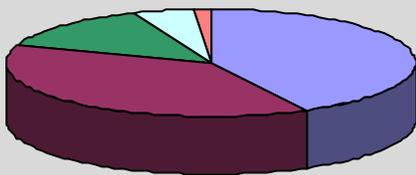
Effective Communication

Excellent	17.3%
Good	45.3%
Average	26.3%
Fair	6.2%
Poor	4.9%



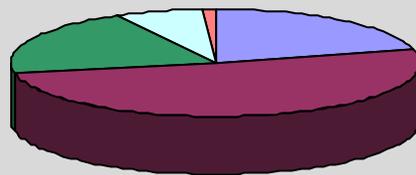
Public Works Services

Excellent	26.1%
Good	39.3%
Average	13.2%
Fair	5.6%
Poor	1.3%
Don't Know	14.5%



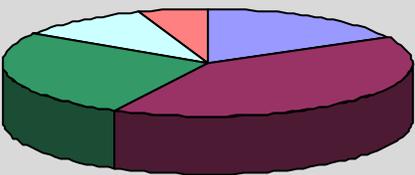
Police Services

Excellent	38.2%
Good	34.8%
Average	12.0%
Fair	4.3%
Poor	1.3%
Don't Know	9.4%



Recreation Programs

Excellent	15.9%
Good	39.1%
Average	15.5%
Fair	5.2%
Poor	0.9%
Don't Know	23.6%



Snow Plowing/Ice Control

Excellent	16.5%
Good	39.8%
Average	25.8%
Fair	10.2%
Poor	5.5%
Don't Know	2.1%

Who are the people in your neighborhood?

The Village of Grafton has continued to grow in population and industry. The growth has been consistent in the past ten years.

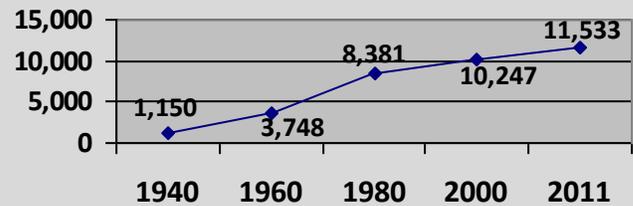
The Village's top 10 employers and top 10 taxpayers have changed with the addition of Aurora Medical Center.



2011 Estimated Demographics

Total population	11,533
Female population	51.46%
Male population	48.54%
Total housing units	5,109
Unemployment Rate	11.93%

Population growth 1940-2011



Race (2010)

White*	95.50%
Asian	1.80%
Two or More Races	1.00%
Black or African American	0.80%
Some Other Race	0.60%
American Indian and Alaska Native	0.30%
*Including Hispanic	2.30%

Major Employers (2011)

Aurora Medical Center	580
Pace Industries	430
Grafton School District	300
Calibre	250
Rexnord Corporation - Plastics Div	230
Kapco	215
Costco	175
Orion	155
Target	152
Kohl's Department Store	150

Largest Property Taxpayers (2011)

AMC Holding, LLC	\$24,246,100
JB Family Limited Partnership	20,217,500
Tillmann Corporation	18,546,900
Inland American Grafton Port Washington LLC	15,334,300
Costco	14,043,300
Grafton, LLC	10,586,500
Home Depot U.S.A. Inc.	8,990,300
Arrowhead Apartments LLC	8,740,200
Dayton Hudson Corp (Target)	8,269,400
Kohl's Department Store	7,451,200

Equalized

\$24,246,100
20,217,500
18,546,900
15,334,300
14,043,300
10,586,500
8,990,300
8,740,200
8,269,400
7,451,200

Financial Review of Fiscal Year 2011

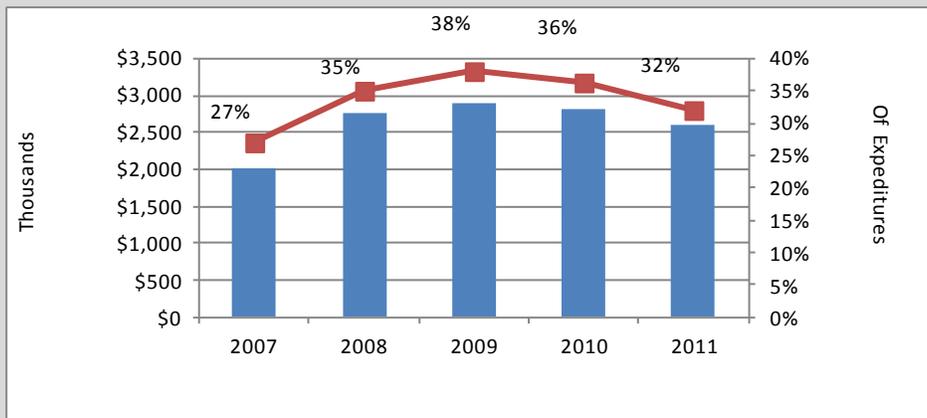
The financial review section features financial information adapted from the Village of Grafton Comprehensive Annual Financial Report (CAFR) for the fiscal year end December 31, 2011. The CAFR is produced by the Village’s Finance Department and contains detailed information regarding the Village’s financial performance. The CAFR is presented in accordance with generally accepted accounting principles and is audited by the firm of Baker Tilly Virchow Krause, LLP. A copy of the [complete CAFR](#) may be obtained from Village Hall or downloaded from the Village website.

The following presents the financial information for the Village in an easy-to-read and understand format. This information is un-audited and is presented on a non-GAAP basis. Non-GAAP means that the statements do not comply with generally accepted accounting principles and include summarizations and combinations of accounting data that would not be allowed by GAAP.

It is the Village’s goal to provide a means of communicating the financial operations of the Village in an easy to understand financial report. The focus of this section is on the funds of interest to most citizens: the General Fund and Enterprise Fund. The General Fund is the Village’s primary operating fund and accounts for revenues and expenditures that are not required to be accounted for in other funds. The Enterprise Fund accounts for the Water and Wastewater Utility. Enterprise Funds typically report operations which show a profit or loss similar to private businesses.

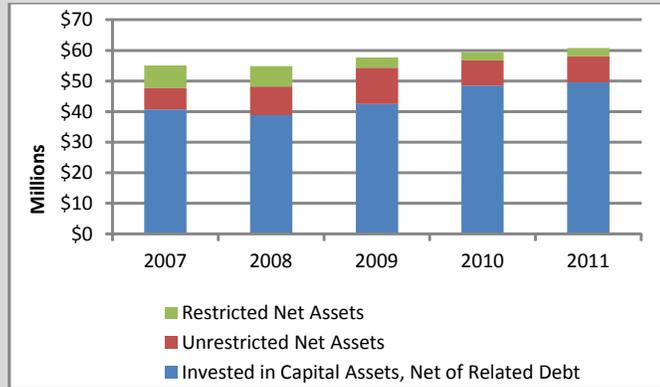
Fund Balance of the General Fund

Fund Balance is the difference between assets (what the Village owns) and liabilities (what the Village owes). At the end of fiscal year 2011 assigned and unassigned general fund balance (expendable available financial resources) was \$2,600,832 or 32 percent of 2011 expenditures. A key factor in the growth of fund balance was efforts by department heads to remain within their budget constraints and stronger than anticipated development-related revenues. The 2011 budget identified \$591,644 of applied fund balance to balance the budget. The actual use of fund balance in 2011 was \$218,857. The chart depicts a five-year history of the fund balance of the General Fund.



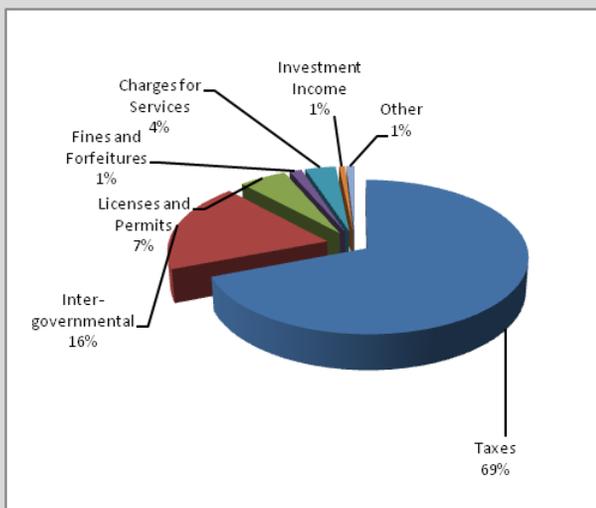
Net Assets

The total net assets of the Village are categorized by investment in capital assets (i.e. land, buildings, infrastructure, machinery and equipment), net of related debt used to acquire these assets still outstanding, restricted net assets (resources subject to external restrictions on how they may be used) and unrestricted net assets (may be used to meet the Village's ongoing obligations to citizens and creditors). The total net assets of the Village, as of December 31, 2011, totaled \$60,787,388. The largest portion (\$49,506,370 or 81 percent) is invested in capital assets. The Village's restricted net assets were \$2,740,885, and unrestricted net assets were 8,540,133.



General Fund Revenues

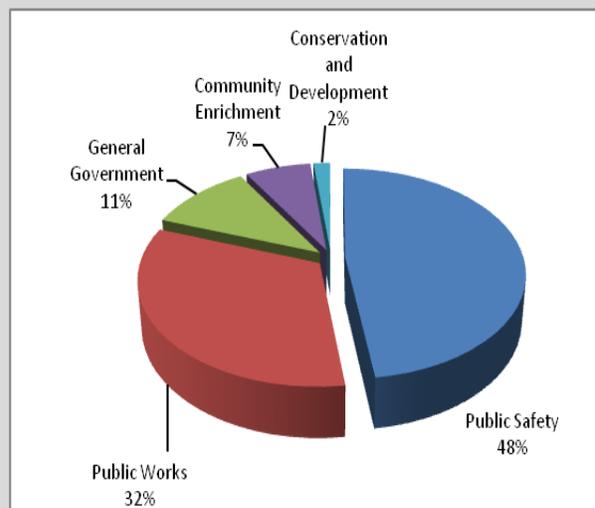
This chart depicts the General Fund revenues of the Village. Total General Fund revenues totaled \$7,747,919 in 2011.



As a percent of 2011 overall revenues, taxes decreased by 3 percent from 2010 levels. Licenses and permits in 2011 increased by 3 percent as compared to overall revenues.

General Fund Expenditures

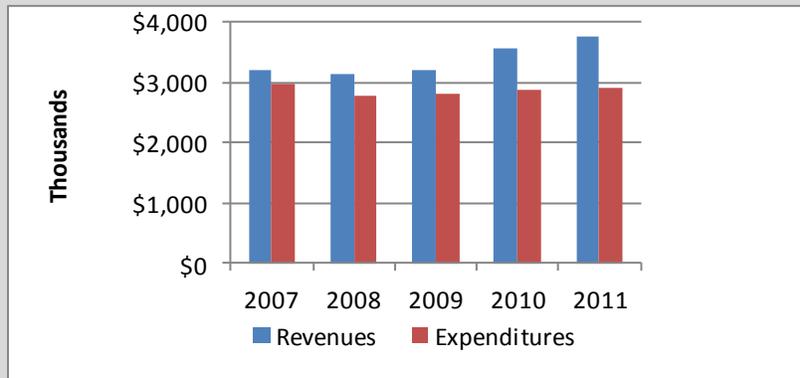
The following chart depicts the General Fund expenditures of the Village. Total General Fund expenditures totaled \$8,162,518 in 2011, an increase of 5 percent from 2010.



Public Safety and Public Works 2011 activities account for 80 percent of the General Fund expenditures.

Enterprise Fund

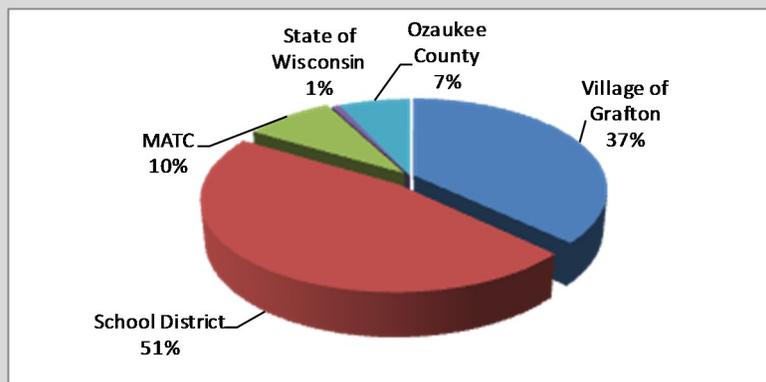
The Village's Water and Wastewater Utility has experienced steady financial growth over the last four years. The increase in general operating expenses in 2007, as shown on the graph, was due to a major system maintenance project. Rates were increased in December, 2009 resulting in an increase in operating revenues in 2010. The operating income of the utility in 2011 was \$855,136 as compared with an operating income of \$686,891 in 2010. The net assets of the utility are \$32,868,050, consisting mostly of water and wastewater plant infrastructure and facilities.



The above chart depicts a five year history of the operating revenues and expenditures of the Enterprise Fund.

Property Taxes

Property taxes are based on the assessed value of property and the tax levy of the tax districts located within the Village of Grafton. Besides Village taxes, a property owner also pays taxes to the State of Wisconsin, Ozaukee County, Milwaukee Area Technical College and either the Grafton School District or the Cedarburg School District depending on the location of the property.

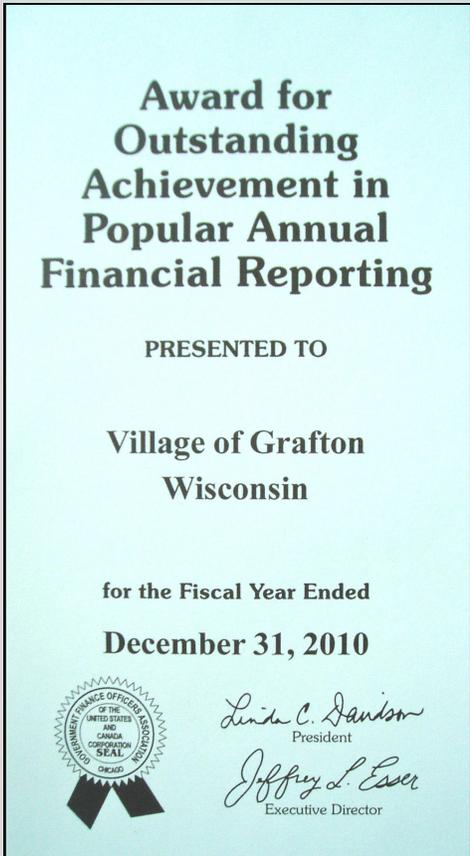


Approximately 37 percent of a property owner's tax bill stays in the Village with the remaining 63 percent transferred to another tax district (school, county, state, or technical college).

Residents receive Village Services at an affordable Price

In 2011, the average Village of Grafton property owner paid \$134.20 each month for non-utility services (based on assessed home value of \$250,000). The table below illustrates how this property tax amount is divided among various Village departments. There is no change from the \$134.20 for 2010.

Police protection	\$52.95
Public works and engineering	17.61
Debt service	13.00
General government and administrative services	9.86
Capital improvement projects	9.53
Library	8.62
Parks and recreation	8.46
Sanitation and recycling	6.95
Fire protection and emergency medical services	6.41
Community development	0.81
	\$134.20



The Government Finance Officers Association of the United States of Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the Village of Grafton for its Popular Annual Financial Report for the fiscal year ended December 31, 2010. The Award for outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for presentation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

