

VILLAGE OF HOBART, WISCONSIN
ANNUAL FINANCIAL REPORT
DECEMBER 31, 2008

VILLAGE OF HOBART, WISCONSIN
December 31, 2008

Table of Contents

	<u>Page No.</u>
INDEPENDENT AUDITORS' REPORT ON BASIC FINANCIAL STATEMENTS	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 8
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Assets	9
Statement of Activities	10 - 11
Fund Financial Statements	
Balance Sheet - Governmental Funds	12 - 13
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	14 - 15
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	16
Statement of Net Assets - Proprietary Funds	17
Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds	18
Statement of Cash Flows - Proprietary Funds	19
Notes to Basic Financial Statements	20 - 34
SUPPLEMENTAL INFORMATION	
General Fund	
Detailed Comparison of Budgeted and Actual Revenues	35 - 36
Detailed Comparison of Budgeted and Actual Expenditures	37

INDEPENDENT AUDITORS' REPORT ON BASIC FINANCIAL STATEMENTS

To the Village Board
Village of Hobart, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Hobart, Wisconsin ("the Village") as of and for the year ended December 31, 2008, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of Hobart's management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the 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 Village as of December 31, 2008, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2009, on our consideration of the Village'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis is not a required part the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The financial information listed in the table of contents as supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Schmude SC

Certified Public Accountants
Green Bay, Wisconsin
March 9, 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF HOBART

Management's Discussion and Analysis December 31, 2008

As management of the Village of Hobart, we offer readers of the Village's basic financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended December 31, 2008.

Financial Highlights

- The assets of the Village exceeded its liabilities as of December 31, 2008 by \$10,462,753 (*net assets*).
- The Village's total net assets increased by \$3,101,054 due mostly to the repayment of long-term debt and the receipt of a legal settlement.
- As of December 31, 2008, the Village's governmental funds reported combined ending fund balances of \$5,531,566, an increase of \$1,753,058 in comparison with the prior year. Approximately 48% of this total amount, \$2,638,001 is *available for spending* at the Village's discretion (*unreserved fund balance*).
- As of December 31, 2008, unreserved fund balance for the general fund was \$538,770, or approximately 21% of total general fund expenditures.
- The Village's total general-obligation debt decreased by \$741,858 during 2008.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains supplemental information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the Village's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The *statement of activities* presents information showing how the Village's net assets changed during the most recent year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Village include: general government, public safety, public works, culture and recreation, and conservation and development. The business-type activities of the Village include water and sewer and storm water utilities.

The government-wide financial statements can be found on pages 9 - 11 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the Village's near-term financing requirements.

It is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Village maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, debt service fund, development fund and capital projects fund which are all considered to be major funds.

The Village adopts an annual appropriated budget for its general and debt service funds. As part of the basic governmental fund financial statements, budgetary comparison statements have been provided for the general fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 12 - 16 of this report.

Proprietary funds. The Village maintains a single type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Village uses enterprise funds to account for its water, sewer and storm water utilities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer and storm water utilities funds, all of which are considered to be major funds of the Village.

The basic proprietary fund financial statements can be found on pages 17 - 19 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 20 - 34 of this report.

Other information. Supplemental schedules can be found on pages 35 - 37.

Government-wide Financial Analysis

Net assets. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$10,462,753 at the close of 2008.

Village of Hobart's Net Assets						
(in thousands of dollars)						
	Governmental Activities		Business-type Activities		Totals	
	2008	2007	2008	2007	2008	2007
Current and other assets	\$ 18,984	\$ 16,915	\$ 3,851	\$ 3,536	\$ 22,835	\$ 20,451
Capital assets	9,405	2,969	12,985	12,896	22,390	15,865
Total Assets	28,389	19,884	16,836	16,432	45,225	36,316
Long-term liabilities outstanding	12,155	6,947	8,465	8,792	20,620	15,739
Other liabilities	13,134	12,470	1,009	946	14,143	13,416
Total Liabilities	25,289	19,417	9,474	9,738	34,763	29,155
Net Assets						
Invested in capital assets, net of related debt	(2,750)	(3,978)	4,520	4,104	1,770	126
Restricted	2,894	2,025	-	-	2,894	2,025
Unrestricted	2,956	2,420	2,842	2,590	5,798	5,010
Total Net Assets	\$ 3,100	\$ 467	\$ 7,362	\$ 6,694	\$ 10,462	\$ 7,161

The Village reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, etc.), less any related debt used to acquire those assets that are still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although, the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. At December 31, 2008 the amount invested in capital assets net of related debt is negative because the Village has elected not to retroactively report its infrastructure assets.

An additional portion of the Village's net assets (28%) represents resources that are subject to external restrictions on how they may be used.

Change in net assets. Governmental activities increased the Village's net assets by \$2,432,121, thereby accounting for 79% of the total growth in net assets of the Village. Key elements of this increase are as follows:

Village of Hobart's Change in Net Assets						
(In thousands of dollars)						
	Governmental Activities		Business-type Activities		Totals	
	2008	2007	2008	2007	2008	2007
Revenues						
Program Revenues						
Charges for services	\$ 586	\$ 654	\$ 1,616	\$ 1,059	\$ 2,202	\$ 1,713
Operating grants and contributions	423	361	-	-	423	361
Capital grants and contributions	5	1	237	66	242	67
General Revenues						
Property taxes	2,141	2,092	324	324	2,465	2,416
Other taxes	2	30	-	-	2	30
Grants and contributions not restricted to specific programs	106	101	-	-	106	101
Other	2,499	433	41	143	2,540	576
Total Revenues	5,762	3,672	2,218	1,592	7,980	5,264
Expenses						
General government	1,116	863	-	-	1,116	863
Public safety	856	769	-	-	856	769
Public works	598	661	-	-	598	661
Culture and recreation	30	12	-	-	30	12
Conservation and development	217	95	-	-	217	95
Interest on long-term debt	617	356	-	-	617	356
Water utility	-	-	659	613	659	613
Sewer utility	-	-	654	640	654	640
Storm Water utility	-	-	133	133	133	133
Total Expenses	3,434	2,756	1,446	1,386	4,880	4,142
Increase in Net Assets Before Transfer	2,328	916	772	206	3,100	1,122
Transfers	104	107	(104)	(107)	-	-
Change in Net Assets	2,432	1,023	668	99	3,100	1,122
Prior Period Adjustment	201	-	-	-	201	-
Net Assets - January 1	467	(556)	6,694	6,595	7,161	6,039
Net Assets - December 31	\$ 3,100	\$ 467	\$ 7,362	\$ 6,694	\$ 10,462	\$ 7,161

Other revenues increased nearly \$2,000,000 due to the receipt of a legal settlement of \$1,950,000.

Financial Analysis of the Village's Funds

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Village's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Village's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of the Village's net resources available for spending at the end of the fiscal year.

As of December 31, 2008, the Village's governmental funds reported combined ending fund balances of \$5,531,566, an increase of \$1,735,058 in comparison with the prior year. Approximately 48% of this amount (\$2,638,001) constitutes *unreserved fund balance*, which is available for spending at the Village's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed for future debt service payments (\$2,893,565).

The general fund is the main operating fund of the Village. At the end of the current year, unreserved fund balance of the general fund was \$538,770. As a measure of the general fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 21% of total general fund expenditures.

The fund balance of the Village's general fund increased by \$17,161 during the current year as favorable revenue budget variances exceeded unfavorable expenditure budget variances.

The development fund special revenue fund was established during 2008 with the proceeds of nearly \$2,000,000 from a legal settlement.

The capital projects fund has a total fund balance of \$282,700 which represents unspent tax levy money carried over to 2009 for project spending.

The debt service fund has a total fund balance of \$2,893,565 all of which is reserved for future debt service payments and O'Hare Boulevard.

The fund balance of the debt service fund increased by \$868,556 during the current year due mostly to a transfer from the capital projects fund of \$797,594.

Proprietary funds. The Village's proprietary funds provide the same type of information found in the Village's government-wide financial statements, but in more detail.

Unrestricted net assets of the water utility enterprise fund at the end of the year amounted to \$1,672,535. The total increase in net assets during 2008 was \$28,610.

Unrestricted net assets of the sewer utility enterprise fund at the end of the year amounted to \$850,810. The total growth in net assets was \$316,771.

Unrestricted net assets of the storm water utility enterprise fund at the end of the year amounted to \$319,068. The total growth in net assets was \$323,552.

Other factors concerning the finances of these funds have already been addressed in the discussion of the Village's business-type activities.

Capital Asset and Debt Administration

Capital assets. The Village's investment in capital assets for its governmental and business-type activities as of December 31, 2008 amounts to \$22,390,769 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, and construction in progress. The total increase in the Village's investment in capital assets for the current year was \$6,525,769.

Village of Hobart's Capital Assets						
	Governmental Activities		Business-type Activities		Totals	
	2008	2007	2008	2007	2008	2007
Land	\$ 7,518,451	\$ 1,510,800	\$ 508,671	\$ 508,671	\$ 8,027,122	\$ 2,019,471
Buildings	1,029,724	1,014,589	263,031	263,031	1,292,755	1,277,620
Improvements other than buildings	-	-	13,208,672	12,960,864	13,208,672	12,960,864
Machinery and equipment	1,190,041	927,125	2,711,114	2,563,581	3,901,155	3,490,706
Infrastructure	806,290	479,318	-	-	806,290	479,318
Construction in progress	-	-	89,405	89,405	89,405	89,405
Less accumulated depreciation	(1,139,280)	(962,815)	(3,795,372)	(3,489,591)	(4,934,652)	(4,452,406)
Total	\$ 9,405,226	\$ 2,969,017	\$ 12,985,521	\$ 12,895,961	\$ 22,390,747	\$ 15,864,978

Long-term debt. At the end of the current fiscal year, the Village had total notes outstanding of \$20,620,653. Of this amount, \$4,823,325 comprises debt backed by the full faith and credit of the government, \$4,635,000 are revenue bond anticipation notes and \$7,930,000 are note anticipation notes which will be converted to general obligation debt at some future time, and \$3,232,328 is for interceptor costs being paid to the Green Bay Metropolitan Sewerage District.

Village of Hobart's Outstanding Debt General Obligation Debt and Notes Payable						
	Governmental Activities		Business-type Activities		Totals	
	2008	2007	2008	2007	2008	2007
General obligation notes	\$ 4,225,370	\$ 4,937,311	\$ 597,955	\$ 627,872	\$ 4,823,325	\$ 5,565,183
Bond anticipation notes	-	-	4,635,000	4,780,000	4,635,000	4,780,000
Note Anticipation Notes	7,930,000	2,010,000	-	-	7,930,000	2,010,000
Notes payable - Green Bay MSD	-	-	3,232,328	3,384,224	3,232,328	3,384,224
Total	\$ 12,155,370	\$ 6,947,311	\$ 8,465,283	\$ 8,792,096	\$ 20,620,653	\$ 15,739,407

The Village's total debt increased by \$4,881,246 (31%) during the current fiscal year.

State statutes limit the amount of general obligation debt the Village may issue to 5% of its total equalized valuation. The current debt limitation for the Village is \$31,551,880, which is significantly in excess of the Village's \$4,823,325 in outstanding general obligation debt. It should be noted, however, that the Village must reserve a portion of its borrowing capacity for the \$7,930,000 of anticipation notes which will be converted to general obligation debt at some time in the future.

Contacting the Village's Financial Management

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the Village's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Village Administrator, 2990 S. Pine Tree Road, Oneida, Wisconsin 54155.

BASIC FINANCIAL STATEMENTS

VILLAGE OF HOBART, WISCONSIN
Statement of Net Assets
December 31, 2008

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 7,224,613	\$ 2,283,480	\$ 9,508,093
Receivables			
Taxes	10,741,463	-	10,741,463
Accounts	-	200,007	200,007
Special assessments	635,109	339,835	974,944
Other receivables (due from tax roll)	217,585	825,441	1,043,026
Due from other governments	72,894	-	72,894
Deferred charges	92,705	202,490	295,195
Capital assets, nondepreciable			
Property held for future use	-	508,671	508,671
Land	7,518,451	-	7,518,451
Construction in progress	-	89,405	89,405
Capital assets, depreciable			
Land improvements	-	13,208,672	13,208,672
Buildings and improvements	1,029,724	263,031	1,292,755
Machinery and equipment	1,190,041	2,711,114	3,901,155
Infrastructure	806,290	-	806,290
Less: Accumulated depreciation	(1,139,280)	(3,795,372)	(4,934,652)
TOTAL ASSETS	28,389,595	16,836,774	45,226,369
LIABILITIES			
Accounts payable	251,481	94,086	345,567
Accrued and other current liabilities	47,792	2,755	50,547
Accrued interest payable	409,134	129,723	538,857
Due to other governments	9,516,797	-	9,516,797
Unearned revenues	2,908,919	782,276	3,691,195
Long-term obligations			
Due within one year	670,656	168,444	839,100
Due in more than one year	11,484,714	8,296,839	19,781,553
TOTAL LIABILITIES	25,289,493	9,474,123	34,763,616
NET ASSETS			
Invested in capital assets, net of related debt	(2,750,144)	4,520,238	1,770,094
Restricted for			
Debt service	2,893,565	-	2,893,565
Unrestricted	2,956,681	2,842,413	5,799,094
TOTAL NET ASSETS	\$ 3,100,102	\$ 7,362,651	\$ 10,462,753

The notes to the basic financial statements are an integral part of this statement.

VILLAGE OF HOBART, WISCONSIN
Statement of Activities
For the Year Ended December 31, 2008

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 1,115,624	\$ 223,901	\$ -	\$ -
Public safety	856,368	102,549	36,996	5,125
Public works	598,413	248,957	386,278	-
Culture and recreation	29,786	4,580	-	-
Conservation and development	217,228	5,744	243	-
Interest on debt	617,230	-	-	-
Total Governmental Activities	3,434,649	585,731	423,517	5,125
Business-type Activities				
Water utility	658,748	576,105	-	133,749
Sewer utility	653,868	583,917	-	103,614
Storm water utility	132,449	456,001	-	-
Total Business-type Activities	1,445,065	1,616,023	-	237,363
Total	\$ 4,879,714	\$ 2,201,754	\$ 423,517	\$ 242,488

General revenues

Taxes

 Property taxes, levied for general purposes

 Property taxes, levied for debt service

 Property taxes, levied for capital projects

 Other taxes

Federal and state grants and other contributions
not restricted to specific functions

Interest and investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

Change in net assets

Prior period adjustment

Net assets - January 1

Net assets - December 31

The notes to the basic financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-type Activities	Total

\$ (891,723)	\$ -	\$ (891,723)
(711,698)	-	(711,698)
36,822	-	36,822
(25,206)	-	(25,206)
(211,241)	-	(211,241)
(617,230)	-	(617,230)
<u>(2,420,276)</u>	<u>-</u>	<u>(2,420,276)</u>

-	51,106	51,106
-	33,663	33,663
-	323,552	323,552
<u>-</u>	<u>408,321</u>	<u>408,321</u>

<u>(2,420,276)</u>	<u>408,321</u>	<u>(2,011,955)</u>
--------------------	----------------	--------------------

876,680	-	876,680
923,941	324,228	1,248,169
340,343	-	340,343
2,087	-	2,087

105,879	-	105,879
270,039	37,006	307,045
2,229,016	3,790	2,232,806
104,412	(104,412)	-
<u>4,852,397</u>	<u>260,612</u>	<u>5,113,009</u>

2,432,121	668,933	3,101,054
-----------	---------	-----------

200,940	-	200,940
---------	---	---------

<u>467,041</u>	<u>6,693,718</u>	<u>7,160,759</u>
----------------	------------------	------------------

<u>\$ 3,100,102</u>	<u>\$ 7,362,651</u>	<u>\$ 10,462,753</u>
---------------------	---------------------	----------------------

VILLAGE OF HOBART, WISCONSIN

Balance Sheet
Governmental Funds
December 31, 2008

	General	Debt Service	Development	Capital Projects	Total Governmental Funds
ASSETS					
Cash and investments	\$ 2,254,402	\$ 2,893,565	\$ 1,862,732	\$ 213,914	\$ 7,224,613
Receivables					
Taxes	8,896,731	709,719	-	582,450	10,188,900
Delinquent taxes and special assessments	552,563	-	-	-	552,563
Special assessments	-	635,109	-	-	635,109
Other	217,585	-	-	-	217,585
Due from other governments	-	-	-	72,894	72,894
TOTAL ASSETS	\$ 11,921,281	\$ 4,238,393	\$ 1,862,732	\$ 869,258	\$ 18,891,664
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 201,172	\$ -	\$ 46,201	\$ 4,108	\$ 251,481
Accrued payroll liabilities	47,792	-	-	-	47,792
Due to other governmental units	9,516,797	-	-	-	9,516,797
Deferred revenue	1,616,750	1,344,828	-	582,450	3,544,028
Total Liabilities	11,382,511	1,344,828	46,201	586,558	13,360,098
Fund Balances					
Reserved for					
Retirement of long-term debt	-	2,893,565	-	-	2,893,565
Unreserved					
Designated for subsequent year expenditures	-	-	-	282,700	282,700
Undesignated, reported in					
General fund	538,770	-	-	-	538,770
Special revenue funds	-	-	1,816,531	-	1,816,531
Total Fund Balances	538,770	2,893,565	1,816,531	282,700	5,531,566
TOTAL LIABILITIES AND FUND BALANCES	\$ 11,921,281	\$ 4,238,393	\$ 1,862,732	\$ 869,258	\$ 18,891,664

(Continued)

VILLAGE OF HOBART, WISCONSIN
Balance Sheet (Continued)
Governmental Funds
December 31, 2008

Reconciliation to the Statement of Net Assets

Total Fund Balances as shown on previous page		\$ 5,531,566
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		9,405,226
Some liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds.		
Notes payable	\$(12,155,370)	
Deferred charges - bond issue costs	92,705	
Accrued interest on long-term obligations	<u>(409,134)</u>	(12,471,799)
Other long-term assets are not available to pay current period expenditures and, therefore, are deferred in the funds.		
Special assessments		<u>635,109</u>
Net Assets of Governmental Activities as Reported on the Statement of Net Assets (see page 9)		<u><u>\$ 3,100,102</u></u>

The notes to the basic financial statements are an integral part of this statement.

VILLAGE OF HOBART, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2008

	General	Debt Service	Development	Capital Projects	Total Governmental Funds
Revenues					
Taxes	\$ 878,767	\$ 923,941	\$ -	\$ 340,343	\$ 2,143,051
Special assessments	-	146,579	-	-	146,579
Intergovernmental	619,754	-	-	72,894	692,648
Licenses and permits	150,683	-	-	-	150,683
Fines and forfeits	55,032	-	-	-	55,032
Public charges for services	269,945	-	-	-	269,945
Other	458,524	42,474	1,950,000	-	2,450,998
Total Revenues	2,432,705	1,112,994	1,950,000	413,237	5,908,936
Expenditures					
Current					
General government	1,103,328	-	-	-	1,103,328
Public safety	797,719	-	-	-	797,719
Public works	517,652	-	-	-	517,652
Conservation and development	101,257	-	-	-	101,257
Debt service					
Principal	-	711,941	-	2,010,000	2,721,941
Interest and fiscal charges	-	330,091	-	-	330,091
Capital outlay	-	-	133,469	6,502,833	6,636,302
Total Expenditures	2,519,956	1,042,032	133,469	8,512,833	12,208,290
Excess of Revenues Over (Under) Expenditures	(87,251)	70,962	1,816,531	(8,099,596)	(6,299,354)
Other Financing Sources (Uses)					
Long-term debt issued	-	-	-	7,930,000	7,930,000
Transfers in	104,412	797,594	-	-	902,006
Transfers out	-	-	-	(797,594)	(797,594)
Total Other Financing Sources (Uses)	104,412	797,594	-	7,132,406	8,034,412
Net Change in Fund Balances	17,161	868,556	1,816,531	(967,190)	1,735,058
Fund Balances - January 1	521,609	2,025,009	-	1,249,890	3,796,508
Fund Balances - December 31	\$ 538,770	\$ 2,893,565	\$ 1,816,531	\$ 282,700	\$ 5,531,566

(Continued)

VILLAGE OF HOBART, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Governmental Funds
Year Ended December 31, 2008

Reconciliation to the Statement of Activities

Net Change in Fund Balances as shown on previous page \$ 1,735,058

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital assets reported as capital outlay in governmental fund statements	6,371,674
Depreciation expense reported in the statement of activities	(136,405)

The issuance of long-term debt provides current financial resources to the governmental funds. Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net assets and does not affect the statement of activities.

Principal paid on long-term debt	2,721,941
Long-term debt issued	(7,930,000)

Interest payments on outstanding debt are reported in the governmental funds as an expenditure when paid, in the statement of activities interest is reported as it accrues.	(262,635)
--	-----------

Revenues reported in the fund statement that were earned in a prior year are not recognized as revenues in the statement of activities.	(146,578)
---	-----------

Bond issuance costs are reported in the governmental funds as an expenditure. In the statement of activities, these costs are capitalized and amortized over the life of the bonds.	79,066
---	--------

Change in Net Assets of Governmental Activities as Reported in the Statement of Activities (see pages 10 - 11)	\$ 2,432,121
--	--------------

The notes to the basic financial statements are an integral part of this statement.

VILLAGE OF HOBART, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
Year Ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 850,195	\$ 850,195	\$ 878,767	\$ 28,572
Intergovernmental	551,620	551,620	619,754	68,134
Licenses and permits	98,595	98,595	150,683	52,088
Fines and forfeits	35,000	35,000	55,032	20,032
Public charges for services	265,112	265,112	269,945	4,833
Other general government	225,000	225,000	458,524	233,524
Total Revenues	2,025,522	2,025,522	2,432,705	407,183
Expenditures				
General government	769,779	769,779	1,103,328	(333,549)
Public safety	753,121	753,121	797,719	(44,598)
Public works	567,798	567,798	517,652	50,146
Conservation and development	39,225	39,225	101,257	(62,032)
Total Expenditures	2,129,923	2,129,923	2,519,956	(390,033)
Excess of Revenues Over (Under) Expenditures	(104,401)	(104,401)	(87,251)	17,150
Other Financing Sources				
Transfers in	104,401	104,401	104,412	11
Net Change in Fund Balance	-	-	17,161	17,161
Fund Balance - January 1	521,609	521,609	521,609	-
Fund Balance - December 31	\$ 521,609	\$ 521,609	\$ 538,770	\$ 17,161

The notes to the basic financial statements are an integral part of this statement.

VILLAGE OF HOBART, WISCONSIN

Statement of Net Assets

Proprietary Funds

December 31, 2008

	Water Utility	Sewer Utility	Storm Water Utility	Total
ASSETS				
Current assets				
Cash and investments	\$ 1,264,701	\$ 702,053	\$ 316,726	\$ 2,283,480
Accounts receivable	77,750	122,257	-	200,007
Other receivables	78,419	288,974	458,048	825,441
Total Current Assets	1,420,870	1,113,284	774,774	3,308,928
Noncurrent assets				
Capital assets, nondepreciable				
Construction in progress	89,405	-	-	89,405
Property held for future use	-	508,671	-	508,671
Capital assets, depreciable				
Structure and improvements	263,031	-	-	263,031
Improvements other than buildings	7,606,999	5,553,371	48,302	13,208,672
Equipment	273,495	2,437,619	-	2,711,114
Less: Accumulated depreciation	(1,425,840)	(2,367,720)	(1,812)	(3,795,372)
Total Capital Assets, Net of Accumulated Depreciation	6,807,090	6,131,941	46,490	12,985,521
Other Assets				
Special assessments	132,379	89,575	-	221,954
Special assessments deferred	115,188	-	2,693	117,881
Unamortized debt discount and expense	165,809	36,681	-	202,490
Total Noncurrent Assets	7,220,466	6,258,197	49,183	13,527,846
TOTAL ASSETS	8,641,336	7,371,481	823,957	16,836,774
LIABILITIES				
Current Liabilities				
Accounts payable	79,255	14,831	-	94,086
Accrued expenses	1,368	1,036	351	2,755
Accrued interest	20,888	108,835	-	129,723
Deferred revenue	60,200	264,028	458,048	782,276
Noncurrent				
Due within one year	-	168,444	-	168,444
Due in more than one year	4,198,846	4,097,993	-	8,296,839
TOTAL LIABILITIES	4,360,557	4,655,167	458,399	9,474,123
NET ASSETS				
Invested in capital assets, net of related debt	2,608,244	1,865,504	46,490	4,520,238
Unrestricted	1,672,535	850,810	319,068	2,842,413
TOTAL NET ASSETS	\$ 4,280,779	\$ 2,716,314	\$ 365,558	\$ 7,362,651

The notes to the basic financial statements are an integral part of this statement.

VILLAGE OF HOBART, WISCONSIN
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
Year Ended December 31, 2008

	Water Utility	Sewer Utility	Storm Water Utility	Total
Operating Revenues				
Charges for Services				
Metered sales				
Residential	\$ 309,524	\$ 404,600	\$ -	\$ 714,124
Commercial	31,195	54,577	-	85,772
Industrial	-	112,536	-	112,536
Public authority	2,483	5,724	-	8,207
Private fire protection	7,392	-	-	7,392
Public fire protection	208,754	-	-	208,754
Total Charges for Services	559,348	577,437	-	1,136,785
Other Operating Revenues				
Inspection fees	755	990	-	1,745
Water testing	50	-	-	50
Well operation permits	5,775	-	-	5,775
Other operating revenues	10,177	6,480	456,001	472,658
Total Other Operating Revenues	16,757	7,470	456,001	480,228
Total Operating Revenues	576,105	584,907	456,001	1,617,013
Operating Expenses				
Operation and Maintenance				
Purchased water	48,734	-	-	48,734
Power for pumping	31,798	4,566	-	36,364
Operation labor	93,741	42,307	10,981	147,029
Treatment charges	-	161,731	-	161,731
Chemicals	10,753	-	-	10,753
Maintenance of plant	8,953	31,486	100,613	141,052
Operation supplies and expense	11,561	9,594	1,187	22,342
Administrative and general salaries	26,601	18,356	10,441	55,398
Office supplies and expense	10,450	896	-	11,346
Outside services	47,264	12,307	663	60,234
Employee pensions and benefits	31,044	23,369	5,706	60,119
Insurance expense	2,000	1,000	-	3,000
Transportation expense	-	-	200	200
Miscellaneous general expenses	915	-	-	915
Total Operation and Maintenance	323,814	305,612	129,791	759,217
Depreciation	151,732	162,541	1,208	315,481
Taxes	5,187	5,229	1,450	11,866
Total Operating Expenses	480,733	473,382	132,449	1,086,564
Operating Income	95,372	111,525	323,552	530,449
Nonoperating Revenues (Expenses)				
Interest income	21,716	15,290	-	37,006
Property taxes	60,200	264,028	-	324,228
Hook-up fees	-	2,800	-	2,800
Amortization of debt issuance costs	(7,405)	(2,343)	-	(9,748)
Interest and fiscal charges	(170,610)	(178,143)	-	(348,753)
Total Nonoperating Revenues (Expenses)	(96,099)	101,632	-	5,533
Income Before Contributions and Transfers	(727)	213,157	323,552	535,982
Capital contributions	133,749	103,614	-	237,363
Transfers out	(104,412)	-	-	(104,412)
Change in Net Assets	28,610	316,771	323,552	668,933
Net Assets - January 1	4,252,169	2,399,543	42,006	6,693,718
Net Assets - December 31	\$ 4,280,779	\$ 2,716,314	\$ 365,558	\$ 7,362,651

The notes to the basic financial statements are an integral part of this statement.

VILLAGE OF HOBART, WISCONSIN

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2008

	Water Utility	Sewer Utility	Storm Water Utility	Total
Cash Flows from Operating Activities				
Cash received from user charges	\$ 565,291	\$ 553,692	\$ 453,333	\$ 1,572,316
Cash payments to suppliers	(135,564)	(228,129)	(108,380)	(472,073)
Cash payments to employees	(120,973)	(90,120)	(28,227)	(239,320)
Net Cash Provided by Operating Activities	308,754	235,443	316,726	860,923
Cash Flows from Non-Capital Financing Activities				
Paid to municipality for tax equivalent	(104,412)	-	-	(104,412)
Cash Flows from Capital and Related Financing Activities				
Acquisition of capital assets	(257,507)	(147,533)	-	(405,040)
General property taxes	60,200	264,028	-	324,228
Proceeds of long-term debt	4,198,846	436,154	-	4,635,000
Issuance cost on new long-term debt	(82,516)	(8,571)	-	(91,087)
Principal payments on long-term debt	(4,349,986)	(611,827)	-	(4,961,813)
Interest payments on long-term debt	(164,402)	(184,077)	-	(348,479)
Hook up fees	-	2,800	-	2,800
Contributions from property owners	294,618	127,480	-	422,098
Net Cash Provided (Used) by Capital and Related Financing Activities	(300,747)	(121,546)	-	(422,293)
Cash Flows from Investing Activities				
Interest on investments	21,716	15,290	-	37,006
Net Increase (Decrease) in Cash and Cash Equivalents	(74,689)	129,187	316,726	371,224
Cash and Cash Equivalents - Beginning of Year	1,339,390	572,866	-	1,912,256
Cash and Cash Equivalents - End of Year	\$ 1,264,701	\$ 702,053	\$ 316,726	\$ 2,283,480
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating income	\$ 95,372	\$ 111,525	\$ 323,552	\$ 530,449
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	151,732	162,541	1,208	315,481
Depreciation allocation for meters	4,196	(4,196)	-	-
Changes in assets and liabilities				
Accounts receivable	(2,756)	(19,719)	-	(22,475)
Other receivables	(8,058)	(11,496)	126,943	107,389
Accounts payable	71,001	(1,370)	(5,717)	63,914
Accrued expenses	(2,733)	(1,842)	351	(4,224)
Due to other funds	-	-	(129,611)	(129,611)
Net Cash Provided by Operating Activities	\$ 308,754	\$ 235,443	\$ 316,726	\$ 860,923

The notes to the basic financial statements are an integral part of this statement.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2008

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Village of Hobart, Wisconsin ("the Village") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Village are described below:

1. Reporting Entity

The Village of Hobart is a municipal corporation governed by an elected five member board. In accordance with GAAP, the basic financial statements are required to include the Village (the primary government) and any separate component units that have a significant operational or financial relationship with the Village. The Village has not identified any component units that are required to be included in the basic financial statements in accordance with standards established by GASB Statement Nos. 14 and 39.

2. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Village. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise funds. The Village has no internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

GENERAL FUND

This is the Village's main operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

DEBT SERVICE FUND

This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

DEVELOPMENT FUND

This fund accounts for the resources accumulated and payment made for the development of the centennial centre project.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2008

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

CAPITAL PROJECTS FUND

This fund accounts for all major capital expenditures of the Village, other than those accounted for in the enterprise funds.

The Village reports the following major enterprise funds:

WATER UTILITY FUND

This fund accounts for the operations of the Village's water utility.

SEWER UTILITY FUND

This fund accounts for the operations of the Village's sewer utility.

STORM WATER UTILITY

This fund accounts for the operations of the Village's storm water utility.

3. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, other fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

Certain private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following certain subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Village has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the Village's water and sewer functions and various other functions of the Village. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2008

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, and fees and fines, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources, as they are needed.

4. Assets, Liabilities and Net Assets or Equity

a. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

b. Accounts Receivable

Accounts receivable are recorded at gross amount with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

c. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the financial statements.

The amount reported on the statement of net assets for internal balances represents the residual balance outstanding between the governmental and business-type activities.

d. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The Village has not reported infrastructure assets acquired or constructed prior to 2004.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2008

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital assets of the Village are depreciated using the straight-line method over the following estimated useful lives:

	Governmental Activities	Business-type Activities
	Years	
<u>Assets</u>		
Buildings	40	25 - 50
Land improvements	20	-
Improvements other than buildings	-	25 - 100
Machinery and equipment	4 - 20	3 - 10
Infrastructure	30	N/A

e. Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period or for resources that have been received, but not yet recognizable.

f. Long-term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

g. Fund Equity

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

GOVERNMENT-WIDE AND PROPRIETARY FUND STATEMENTS

Equity is classified as net assets and displayed in three components:

- Invested in capital assets, net of related debt - Amount of capital assets, net of accumulated depreciation, less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2008

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Restricted net assets - Amount of net assets that are subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- Unrestricted net assets - Net assets that are neither classified as restricted nor as invested in capital assets, net of related debt.

5. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally 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 could differ from those estimates.

NOTE B - STEWARDSHIP AND COMPLIANCE

1. Budgets and Budgetary Accounting

The Village follows these procedures in establishing the budgetary data reflected in the basic financial statements:

- a. During October, Village management submits to the Village Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by Village Board action.
- b. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general and debt service funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
- c. During the year, formal budgetary integration is employed as a management control device for the general and debt service funds. Management control for the capital projects funds is achieved through project authorizations included in debt issue resolutions.
- d. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the Village. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the Village Board.
- e. Encumbrance accounting is not used by the Village to record commitments related to unperformed contracts for goods or services.

The Village did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2008.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2008

NOTE C - DETAILED NOTES ON ALL FUNDS

1. Cash and Investments

The Village maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed in the financial statements as "Cash and investments."

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the Village's cash and investments totaled \$9,508,093 on December 31, 2008 as summarized below:

Deposits with financial institutions	\$ 5,543,215
Investments	
Negotiable certificates of deposit	2,015,017
Wisconsin local government investment pool	1,949,861
	\$ 9,508,093

Reconciliation to the basic financial statements:

Basic financial statements	
Cash and investments	\$ 9,508,093

Deposits and investments of the Village are subject to various risks. Presented below is a discussion of the specific risks and the Village's policy related to the risk.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The Village does not have an additional custodial credit policy.

Deposits with financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 per official custodian through December 31, 2009. In addition, the Village's non-interest bearing transaction accounts are fully insured under the Temporary Liquidity Guarantee Program through December 31, 2009. On January 1, 2010, the coverage limit for all accounts will return to \$100,000 for interest bearing accounts and \$100,000 for non-interest bearing accounts. In addition, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

As of December 31, 2008, \$4,922,394 of the Village's deposits with financial institutions were in excess of federal depository insurance limits and uncollateralized.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2008

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

On December 31, 2008, the Village held negotiable certificates of deposit of \$2,015,017 of which the underlying securities are held by the investment's counterparty, not in the name of the Village.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The Village does not have an additional credit risk policy. Presented below is the actual rating as of year end for each investment type.

Investment Type	Amount	Exempt From Disclosure	AAA	Aa	Not Rated
Wisconsin local government investment pool	\$ 1,949,861	\$ -	\$ -	\$ -	\$ 1,949,861

Concentration of Credit Risk

The investment policy of the Village contains no limitations on the amount that can be invested in any one issuer.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Information about the sensitivity of the fair values of the Village's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Village's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Negotiable CD's	\$ 2,015,017	\$ 2,015,017	\$ -	\$ -	\$ -
Wisconsin local government investment pool	1,949,861	1,949,861	-	-	-
	<u>\$ 3,964,878</u>	<u>\$ 3,964,878</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Investment in Wisconsin Local Government Investment Pool

The Village has investments in the Wisconsin local government investment pool of \$1,949,861 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2008, the fair value of the Village's share of the LGIP's assets was substantially equal to the carrying value.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2008

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Investments in the Wisconsin Local Government Investment Pool are covered under a surety bond issued by Financial Security Assurance, Inc., which is in effect through February 15, 2009. The bond insures against losses arising from principal defaults on substantially all types of securities acquired by the pool. The bond provides unlimited coverage on principal losses, reduced by any FDIC, State of Wisconsin Guarantee Fund insurance, and income on the investment during the calendar quarter a loss occurs.

2. Property Taxes

Property taxes consist of taxes on real estate and personal property. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by January 31 are purchased by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the Village.

The Village bills its own property taxes and also levies taxes for the Pulaski School District, West De Pere School District, Brown County, Northeast Wisconsin Technical Collage and the State of Wisconsin. Brown County has assumed tax collection responsibilities for the Village.

3. Capital Assets

Capital asset activity for the year ended December 31, 2008 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,510,800	\$ 6,007,651	\$ -	\$ 7,518,451
Capital assets, being depreciated:				
Buildings and improvements	1,014,589	15,135	-	1,029,724
Machinery and equipment	141,545	7,195	-	148,740
Vehicles	1,055,780	14,721	29,200	1,041,301
Infrastructure	479,318	326,972	-	806,290
Subtotals	2,691,232	364,023	29,200	3,026,055
Less accumulated depreciation for:				
Buildings and improvements	459,753	26,115	-	485,868
Machinery and equipment	46,835	14,635	-	61,470
Vehicles	503,293	68,778	29,200	542,871
Infrastructure	22,194	26,877	-	49,071
Subtotals	1,032,075	136,405	29,200	1,139,280
Total capital assets, being depreciated, net	1,659,157	227,618	-	1,886,775
Governmental activities capital assets, net	<u>\$ 3,169,957</u>	<u>\$ 6,235,269</u>	<u>\$ -</u>	9,405,226
Less related long-term debt outstanding				<u>12,155,370</u>
Invested in capital assets, net of related debt				<u>\$ (2,750,144)</u>

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2008

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 89,405	\$ -	\$ -	\$ 89,405
Property held for future use	508,671	-	-	508,671
Subtotals	598,076	-	-	598,076
Capital assets, being depreciated:				
Buildings	263,031	-	-	263,031
Improvements other than buildings	12,960,864	257,508	9,700	13,208,672
Machinery and equipment	2,563,581	147,533	-	2,711,114
Subtotals	15,787,476	405,041	9,700	16,182,817
Less accumulated depreciation for:				
Water utility	1,279,612	155,928	9,700	1,425,840
Sewer utility	2,209,375	158,345	-	2,367,720
Storm water utility	604	1,208	-	1,812
Subtotals	3,489,591	315,481	9,700	3,795,372
Total capital assets, being depreciated, net	12,297,885	89,560	-	12,387,445
Business-type activities capital assets, net	\$ 12,895,961	\$ 89,560	\$ -	12,985,521
Less related long-term debt outstanding				8,465,283
Invested in capital assets, net of related debt				\$ 4,520,238
Depreciation expense was charged to functions of the Village as follows:				
Governmental activities				
General government				\$ 12,296
Public safety				57,936
Public works				62,297
Conservation and development				3,876
Total depreciation expense - governmental activities				\$ 136,405
Business-type activities				
Water utility				\$ 155,928
Sewer utility				158,345
Storm water utility				1,208
Total depreciation expense - business-type activities				\$ 315,481

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2008

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

4. Interfund Receivable, Payables, and Transfers

Interfund transfers for the year ended December 31, 2008 were as follows:

	Transfer to:	
	General Fund	Debt Service
Transfers from:		
Capital Projects	\$ -	\$ 797,594
Water utility enterprise fund	104,412	-
Totals	<u>\$ 104,412</u>	<u>\$ 797,594</u>

The transfers for 2008 relate to the utility payment in lieu of taxes made by the utilities to the Village's general fund and the transfer to capital projects for Village capital outlay.

5. Deferred Revenues

Governmental activities and governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. Governmental funds also report deferred revenue in connection with receivables for resources that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue were as follows:

	Unavailable	Unearned
Subsequent year tax levy receivable		
General fund	\$ -	\$ 1,616,750
Debt service fund	-	709,719
Capital projects fund	-	582,450
Special assessments		
Debt service fund	635,109	-
Totals	<u>\$ 635,109</u>	<u>\$ 2,908,919</u>

Special assessments are generally collectible in annual installments.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2008

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

6. Long-term Obligations

The following is a summary of changes in long-term obligations of the Village for the year ended December 31, 2008:

	Outstanding 1/1/08	Issued	Retired	Outstanding 12/31/08	Due Within One Year
Governmental activities:					
General Obligation Debt					
Notes	\$ 4,937,311	\$ -	\$ 711,941	\$ 4,225,370	\$ 670,656
Taxable note anticipation note	2,010,000	7,930,000	2,010,000	7,930,000	-
Governmental activities					
Long-term obligations	<u>\$ 6,947,311</u>	<u>\$ 7,930,000</u>	<u>\$ 2,721,941</u>	<u>\$ 12,155,370</u>	<u>\$ 670,656</u>
Business-type activities:					
General Obligation Debt					
Notes	\$ 627,872	\$ -	\$ 29,917	\$ 597,955	\$ 10,703
Bond anticipation notes	4,780,000	4,635,000	4,780,000	4,635,000	-
Notes payable - Green Bay MSD	3,384,224	-	151,896	3,232,328	157,741
Business-type activities					
Long-term obligations	<u>\$ 8,792,096</u>	<u>\$ 4,635,000</u>	<u>\$ 4,961,813</u>	<u>\$ 8,465,283</u>	<u>\$ 168,444</u>

Total interest paid during the year on long-term debt totaled \$673,093.

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

Notes

\$1,185,000 issued 6/1/02; \$125,000 to \$140,000 due annually through 2011; interest 4.4% to 4.8%	\$ 395,000
\$1,085,000 issued 3/1/02; \$100,000 to \$110,000 due annually through 2011; interest 3.75% to 4.4%	315,000
\$2,635,000 issued 11/15/02; \$155,000 to \$265,000 due annually through 2013; interest 3.1% to 4.0%	1,020,000
\$1,125,000 issued 7/15/03; \$90,000 to \$115,000 due annually through 2016; interest 3.75% to 3.8%	805,000
\$1,340,000 issued 12/15/03; \$120,000 to \$225,000 due annually through 2014; interest 4.7% to 5.6%	1,015,000
\$212,065 issued 9/2/02; \$34,273 due in 2009; interest 4.6%	34,273
\$627,526 issued 2005; \$10,702 to \$525,573 due annually through 2015, interest 4.75%	597,955
\$159,241 issued 2006; \$33,883 due in 2009 and \$36,214 due in 2010; interest 6.88%	70,097
\$176,000 issued 8/04/06; \$12,500 to \$34,625 due annually through 2013; interest 5.2%	151,000
\$420,000 issued 4/1/07; \$40,000 to \$100,000 due annually beginning in 2012 through 2017; interest 4.15%	420,000
Total Outstanding General Obligation Debt	<u><u>\$ 4,823,325</u></u>

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2008

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Annual principal and interest maturities of the outstanding general obligation debt of \$4,823,325 on December 31, 2008 are detailed below:

Year Ended December 31	Governmental Activities		Business-type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$ 670,656	\$ 177,241	\$ 10,703	\$ 28,797	\$ 681,359	\$ 206,038
2010	695,839	146,492	11,218	28,282	707,057	174,774
2011	719,625	113,936	11,758	27,742	731,383	141,678
2012	654,625	85,138	12,250	27,250	666,875	112,388
2013	639,625	56,855	12,915	26,585	652,540	83,440
2014-2017	845,000	53,648	539,111	42,745	1,384,111	96,393
	<u>\$ 4,225,370</u>	<u>\$ 633,310</u>	<u>\$ 597,955</u>	<u>\$ 181,401</u>	<u>\$ 4,823,325</u>	<u>\$ 814,711</u>

Legal Margin for New Debt

The Village's legal margin for creation of additional general obligation debt on December 31, 2008 was \$29,622,120 as follows:

Equalized valuation of the Village		\$631,037,600
Statutory limitation percentage		<u>(x) 5%</u>
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		31,551,880
Total outstanding general obligation debt applicable to debt limitation	\$ 4,823,325	
Less: Amounts available for financing general obligation debt		
Debt service fund	<u>2,893,565</u>	
Net outstanding general obligation debt applicable to debt limitation		<u>1,929,760</u>
Legal Margin for New Debt		<u>\$ 29,622,120</u>

The Village has outstanding \$7,930,000 in taxable note anticipation notes (NANs). Although the outstanding NANs are not included in the calculation of the legal debt margin, the Village is required to reserve its legal debt margin for the amount of the outstanding NANs.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2008

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Notes Payable - Green Bay Metropolitan Sewage District

Notes Payable - Green Bay Metropolitan Sewage District outstanding on December 31, 2008 totaled \$3,232,328 and were comprised of the following issues:

\$187,713 issued 1982 for interceptor construction; \$6,257 due annually through 2011; non-interest bearing	\$ 18,771
\$135,545 issued 1992 for interceptor construction; \$4,674 due annually through 2020; non-interest bearing	56,087
\$1,697,786 issued 1999 for interceptor construction; \$68,256 to \$113,506 due annually through 2022; interest 2.64% to 5%	1,247,229
\$2,151,581 issued 2005 for interceptor construction; \$78,554 to \$154,069 due annually through 2025; interest 5.00%	1,910,241
Total Notes Payable - Green Bay MSD	<u>\$ 3,232,328</u>

Annual principal and interest payments of the above outstanding notes payable on December 31, 2008 are shown below:

	Business-type Activities	
	Principal	Interest
2009	\$ 157,741	\$ 131,940
2010	163,831	125,850
2011	170,175	119,506
2012	170,528	112,895
2013	177,416	106,008
2014-2018	1,000,930	416,188
2019-2023	1,089,921	195,120
2024-2025	301,786	19,602
	<u>\$ 3,232,328</u>	<u>\$ 1,227,109</u>

Bond Anticipation Notes

Bond anticipation notes outstanding at December 31, 2008 totaled \$4,635,000 and were comprised of the following issue:

\$4,635,000 issued 12/01/08; \$4,635,000 due in 2013; interest 4.0%	<u>\$ 4,635,000</u>
---	----------------------------

Annual principal and interest maturities of the above outstanding bond anticipation notes of \$4,635,000 on December 31, 2008 are shown below:

Year Ended December 31	Business-type Activities	
	Principal	Interest
2009	\$ -	\$ 193,640
2010	-	185,400
2011	-	185,400
2012	-	185,400
2013	4,635,000	92,700
	<u>\$ 4,635,000</u>	<u>\$ 842,540</u>

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2008

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Taxable Note Anticipation Notes

Taxable note anticipation notes outstanding at December 31, 2008 totaled \$7,930,000 and were comprised of the following issues:

\$1,110,000 issued 1/17/08; \$1,110,000 due in 2012; interest 3.4%	\$ 1,110,000
\$6,820,000 issued 1/17/08; \$6,820,000 due in 2012; interest 4.9%	6,820,000
Total Taxable Note Anticipation Notes	\$ 7,930,000

Annual principal and interest maturities of the above outstanding taxable note anticipation notes of \$7,930,000 on December 31, 2007 are shown below:

Year Ended December 31	Governmental Activities	
	Principal	Interest
2009	\$ -	\$ 619,867
2010	-	371,920
2011	-	371,920
2012	7,930,000	185,960
	\$ 7,930,000	\$ 1,549,667

NOTE D - OTHER INFORMATION

1. Retirement Commitments

All eligible Village employees participate in the Wisconsin Retirement System (WRS), a cost-sharing multiple-employer, defined benefit, public employee retirement system. All permanent employees expected to work over 600 hours a year (440 hours for teachers) are eligible to participate in the WRS. Covered employees in the General category are required by statute to 6.0% of their salary (3.0% for Executives and Elected Officials, 5.1% for Protective Occupations with Social Security, and 3.4% for Protective Occupations without Social Security) to the plan. Employers may make these contributions to the plan on behalf of employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for Village employees covered by the WRS for the year ended December 31, 2008 was \$718,643; the employer's total payroll was \$781,248. The total required contribution for the year ended December 31, 2008 was \$86,724, which consisted of \$45,707, or 6.36% of covered payroll from the employer and \$41,017, or 5.71% of covered payroll from employees. The required contribution for employees for the year ended December 31, 2008 was financed by the Village. Total contributions for the years ending December 31, 2007 and 2006 were \$71,800 and \$60,879 respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. Final average earnings is the average of the employee's three highest year's earnings. Employees terminating covered employment and submitting application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 or after April 24, 1998 are immediately vested.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2008

NOTE D - OTHER INFORMATION (Continued)

The WRS also provides death and disability benefits for employees. Eligibility and the amount of all benefits are determined under Chapter 40 of Wisconsin Statutes. The WRS issues an annual financial report which may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

2. Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The Village completes an annual review of its insurance coverage to ensure adequate coverage.

3. Property Tax Levy Limit

Wisconsin Act 25, effective July 27, 2005, imposed a limit on the property tax levies for all Wisconsin cities, villages, towns and counties for a two-year period. Wisconsin State Budget bill SB40 continues the limit on the property tax levies through 2009. The budget bill limits the increase in the maximum allowable tax levy to the greater of the percentage change in the Village January 1 equalized value as a result of net new construction or 3.86% in the 2008 budget and 2.0% in the 2009 budget. The actual limit for the Village for the 2009 budget was 2.662%. The levy limit is applied to both operations and debt service. However, the Act allows the limit to be increased for debt service authorized prior to July 1, 2005 and in certain other situations.

4. Contingencies

From time to time, the Village is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village's financial position or results of operations.

5. Prior Period Adjustment

In 2008, the Village discovered two unrecorded capital assets that were purchased in prior years but not included in capital assets on the government-wide statement of net assets in the governmental activities. The two assets are a 2002 fire truck that was leased to own and the 2007 plow equipment. The following adjustments were made to machinery and equipment, accumulated depreciation and net assets:

	Machinery and Equipment	Vehicles	Accumulated Depreciation Machinery and Equipment	Accumulated Depreciation Vehicles	Net Assets
Balance 12/31/07	\$ 82,545	\$ 844,580	\$ (40,935)	\$ (439,933)	\$ 467,041
2007 plow equipment	59,000	-	(5,900)	-	53,100
2002 fire truck	-	211,200	-	(63,360)	147,840
Adjusted 1/1/08 balance	<u>\$ 141,545</u>	<u>\$ 1,055,780</u>	<u>\$ (46,835)</u>	<u>\$ (503,293)</u>	<u>\$ 667,981</u>

SUPPLEMENTAL INFORMATION

VILLAGE OF HOBART, WISCONSIN
General Fund
Detailed Comparison of Budgeted and Actual Revenues
Year Ended December 31, 2008
With Comparative Actual Amounts for Year Ended December 31, 2007

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)	Prior Year Actual
Taxes				
General property	\$ 848,680	\$ 876,680	\$ 28,000	\$ 617,748
Managed forest crop tax	15	411	396	49
County culvert reimbursement	-	-	-	20,743
Payment in lieu of taxes	1,500	1,504	4	1,459
Interest on taxes	-	-	-	6,199
Use value penalty	-	172	172	1,212
Total Taxes	850,195	878,767	28,572	647,410
Intergovernmental				
Federal aids				
Police grant	-	19,015	19,015	-
State aids				
Shared taxes	98,917	98,918	1	98,918
Fire insurance	19,277	17,981	(1,296)	19,277
Fire department grant	-	-	-	8,645
Transportation	280,155	279,632	(523)	280,471
Smart Growth Grant	-	-	-	24,000
Exempt computer aid	2,500	6,961	4,461	2,562
Gypsy moth grant	-	243	243	718
Forest crop	-	-	-	12
Recycling	24,912	33,751	8,839	27,680
Local aids				
Reimbursements from the Town of Lawrence	125,859	163,253	37,394	117,287
Total Intergovernmental	551,620	619,754	68,134	579,570
Licenses and Permits				
Quarry permits	2,475	4,910	2,435	4,105
Liquor and malt beverages	2,570	2,490	(80)	2,480
Operators license	1,000	920	(80)	980
Cigarette license	150	100	(50)	150
Dog license	1,927	1,091	(836)	1,174
Cable TV franchise fees	26,500	53,182	26,682	26,424
Building permits and associated fees	26,250	42,574	16,324	30,366
Site review permits	450	670	220	635
Park fee/building permits	4,000	1,400	(2,600)	3,000
Park developer fees	6,000	4,344	(1,656)	5,297
Rent-park/hall/shelter	4,000	4,580	580	3,900
Rent-land and tower	19,573	35,847	16,274	25,389
Zoning permits	3,700	(1,425)	(5,125)	8,200
Total Licenses and Permits	98,595	150,683	52,088	112,100

(Continued)

VILLAGE OF HOBART, WISCONSIN

General Fund

Detailed Comparison of Budgeted and Actual Revenues (Continued)

Year Ended December 31, 2008

With Comparative Actual Amounts for Year Ended December 31, 2007

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)	Prior Year Actual
Fines and Forfeits				
Court fines and penalties	35,000	55,032	20,032	33,411
Public Charges for Services				
General government	3,000	4,335	1,335	3,310
Garbage collection	203,787	199,019	(4,768)	198,738
Police liaison fees	-	16,653	16,653	-
Street lighting	57,125	48,832	(8,293)	78,926
Fire calls	-	-	-	2,100
Bins and bags	1,200	1,106	(94)	1,696
Total Public Charges for Services	265,112	269,945	4,833	284,770
Other General Government				
Reimbursements	-	223,387	223,387	164
Interest	225,000	227,565	2,565	339,854
Donations	-	5,125	5,125	1,142
Sale of village property	-	1,050	1,050	327
Other general government	-	1,397	1,397	17,957
Total Other General Government	225,000	458,524	233,524	359,444
Total Revenues	\$ 2,025,522	\$ 2,432,705	\$ 407,183	\$ 2,016,705

VILLAGE OF HOBART, WISCONSIN
General Fund
Detailed Comparison of Budgeted and Actual Expenditures
Year Ended December 31, 2008
With Comparative Actual Amounts for Year Ended December 31, 2007

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)	Prior Year Actual
General Government				
Board	\$ 58,355	\$ 53,787	\$ 4,568	\$ 51,987
Municipal court	46,945	50,450	(3,505)	42,583
Legal	250,000	609,230	(359,230)	292,975
Administrator	92,936	74,879	18,057	104,472
Clerk	68,435	57,119	11,316	56,144
General government	64,193	77,418	(13,225)	79,704
Secretary	18,851	5,984	12,867	9,127
Elections	8,742	7,209	1,533	4,168
Audit and other accounting	3,600	6,315	(2,715)	3,600
Treasurer	38,315	46,467	(8,152)	33,759
Uncollected taxes and refunds	-	1,670	(1,670)	298
Assessor	25,600	25,542	58	24,999
General building and equipment	47,074	51,243	(4,169)	42,687
General insurance	46,733	36,015	10,718	41,541
Total General Government	769,779	1,103,328	(333,549)	788,044
Public Safety				
Police department	345,577	391,334	(45,757)	298,053
Animal control	2,854	2,646	208	1,824
Fire department	284,265	285,046	(781)	298,796
Building inspection	73,404	75,506	(2,102)	70,409
Ambulance	40,021	40,021	-	39,045
First responders	7,000	3,166	3,834	2,426
Total Public Safety	753,121	797,719	(44,598)	710,553
Public Works				
Highway administration	104,206	124,188	(19,982)	91,828
Highway maintenance and construction	205,000	151,063	53,937	173,250
Street lighting	80,137	47,314	32,823	61,493
Garbage collection	115,659	124,399	(8,740)	108,244
Recycling	62,796	70,688	(7,892)	59,110
Total Public Works	567,798	517,652	50,146	493,925
Conservation and Development				
Parks	8,200	25,210	(17,010)	11,602
Economic development	12,000	54,037	(42,037)	16,392
Gypsy moth grant	-	2,094	(2,094)	1,457
Planning	17,100	19,916	(2,816)	10,554
Zoning	1,925	-	1,925	-
Total Conservation and Development	39,225	101,257	(62,032)	40,005
Total Expenditures	\$ 2,129,923	\$ 2,519,956	\$ (390,033)	\$ 2,032,527