

VILLAGE OF HOBART, WISCONSIN
ANNUAL FINANCIAL REPORT
DECEMBER 31, 2009

VILLAGE OF HOBART, WISCONSIN

December 31, 2009

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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, 2009, 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, 2009, 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 February 22, 2010, 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.



Certified Public Accountants
Green Bay, Wisconsin
February 22, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF HOBART

Management's Discussion and Analysis December 31, 2009

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, 2009.

Financial Highlights

- The assets of the Village exceeded its liabilities as of December 31, 2009 by \$10,709,740 (*net assets*).
- The Village's total net assets decreased by \$881,073 due mostly to the loss on the sale of land for development in the TIF.
- As of December 31, 2009, the Village's governmental funds reported combined ending fund balances of \$16,056,834, an increase of \$10,525,268 in comparison with the prior year. Approximately 45% of this total amount, \$7,143,161 is *available for spending* at the Village's discretion (*unreserved fund balance*).
- As of December 31, 2009, unreserved fund balance for the general fund was \$497,855, or approximately 22% of total general fund expenditures.
- The Village's total general-obligation debt increased by \$844,141 during 2009.

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 \$10,709,740 at the close of 2009.

Village of Hobart's Net Assets						
(in thousands of dollars)						
	Governmental Activities		Business-type Activities		Totals	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 30,473	\$ 18,984	\$ 3,895	\$ 3,851	\$ 34,368	\$ 22,835
Capital assets	9,005	9,405	14,935	12,985	23,940	22,390
Total Assets	39,478	28,389	18,830	16,836	58,308	45,225
Long-term liabilities outstanding	24,460	12,155	8,297	8,465	32,757	20,620
Other liabilities	13,921	13,134	920	1,009	14,841	14,143
Total Liabilities	38,381	25,289	9,217	9,474	47,598	34,763
Net Assets						
Invested in capital assets, net of related debt	(2,984)	(2,750)	6,638	4,520	3,654	1,770
Restricted	2,232	2,894	-	-	2,232	2,894
Unrestricted	1,849	2,956	2,975	2,842	4,824	5,798
Total Net Assets	\$ 1,097	\$ 3,100	\$ 9,613	\$ 7,362	\$ 10,710	\$ 10,462

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, 2009 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 (21%) represents resources that are subject to external restrictions on how they may be used.

Change in net assets. Governmental activities decreased the Village's net assets by \$3,132,000, thereby accounting for all of the total decline in net assets of the Village. Key elements of this decrease are as follows:

Village of Hobart's Change in Net Assets (In thousands of dollars)						
	Governmental Activities		Business-type Activities		Totals	
	2009	2008	2009	2008	2009	2008
Revenues						
Program Revenues						
Charges for services	\$ 720	\$ 586	\$ 1,619	\$ 1,616	\$ 2,339	\$ 2,202
Operating grants and contributions	468	423	-	-	468	423
Capital grants and contributions	-	5	-	237	-	242
General Revenues						
Property taxes	2,244	2,141	324	324	2,568	2,465
Other taxes	3	2	-	-	3	2
Grants and contributions not restricted to specific programs	101	106	-	-	101	106
Other	373	2,499	19	41	392	2,540
Total Revenues	3,909	5,762	1,962	2,218	5,871	7,980
Expenses						
General government	745	1,116	-	-	745	1,116
Public safety	1,104	856	-	-	1,104	856
Public works	636	598	-	-	636	598
Culture and recreation	17	30	-	-	17	30
Conservation and development	1,692	217	-	-	1,692	217
Interest on long-term debt	623	617	-	-	623	617
Water utility	-	-	945	659	945	659
Sewer utility	-	-	682	654	682	654
Storm Water utility	-	-	309	133	309	133
Total Expenses	4,817	3,434	1,936	1,446	6,753	4,880
Change in Net Assets Before Transfers	(908)	2,328	26	772	(882)	3,100
Transfers	(2,224)	104	2,224	(104)	-	-
Change in Net Assets	(3,132)	2,432	2,250	668	(882)	3,100
Prior Period Adjustment	1,128	201	-	-	1,128	201
Net Assets - January 1	3,101	467	7,363	6,694	10,464	7,161
Net Assets - December 31	\$ 1,097	\$ 3,100	\$ 9,613	\$ 7,362	\$ 10,710	\$ 10,462

Other revenues decreased roughly \$2,100,000 in the governmental activities due to the receipt of a legal settlement in 2008 of \$1,950,000. The conservation and development expense increased by \$1,475,000 due primarily to the loss on the sale of land in the TIF.

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, 2009, the Village's governmental funds reported combined ending fund balances of \$16,056,834, an increase of \$10,525,268 in comparison with the prior year. Approximately 45% of this amount (\$7,143,161) 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 (\$8,681,596) and for delinquent taxes and assessments (\$232,077).

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 \$497,855. 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 22% of total general fund expenditures.

The fund balance of the Village's general fund increased by \$191,162 during the current year due to favorable revenue and expenditure budget variances.

The development fund special revenue fund accounts for the revenues and expenses of the Village's TIF district. In 2009, The Village issued \$6,525,000 of debt to finance the activities of the TIF. Revenues included \$1,127,000 from the sale of land and expenses included various capital improvements for streets and utilities.

The capital projects fund has a total fund balance of \$358,744 which represents unspent tax levy money carried over to 2010 for project spending.

The debt service fund has a total fund balance of \$8,681,596 all of which is reserved for future debt service payments and O'Hare Boulevard.

The fund balance of the debt service fund increased by \$5,788,031 during the current year due to proceeds of long-term debt issued of \$6,450,000.

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 \$1,527,461. The total increase in net assets during 2009 was \$11,120.

Unrestricted net assets of the sewer utility enterprise fund at the end of the year amounted to \$977,739. The total growth in net assets was \$1,925,136.

Unrestricted net assets of the storm water utility enterprise fund at the end of the year amounted to \$469,435. The total growth in net assets was \$313,861.

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, 2009 amounts to \$23,940,011 (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 \$1,549,264.

Village of Hobart's Capital Assets						
	Governmental Activities		Business-type Activities		Totals	
	2009	2008	2009	2008	2009	2008
Land	\$ 6,686,941	\$ 7,518,451	\$ 508,671	\$ 508,671	\$ 7,195,612	\$ 8,027,122
Buildings	1,127,224	1,029,724	263,031	263,031	1,390,255	1,292,755
Improvements other than buildings	-	-	14,901,355	13,208,672	14,901,355	13,208,672
Machinery and equipment	1,208,704	1,190,041	2,732,701	2,711,114	3,941,405	3,901,155
Infrastructure	1,204,171	806,290	-	-	1,204,171	806,290
Construction in progress	38,629	-	660,391	89,405	699,020	89,405
Less accumulated depreciation	(1,260,631)	(1,139,280)	(4,131,176)	(3,795,372)	(5,391,807)	(4,934,652)
Total	\$ 9,005,038	\$ 9,405,226	\$ 14,934,973	\$ 12,985,521	\$ 23,940,011	\$ 22,390,747

Long-term debt. At the end of the current fiscal year, the Village had total notes outstanding of \$32,757,054. Of this amount, \$5,667,466 comprises debt backed by the full faith and credit of the government, \$4,635,000 are revenue bond anticipation notes and \$19,380,000 are note anticipation notes which will be converted to general obligation debt at some future time, and \$3,074,588 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	
	2009	2008	2009	2008	2009	2008
General obligation notes	\$ 5,080,214	\$ 4,225,370	\$ 587,252	\$ 597,955	\$ 5,667,466	\$ 4,823,325
Bond anticipation notes	-	-	4,635,000	4,635,000	4,635,000	4,635,000
Note Anticipation Notes	19,380,000	7,930,000	-	-	19,380,000	7,930,000
Notes payable - Green Bay MSD	-	-	3,074,588	3,232,328	3,074,588	3,232,328
Total	\$ 24,460,214	\$ 12,155,370	\$ 8,296,840	\$ 8,465,283	\$ 32,757,054	\$ 20,620,653

The Village's total debt increased by \$12,136,401 (59%) 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 \$31,484,005, which is significantly in excess of the Village's \$5,667,466 in outstanding general obligation debt. It should be noted, however, that the Village must reserve a portion of its borrowing capacity for the \$19,380,000 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, Hobart, Wisconsin 54155.

BASIC FINANCIAL STATEMENTS

VILLAGE OF HOBART, WISCONSIN
Statement of Net Assets
December 31, 2009

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 11,452,037	\$ 2,498,038	\$ 13,950,075
Receivables			
Taxes	10,372,611	-	10,372,611
Accounts	-	189,604	189,604
Special assessments	508,371	235,257	743,628
Other receivables (due from tax roll)	-	801,363	801,363
Deferred charges	239,154	170,501	409,655
Restricted assets			
Cash and investments	7,900,624	-	7,900,624
Capital assets, nondepreciable			
Land	803,600	-	803,600
Land held for resale	5,883,341	-	5,883,341
Construction in progress	38,629	660,391	699,020
Property held for future use	-	508,671	508,671
Capital assets, depreciable			
Land improvements	-	14,901,355	14,901,355
Buildings and improvements	1,127,224	263,031	1,390,255
Machinery and equipment	1,208,704	2,732,701	3,941,405
Infrastructure	1,204,171	-	1,204,171
Less: Accumulated depreciation	(1,260,631)	(4,131,176)	(5,391,807)
TOTAL ASSETS	39,477,835	18,829,736	58,307,571
LIABILITIES			
Accounts payable	889,717	35,898	925,615
Accrued and other current liabilities	36,526	12,370	48,896
Accrued interest payable	252,211	115,977	368,188
Due to other governments	9,826,093	-	9,826,093
Unearned revenues	2,916,102	755,883	3,671,985
Long-term obligations			
Due within one year	7,515,839	175,049	7,690,888
Due in more than one year	16,944,375	8,121,791	25,066,166
TOTAL LIABILITIES	38,380,863	9,216,968	47,597,831
NET ASSETS			
Invested in capital assets, net of related debt	(2,984,075)	6,638,133	3,654,058
Restricted for			
Debt service	2,231,596	-	2,231,596
Unrestricted	1,849,451	2,974,635	4,824,086
TOTAL NET ASSETS	\$ 1,096,972	\$ 9,612,768	\$ 10,709,740

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, 2009

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 744,638	\$ 221,576	\$ -	\$ -
Public safety	1,103,792	117,370	49,334	-
Public works	635,985	372,755	416,719	-
Culture and recreation	17,102	3,750	-	-
Conservation and development	1,691,623	4,631	2,170	-
Interest on debt	623,611	-	-	-
Total Governmental Activities	4,816,751	720,082	468,223	-
Business-type Activities				
Water utility	945,171	624,600	-	-
Sewer utility	681,687	537,004	-	-
Storm water utility	308,601	457,177	-	-
Total Business-type Activities	1,935,459	1,618,781	-	-
Total	\$ 6,752,210	\$ 2,338,863	\$ 468,223	\$ -

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

\$ (523,062)	\$ -	\$ (523,062)
(937,088)	-	(937,088)
153,489	-	153,489
(13,352)	-	(13,352)
(1,684,822)	-	(1,684,822)
(623,611)	-	(623,611)
<u>(3,628,446)</u>	<u>-</u>	<u>(3,628,446)</u>

-	(320,571)	(320,571)
-	(144,683)	(144,683)
-	148,576	148,576
-	<u>(316,678)</u>	<u>(316,678)</u>

<u>(3,628,446)</u>	<u>(316,678)</u>	<u>(3,945,124)</u>
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952,086	-	952,086
709,719	324,228	1,033,947
582,450	-	582,450
3,093	-	3,093

100,895	-	100,895
267,584	12,378	279,962
105,101	6,517	111,618
(2,223,672)	2,223,672	-
<u>497,256</u>	<u>2,566,795</u>	<u>3,064,051</u>

(3,131,190)	2,250,117	(881,073)
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1,128,060	-	1,128,060
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<u>3,100,102</u>	<u>7,362,651</u>	<u>10,462,753</u>
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<u>\$ 1,096,972</u>	<u>\$ 9,612,768</u>	<u>\$ 10,709,740</u>
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VILLAGE OF HOBART, WISCONSIN

Balance Sheet
Governmental Funds
December 31, 2009

	General	Debt Service	Development	Capital Projects	Total Governmental Funds
ASSETS					
Cash and investments	\$ 3,350,134	\$ 2,231,596	\$ 5,497,350	\$ 372,957	\$ 11,452,037
Receivables					
Taxes	8,928,875	832,314	-	379,345	10,140,534
Delinquent taxes and special assessments	232,077	-	-	-	232,077
Special assessments	-	508,371	-	-	508,371
Restricted cash and investments	-	6,450,000	1,450,624	-	7,900,624
TOTAL ASSETS	\$ 12,511,086	\$ 10,022,281	\$ 6,947,974	\$ 752,302	\$ 30,233,643
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 214,570	\$ -	\$ 660,934	\$ 14,213	\$ 889,717
Accrued payroll liabilities	36,048	-	478	-	36,526
Due to other governmental units	9,826,093	-	-	-	9,826,093
Deferred revenue	1,704,443	1,340,685	-	379,345	3,424,473
Total Liabilities	11,781,154	1,340,685	661,412	393,558	14,176,809
Fund Balances					
Reserved for					
Retirement of long-term debt	-	8,681,596	-	-	8,681,596
Delinquent taxes and assessments	232,077	-	-	-	232,077
Unreserved					
Designated for subsequent year expenditures	-	-	6,286,562	358,744	6,645,306
Undesignated, reported in General fund	497,855	-	-	-	497,855
Total Fund Balances	729,932	8,681,596	6,286,562	358,744	16,056,834
TOTAL LIABILITIES AND FUND BALANCES	\$ 12,511,086	\$ 10,022,281	\$ 6,947,974	\$ 752,302	\$ 30,233,643

(Continued)

VILLAGE OF HOBART, WISCONSIN
 Balance Sheet (Continued)
 Governmental Funds
 December 31, 2009

Reconciliation to the Statement of Net Assets

Total Fund Balances as shown on previous page		\$ 16,056,834
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.		9,005,038
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	\$(24,460,214)	
Deferred charges - bond issue costs	239,154	
Accrued interest on long-term obligations	<u>(252,211)</u>	(24,473,271)
Other long-term assets are not available to pay current period expenditures and, therefore, are deferred in the funds.		
Special assessments		<u>508,371</u>
Net Assets of Governmental Activities as Reported on the Statement of Net Assets (see page 9)		<u><u>\$ 1,096,972</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, 2009

	General	Debt Service	Development	Capital Projects	Total Governmental Funds
Revenues					
Taxes	\$ 955,179	\$ 709,719	\$ -	\$ 582,450	\$ 2,247,348
Special assessments	-	126,738	-	-	126,738
Intergovernmental	603,153	66,667	-	133,356	803,176
Licenses and permits	142,363	-	-	-	142,363
Fines and forfeits	61,927	-	-	-	61,927
Public charges for services	383,821	-	-	-	383,821
Other	237,416	32,546	1,127,636	-	1,397,598
Total Revenues	2,383,859	935,670	1,127,636	715,806	5,162,971
Expenditures					
Current					
General government	717,100	-	15,750	-	732,850
Public safety	893,108	-	-	-	893,108
Public works	557,620	-	-	-	557,620
Culture and recreation	13,226	-	-	-	13,226
Conservation and development	123,471	-	-	-	123,471
Debt service					
Principal	-	670,656	-	-	670,656
Interest and fiscal charges	-	926,983	47,703	-	974,686
Capital outlay	-	-	3,119,652	639,762	3,759,414
Total Expenditures	2,304,525	1,597,639	3,183,105	639,762	7,725,031
Excess of Revenues Over (Under)					
Expenditures	79,334	(661,969)	(2,055,469)	76,044	(2,562,060)
Other Financing Sources					
Long-term debt issued	-	6,450,000	6,525,500	-	12,975,500
Transfers in	111,828	-	-	-	111,828
Total Other Financing Sources	111,828	6,450,000	6,525,500	-	13,087,328
Net Change in Fund Balances	191,162	5,788,031	4,470,031	76,044	10,525,268
Fund Balances - January 1	538,770	2,893,565	1,816,531	282,700	5,531,566
Fund Balances - December 31	\$ 729,932	\$ 8,681,596	\$ 6,286,562	\$ 358,744	\$ 16,056,834

(Continued)

VILLAGE OF HOBART, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Governmental Funds
Year Ended December 31, 2009

Reconciliation to the Statement of Activities

Net Change in Fund Balances as shown on previous page \$ 10,525,268

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	916,543
Depreciation expense reported in the statement of activities	(143,218)
Sale of land held for resale	(2,301,573)

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	670,656
Long-term debt issued	(12,975,500)

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.

156,922

Revenues reported in the fund statement that were earned in a prior year are not recognized as revenues in the statement of activities.

(126,737)

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.

146,449

Change in Net Assets of Governmental Activities as Reported in the Statement of Activities (see pages 10 - 11)

\$ (3,131,190)

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, 2009

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 953,636	\$ 953,636	\$ 955,179	\$ 1,543
Intergovernmental	605,234	605,234	603,153	(2,081)
Licenses and permits	125,219	125,219	142,363	17,144
Fines and forfeits	55,000	55,000	61,927	6,927
Public charges for services	403,102	403,102	383,821	(19,281)
Other general government	221,000	221,000	237,416	16,416
Total Revenues	2,363,191	2,363,191	2,383,859	20,668
Expenditures				
General government	805,495	805,495	717,100	88,395
Public safety	875,984	875,984	893,108	(17,124)
Public works	678,171	678,171	557,620	120,551
Culture and recreation	10,250	10,250	13,226	(2,976)
Conservation and development	98,745	98,745	123,471	(24,726)
Total Expenditures	2,468,645	2,468,645	2,304,525	164,120
Excess of Revenues Over (Under) Expenditures	(105,454)	(105,454)	79,334	184,788
Other Financing Sources				
Transfers in	107,000	107,000	111,828	4,828
Net Change in Fund Balance	1,546	1,546	191,162	189,616
Fund Balance - January 1	538,770	538,770	538,770	-
Fund Balance - December 31	\$ 540,316	\$ 540,316	\$ 729,932	\$ 189,616

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, 2009

	Water Utility	Sewer Utility	Storm Water Utility	Total
ASSETS				
Current assets				
Cash and investments	\$ 1,129,147	\$ 896,758	\$ 472,133	\$ 2,498,038
Accounts receivable	71,960	117,644	-	189,604
Other receivables	72,929	274,209	454,225	801,363
Total Current Assets	1,274,036	1,288,611	926,358	3,489,005
Noncurrent assets				
Capital assets, nondepreciable				
Construction in progress	151,004	390,703	118,684	660,391
Property held for future use	-	508,671	-	508,671
Capital assets, depreciable				
Structure and improvements	263,031	-	-	263,031
Improvements other than buildings	7,851,306	6,955,146	94,903	14,901,355
Equipment	283,845	2,448,856	-	2,732,701
Less: Accumulated depreciation	(1,585,902)	(2,541,671)	(3,603)	(4,131,176)
Total Capital Assets, Net of Accumulated Depreciation	6,963,284	7,761,705	209,984	14,934,973
Other Assets				
Special assessments	57,148	60,228	-	117,376
Special assessments deferred	115,188	-	2,693	117,881
Unamortized debt discount and expense	138,067	32,434	-	170,501
Total Noncurrent Assets	7,273,687	7,854,367	212,677	15,340,731
TOTAL ASSETS	8,547,723	9,142,978	1,139,035	18,829,736
LIABILITIES				
Current Liabilities				
Accounts payable	9,377	24,949	1,572	35,898
Accrued expenses	4,406	4,145	3,819	12,370
Accrued interest	12,608	103,369	-	115,977
Deferred revenue	30,587	271,071	454,225	755,883
Noncurrent				
Due within one year	-	175,049	-	175,049
Due in more than one year	4,198,846	3,922,945	-	8,121,791
TOTAL LIABILITIES	4,255,824	4,501,528	459,616	9,216,968
NET ASSETS				
Invested in capital assets, net of related debt	2,764,438	3,663,711	209,984	6,638,133
Unrestricted	1,527,461	977,739	469,435	2,974,635
TOTAL NET ASSETS	\$ 4,291,899	\$ 4,641,450	\$ 679,419	\$ 9,612,768

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, 2009

	Water Utility	Sewer Utility	Storm Water Utility	Total
Operating Revenues				
Charges for Services				
Metered sales				
Residential	\$ 345,725	\$ 382,931	\$ -	\$ 728,656
Commercial	25,456	40,655	-	66,111
Industrial	-	106,463	-	106,463
Public authority	1,700	4,850	-	6,550
Private fire protection	7,515	-	-	7,515
Public fire protection	212,954	-	-	212,954
Total Charges for Services	593,350	534,899	-	1,128,249
Other Operating Revenues				
Inspection fees	2,967	3,317	-	6,284
Water testing	54	-	-	54
Well operation permits	17,690	-	-	17,690
Other operating revenues	10,539	2,105	457,177	469,821
Total Other Operating Revenues	31,250	5,422	457,177	493,849
Total Operating Revenues	624,600	540,321	457,177	1,622,098
Operating Expenses				
Operation and Maintenance				
Purchased water	49,963	-	-	49,963
Power for pumping	31,858	3,055	-	34,913
Operation labor	46,920	43,597	30,978	121,495
Treatment charges	-	168,985	-	168,985
Chemicals	7,799	-	-	7,799
Maintenance of plant	264,299	30,794	229,295	524,388
Operation supplies and expense	12,319	9,487	161	21,967
Administrative and general salaries	26,070	24,983	23,794	74,847
Office supplies and expense	9,424	604	-	10,028
Outside services	111,411	12,887	4,440	128,738
Employee pensions and benefits	28,221	24,557	12,943	65,721
Insurance expense	2,000	1,000	-	3,000
Transportation expense	-	-	1,595	1,595
Miscellaneous general expenses	1,015	-	-	1,015
Total Operation and Maintenance	591,299	319,949	303,206	1,214,454
Depreciation	155,763	178,450	1,791	336,004
Taxes	4,815	5,961	3,604	14,380
Total Operating Expenses	751,877	504,360	308,601	1,564,838
Operating Income (Loss)	(127,277)	35,961	148,576	57,260
Nonoperating Revenues (Expenses)				
Interest income	5,582	6,796	-	12,378
Property taxes	60,200	264,028	-	324,228
Hook-up fees	-	3,200	-	3,200
Amortization of debt issuance costs	(25,742)	(4,248)	-	(29,990)
Interest and fiscal charges	(167,552)	(173,079)	-	(340,631)
Total Nonoperating Revenues (Expenses)	(127,512)	96,697	-	(30,815)
Income (Loss) Before Contributions and Transfers	(254,789)	132,658	148,576	26,445
Capital contributions	377,737	1,792,478	165,285	2,335,500
Transfers out	(111,828)	-	-	(111,828)
Change in Net Assets	11,120	1,925,136	313,861	2,250,117
Net Assets - January 1	4,280,779	2,716,314	365,558	7,362,651
Net Assets - December 31	\$ 4,291,899	\$ 4,641,450	\$ 679,419	\$ 9,612,768

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, 2009

	Water Utility	Sewer Utility	Storm Water Utility	Total
Cash Flows from Operating Activities				
Cash received from user charges	\$ 606,267	\$ 566,742	\$ 457,177	\$ 1,630,186
Cash payments to suppliers	(456,405)	(222,214)	(234,027)	(912,646)
Cash payments to employees	(103,520)	(94,968)	(67,743)	(266,231)
Net Cash Provided by Operating Activities	<u>46,342</u>	<u>249,560</u>	<u>155,407</u>	<u>451,309</u>
Cash Flows from Non-Capital Financing Activities				
Paid to municipality for tax equivalent	<u>(111,828)</u>	-	-	<u>(111,828)</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition of capital assets	(35,249)	(11,237)	-	(46,486)
General property taxes	60,200	264,028	-	324,228
Principal payments on long-term debt	-	(168,443)	-	(168,443)
Interest payments on long-term debt	(175,832)	(178,546)	-	(354,378)
Hook up fees	-	3,200	-	3,200
Contributions from property owners	75,231	29,347	-	104,578
Net Cash Used by Capital and Related Financing Activities	<u>(75,650)</u>	<u>(61,651)</u>	-	<u>(137,301)</u>
Cash Flows from Investing Activities				
Interest on investments	<u>5,582</u>	<u>6,796</u>	-	<u>12,378</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(135,554)	194,705	155,407	214,558
Cash and Cash Equivalents - Beginning of Year	<u>1,264,701</u>	<u>702,053</u>	<u>316,726</u>	<u>2,283,480</u>
Cash and Cash Equivalents - End of Year	<u>\$ 1,129,147</u>	<u>\$ 896,758</u>	<u>\$ 472,133</u>	<u>\$ 2,498,038</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating income (loss)	\$ (127,277)	\$ 35,961	\$ 148,576	\$ 57,260
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	155,763	178,450	1,791	336,004
Depreciation allocation for meters	4,499	(4,499)	-	-
Write off engineering fees in construction work in progress	89,405	-	-	89,405
Changes in assets and liabilities				
Accounts receivable	5,790	4,613	-	10,403
Other receivables	(24,123)	21,808	-	(2,315)
Accounts payable	(60,753)	10,118	1,572	(49,063)
Accrued expenses	3,038	3,109	3,468	9,615
Net Cash Provided by Operating Activities	<u>\$ 46,342</u>	<u>\$ 249,560</u>	<u>\$ 155,407</u>	<u>\$ 451,309</u>
Noncash Investing, Capital and Financing Activities				
Capital assets contributed	<u>\$ 377,737</u>	<u>\$ 1,792,478</u>	<u>\$ 165,285</u>	<u>\$ 2,335,500</u>

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, 2009

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, 2009

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

CAPITAL PROJECTS FUND

This fund accounts for all other 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, 2009

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, 2009

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:

<u>Assets</u>	Governmental	Business-type
	Activities	Activities
	Years	
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.
- 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.

VILLAGE OF HOBART, WISCONSIN

Notes to Basic Financial Statements

December 31, 2009

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Budgets and Budgetary Accounting

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

1. 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.
2. 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.
3. 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.
4. 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.
5. 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, 2009.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

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 \$21,850,699 on December 31, 2009 as summarized below:

Deposits with financial institutions	\$ 21,395,304
Investments	
Money market mutual funds	106,866
Wisconsin local government investment pool	348,529
	\$ 21,850,699

Reconciliation to the basic financial statements:

Basic financial statements	
Cash and investments	\$ 13,950,075
Restricted cash and investments	7,900,624
	\$ 21,850,699

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 risk 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, 2013. In addition, the Village's non-interest bearing transaction accounts are fully insured under the Temporary Liquidity Guarantee Program through June 30, 2010. On January 1, 2014, 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, 2009, \$19,336,345 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, 2009

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

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
Money market mutual funds	\$ 106,866	\$ -	\$ -	\$ -	\$ 106,866
Wisconsin local government investment pool	348,529	-	-	-	348,529
	<u>\$ 455,395</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 455,395</u>

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
Money market mutual funds	\$ 106,866	\$ 106,866	\$ -	\$ -	\$ -
Wisconsin local government investment pool	348,529	348,529	-	-	-
	<u>\$ 455,395</u>	<u>\$ 455,395</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 \$348,529 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, 2009, 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, 2009

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

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 College and the State of Wisconsin. Brown County has assumed tax collection responsibilities for the Village.

3. Restricted Assets

Restricted assets on December 31, 2009 totaled \$7,900,624 and consisted of cash and investments held for the following purposes:

Retire 2008B taxable note anticipation note	\$ 6,450,000
Developer escrow	1,450,624
	<u>\$ 7,900,624</u>

4. Capital Assets

Capital asset activity for the year ended December 31, 2009 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 570,800	\$ 232,800	\$ -	\$ 803,600
Land held for resale	8,075,711	109,203	2,301,573	5,883,341
Construction work in progress	-	38,629	-	38,629
Total capital assets, not being depreciated	<u>8,646,511</u>	<u>380,632</u>	<u>2,301,573</u>	<u>6,725,570</u>
Capital assets, being depreciated:				
Buildings and improvements	1,029,724	97,500	-	1,127,224
Machinery and equipment	1,190,041	40,530	21,867	1,208,704
Infrastructure	806,290	397,881	-	1,204,171
Subtotals	<u>3,026,055</u>	<u>535,911</u>	<u>21,867</u>	<u>3,540,099</u>
Less accumulated depreciation for:				
Buildings and improvements	485,868	26,115	-	511,983
Machinery and equipment	61,470	11,975	-	73,445
Vehicles	542,871	64,988	21,867	585,992
Infrastructure	49,071	40,140	-	89,211
Subtotals	<u>1,139,280</u>	<u>143,218</u>	<u>21,867</u>	<u>1,260,631</u>
Total capital assets, being depreciated, net	<u>1,886,775</u>	<u>392,693</u>	<u>-</u>	<u>2,279,468</u>
Governmental activities capital assets, net	<u>\$ 10,533,286</u>	<u>\$ 773,325</u>	<u>\$ 2,301,573</u>	9,005,038
Less related long-term debt outstanding				<u>11,989,113</u>
Invested in capital assets, net of related debt				<u>\$ (2,984,075)</u>

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

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	\$ 660,391	\$ 89,405	\$ 660,391
Property held for future use	508,671	-	-	508,671
Subtotals	<u>598,076</u>	<u>660,391</u>	<u>89,405</u>	<u>1,169,062</u>
Capital assets, being depreciated:				
Buildings	263,031	-	-	263,031
Improvements other than buildings	13,208,672	1,692,883	200	14,901,355
Machinery and equipment	2,711,114	21,587	-	2,732,701
Subtotals	<u>16,182,817</u>	<u>1,714,470</u>	<u>200</u>	<u>17,897,087</u>
Less accumulated depreciation for:				
Water utility	1,425,840	160,262	200	1,585,902
Sewer utility	2,367,720	173,951	-	2,541,671
Storm water utility	1,812	1,791	-	3,603
Subtotals	<u>3,795,372</u>	<u>336,004</u>	<u>200</u>	<u>4,131,176</u>
Total capital assets, being depreciated, net	<u>12,387,445</u>	<u>1,378,466</u>	<u>-</u>	<u>13,765,911</u>
Business-type activities capital assets, net	<u>\$ 12,985,521</u>	<u>\$ 2,038,857</u>	<u>\$ 89,405</u>	14,934,973
Less related long-term debt outstanding				<u>8,296,840</u>
Invested in capital assets, net of related debt				<u>\$ 6,638,133</u>
Depreciation expense was charged to functions of the Village as follows:				
Governmental activities				
General government				\$ 12,296
Public safety				54,142
Public works				72,904
Conservation and development				3,876
Total depreciation expense - governmental activities				<u>\$ 143,218</u>
Business-type activities				
Water utility				\$ 160,262
Sewer utility				173,951
Storm water utility				1,791
Total depreciation expense - business-type activities				<u>\$ 336,004</u>

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

5. Interfund Receivable, Payables, and Transfers

Interfund transfers for the year ended December 31, 2009 were as follows:

	Transfer to:
	General Fund
Transfers from:	
Water utility enterprise fund	\$ 111,828

The transfers for 2009 relate to the utility payment in lieu of taxes made by the utilities to the Village's general fund.

6. 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	\$ -	\$ 1,704,443
Debt service fund	-	832,314
Capital projects fund	-	379,345
Special assessments		
Debt service fund	508,371	-
Totals	\$ 508,371	\$ 2,916,102

Special assessments are generally collectible in annual installments.

7. Long-term Obligations

The following is a summary of changes in long-term obligations of the Village for the year ended December 31, 2009:

	Outstanding 1/1/09	Issued	Retired	Outstanding 12/31/09	Due Within One Year
Governmental activities:					
General Obligation Debt					
Notes	\$ 4,225,370	\$ 1,525,500	\$ 670,656	\$ 5,080,214	\$ 695,839
Taxable note anticipation note	7,930,000	11,450,000	-	19,380,000	6,820,000
Governmental activities					
Long-term obligations	\$ 12,155,370	\$ 12,975,500	\$ 670,656	\$ 24,460,214	\$ 7,515,839
Business-type activities:					
General Obligation Debt					
Notes	\$ 597,955	\$ -	\$ 10,703	\$ 587,252	\$ 11,218
Bond anticipation notes	4,635,000	-	-	4,635,000	-
Notes payable - Green Bay MSD	3,232,328	-	157,740	3,074,588	163,831
Business-type activities					
Long-term obligations	\$ 8,465,283	\$ -	\$ 168,443	\$ 8,296,840	\$ 175,049

Total interest paid during the year on long-term debt totaled \$1,151,484.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

Notes

\$1,185,000 issued 6/1/02; \$130,000 due in 2010 and \$140,000 due in 2011; interest 4.4% to 4.8%	\$ 270,000
\$1,085,000 issued 3/1/02; \$105,000 due in 2010 and \$110,000 due in 2011; interest 3.75% to 4.4%	215,000
\$2,635,000 issued 11/15/02; \$160,000 to \$265,000 due annually through 2013; interest 3.1% to 4.0%	865,000
\$1,125,000 issued 7/15/03; \$90,000 to \$115,000 due annually through 2016; interest 3.75% to 3.8%	715,000
\$1,340,000 issued 12/15/03; \$140,000 to \$225,000 due annually through 2014; interest 4.7% to 5.6%	895,000
\$627,526 issued 2005; \$11,218 to \$525,573 due annually through 2015, interest 4.75%	587,252
\$159,241 issued 2006; \$36,214 due in 2010; interest 6.88%	36,214
\$176,000 issued 8/04/06; \$34,625 due annually through 2013; interest 5.2%	138,500
\$420,000 issued 4/1/07; \$40,000 to \$100,000 due annually beginning in 2012 through 2017; interest 4.15%	420,000
\$1,450,000 issued 12/21/09; \$42,944 to \$146,307 due annually beginning in 2011 through 2024; interest 5.50%	1,450,000
\$75,500 issued 12/21/09; \$2,544 to \$7,586 due annually beginning in 2011 through 2024; interest 5.50%	75,500
Total Outstanding General Obligation Debt	<u><u>\$ 5,667,466</u></u>

Annual principal and interest maturities of the outstanding general obligation debt of \$5,667,466 on December 31, 2009 are detailed below:

Year Ended December 31	Governmental Activities		Business-type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 695,839	\$ 146,492	\$ 11,218	\$ 28,282	\$ 707,057	\$ 174,774
2011	765,113	230,829	11,758	27,742	776,871	258,571
2012	735,381	166,762	12,250	27,250	747,631	194,012
2013	725,046	133,814	12,915	26,585	737,961	160,399
2014	465,119	99,992	13,537	25,963	478,656	125,955
2015-2019	1,000,425	307,391	525,574	16,782	1,525,999	324,173
2020-2024	693,291	118,608	-	-	693,291	118,608
	<u>\$ 5,080,214</u>	<u>\$ 1,203,888</u>	<u>\$ 587,252</u>	<u>\$ 152,604</u>	<u>\$ 5,667,466</u>	<u>\$ 1,356,492</u>

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Legal Margin for New Debt

The Village's legal margin for creation of additional general obligation debt on December 31, 2009 was \$28,048,135 as follows:

Equalized valuation of the Village		\$629,680,100
Statutory limitation percentage		<u>(x) 5%</u>
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		31,484,005
Total outstanding general obligation debt applicable to debt limitation	\$ 5,667,466	
Less: Amounts available for financing general obligation debt		
Debt service fund	<u>2,231,596</u>	
Net outstanding general obligation debt applicable to debt limitation		<u>3,435,870</u>
Legal Margin for New Debt		<u><u>\$ 28,048,135</u></u>

The Village has outstanding \$19,380,000 in 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.

Notes Payable - Green Bay Metropolitan Sewage District

Notes Payable - Green Bay Metropolitan Sewage District outstanding on December 31, 2009 totaled \$3,074,588 and were comprised of the following issues:

\$187,713 issued 1982 for interceptor construction; \$6,257 due annually through 2011; non-interest bearing		\$ 12,514
\$135,545 issued 1992 for interceptor construction; \$4,674 due annually through 2020; non-interest bearing		51,414
\$1,697,786 issued 1999 for interceptor construction; \$70,968 to \$113,506 due annually through 2022; interest 2.64% to 5%		1,178,973
\$2,151,581 issued 2005 for interceptor construction; \$81,931 to \$154,069 due annually through 2025; interest 5.00%		<u>1,831,687</u>
Total Notes Payable - Green Bay MSD		<u><u>\$ 3,074,588</u></u>

Annual principal and interest payments of the above outstanding notes payable on December 31, 2009 are shown below:

	Business-type Activities	
	Principal	Interest
2010	\$ 163,831	\$ 125,850
2011	170,175	119,506
2012	170,528	112,895
2013	177,416	106,008
2014	184,592	98,832
2015-2019	1,041,585	375,533
2020-2024	1,012,391	149,920
2025	154,070	6,625
	<u>\$ 3,074,588</u>	<u>\$ 1,095,169</u>

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Bond Anticipation Notes

Bond anticipation notes outstanding at December 31, 2009 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% \$ 4,635,000

Annual principal and interest maturities of the above outstanding bond anticipation notes of \$4,635,000 on December 31, 2009 are shown below:

Year Ended December 31	Business-type Activities	
	Principal	Interest
2010	\$ -	\$ 185,400
2011	-	185,400
2012	-	185,400
2013	4,635,000	92,700
	<u>\$ 4,635,000</u>	<u>\$ 648,900</u>

Taxable Note Anticipation Notes

Taxable note anticipation notes outstanding at December 31, 2009 totaled \$19,380,000 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
\$5,000,000 issued 8/3/09; \$5,000,000 due in 2012; interest 3.0% 5,000,000
\$6,450,000 issued 12/15/09; \$6,450,000 due in 2015; interest 3.75% 6,450,000
Total Taxable Note Anticipation Notes \$ 19,380,000

Annual principal and interest maturities of the above outstanding taxable note anticipation notes of \$19,380,000 on December 31, 2009 are shown below:

Year Ended December 31	Governmental Activities	
	Principal	Interest
2010	\$ 6,820,000	\$ 693,086
2011	-	763,795
2012	6,110,000	577,835
2013	-	241,875
2014	-	241,875
2015	6,450,000	120,938
	<u>\$ 19,380,000</u>	<u>\$ 2,639,404</u>

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

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 5.9% of their salary (3.0% for Executives and Elected Officials, 5.0% for Protective Occupations with Social Security, and 3.2% 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, 2009 was \$830,413; the employer's total payroll was \$892,548. The total required contribution for the year ended December 31, 2009 was \$101,669, which consisted of \$55,376, or 6.67% of covered payroll from the employer and \$46,293, or 5.57% of covered payroll from employees. The required contribution for employees for the year ended December 31, 2009 was financed by the Village. Total contributions for the years ending December 31, 2008 and 2007 were \$82,346 and \$71,000 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.

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 imposed a limit on the property tax levies for all Wisconsin cities, villages, towns and counties for a two-year period effective July 27, 2005. Subsequent legislation extended the levy limit through 2010. The current law limits the increase in the maximum allowable tax levy to the greater of the percentage change in the Village's January 1 equalized value as a result of net new construction or 3.0% per year in both the 2009 and 2010 budget years. The actual limit for the Village for the 2010 budget was 3.0%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, the Act allows the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE D - OTHER INFORMATION (Continued)

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 2009, the Village recorded land that was purchased in 2001 and held for resale. The land was not recorded in 2001 because it was expected to be developed by a local developer and sold; and thus was not included in the General Fixed Asset Account Group which was prior to the implementation of GASB Statement No. 34. The following adjustments were made to land held for resale and net assets.

	Land Held for Resale	Net Assets
Balance 12/31/08	\$ 6,947,651	\$ 3,100,102
2001 land purchase	1,128,060	1,128,060
Adjusted 1/1/09 balance	\$ 8,075,711	\$ 4,228,162

6. Subsequent Event

During January, 2010, the Village paid the outstanding balance of \$6,820,000 on the 2008 taxable note anticipation notes.

The Village filed a request with the Wisconsin Public Service Commission (PSC) to increase water rates approximately 50%. The rate case filing is currently under review by the PSC and a public hearing will be scheduled after the review process is completed.

SUPPLEMENTAL INFORMATION

VILLAGE OF HOBART, WISCONSIN
 General Fund
 Detailed Comparison of Budgeted and Actual Revenues
 Year Ended December 31, 2009
 With Comparative Actual Amounts for Year Ended December 31, 2008

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)	Prior Year Actual
Taxes				
General property	\$ 952,086	\$ 952,086	\$ -	\$ 876,680
Managed forest crop tax	-	52	52	411
Payment in lieu of taxes	1,550	1,550	-	-
Use value penalty	-	1,491	1,491	172
Total Taxes	953,636	955,179	1,543	877,263
Intergovernmental				
Federal aids				
Police grant	20,000	30,687	10,687	19,015
State aids				
Shared taxes	98,917	98,918	1	98,918
Fire insurance	19,277	18,647	(630)	17,981
Transportation	253,125	253,125	-	279,632
Exempt computer aid	6,961	1,977	(4,984)	6,961
Gypsy moth grant	-	2,170	2,170	243
Recycling	29,950	30,238	288	33,751
Local aids				
Reimbursements from the Town of Lawrence	177,004	167,391	(9,613)	163,253
Total Intergovernmental	605,234	603,153	(2,081)	619,754
Licenses and Permits				
Quarry permits	3,350	6,140	2,790	4,910
Liquor and malt beverages	2,460	2,740	280	2,490
Operators license	810	1,226	416	920
Cigarette license	100	150	50	100
Dog license	1,900	1,160	(740)	1,091
Penalty and fines	(1)	-	1	-
Cable TV franchise fees	40,000	35,420	(4,580)	53,182
Building permits and associated fees	29,550	50,009	20,459	42,574
Site review permits	750	70	(680)	670
Park fee/building permits	4,000	600	(3,400)	1,400
Park developer fees	5,000	4,031	(969)	4,344
Rent-park/hall/shelter	3,500	3,750	250	4,580
Rent-land and tower	30,000	36,691	6,691	35,847
Zoning permits	3,800	376	(3,424)	(1,425)
Total Licenses and Permits	125,219	142,363	17,144	150,683

(Continued)

VILLAGE OF HOBART, WISCONSIN

General Fund

Detailed Comparison of Budgeted and Actual Revenues (Continued)

Year Ended December 31, 2009

With Comparative Actual Amounts for Year Ended December 31, 2008

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)	Prior Year Actual
Fines and Forfeits				
Court fines and penalties	55,000	61,927	6,927	55,032
Public Charges for Services				
General government	3,500	3,327	(173)	4,335
Garbage collection	329,493	317,531	(11,962)	199,019
Police liaison fees	11,039	2,758	(8,281)	16,653
Street lighting	55,870	54,410	(1,460)	48,832
Fire calls	2,000	4,981	2,981	-
Bins and bags	1,200	814	(386)	1,106
Total Public Charges for Services	403,102	383,821	(19,281)	269,945
Other General Government				
Reimbursements	-	-	-	223,387
Interest	220,000	235,038	15,038	227,565
Donations	1,000	-	(1,000)	5,125
Sale of village property	-	250	250	1,050
Other general government	-	2,128	2,128	1,397
Total Other General Government	221,000	237,416	16,416	458,524
Total Revenues	\$ 2,363,191	\$ 2,383,859	\$ 20,668	\$ 2,431,201

VILLAGE OF HOBART, WISCONSIN
 General Fund
 Detailed Comparison of Budgeted and Actual Expenditures
 Year Ended December 31, 2009
 With Comparative Actual Amounts for Year Ended December 31, 2008

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)	Prior Year Actual
General Government				
Board	\$ 60,832	\$ 56,260	\$ 4,572	\$ 53,787
Municipal court	54,178	58,064	(3,886)	50,450
Legal	312,000	207,986	104,014	609,230
Administrator	69,314	59,904	9,410	74,879
Clerk	53,313	52,647	666	57,119
General government	72,825	87,561	(14,736)	77,418
Secretary	6,075	5,253	822	5,984
Elections	4,938	4,020	918	7,209
Audit and other accounting	6,115	6,115	-	6,315
Treasurer	43,102	43,404	(302)	46,467
Uncollected taxes and refunds	-	2,358	(2,358)	1,670
Assessor	25,900	28,178	(2,278)	25,542
General building and equipment	48,598	49,924	(1,326)	51,243
General insurance	48,305	55,426	(7,121)	36,015
Total General Government	805,495	717,100	88,395	1,103,328
Public Safety				
Police department	476,219	483,207	(6,988)	391,334
Animal control	3,227	2,512	715	2,646
Fire department	293,576	293,745	(169)	285,046
Building inspection	54,834	68,071	(13,237)	75,506
Ambulance	41,128	41,127	1	40,021
First responders	7,000	4,446	2,554	3,166
Total Public Safety	875,984	893,108	(17,124)	797,719
Public Works				
Highway administration	97,469	114,550	(17,081)	124,188
Highway maintenance and construction	182,200	130,227	51,973	151,063
Street lighting	65,909	83,212	(17,303)	47,314
Garbage collection	253,785	163,351	90,434	124,399
Recycling	78,808	66,280	12,528	70,688
Total Public Works	678,171	557,620	120,551	517,652
Culture and Recreation				
Parks	10,250	13,226	(2,976)	25,210
Conservation and Development				
Economic development	90,145	117,163	(27,018)	54,037
Gypsy moth grant	1,750	4,330	(2,580)	2,094
Planning	6,850	1,978	4,872	19,916
Total Conservation and Development	98,745	123,471	(24,726)	76,047
Total Expenditures	\$ 2,468,645	\$ 2,304,525	\$ 164,120	\$ 2,519,956