

VILLAGE OF HOBART, WISCONSIN
ANNUAL FINANCIAL REPORT
DECEMBER 31, 2007

VILLAGE OF HOBART, WISCONSIN
December 31, 2007

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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, 2007, 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, 2007, 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 17, 2008, 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.

A handwritten signature in black ink that reads "Schumde SC". The letters are cursive and fluid, with a large 'S' at the beginning and a 'C' at the end.

Certified Public Accountants
Green Bay, Wisconsin
March 17, 2008

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF HOBART

Management's Discussion and Analysis December 31, 2007

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, 2007.

Financial Highlights

- The assets of the Village exceeded its liabilities as of December 31, 2007 by \$7,160,759 (*net assets*).
- The Village's total net assets increased by \$1,122,265 due mostly to the repayment of long-term debt and revenue in the capital projects fund.
- As of December 31, 2007, the Village's governmental funds reported combined ending fund balances of \$3,796,508, an increase of \$1,239,670 in comparison with the prior year. Approximately 14% of this total amount, \$521,609 is *available for spending* at the Village's discretion (*unreserved fund balance*).
- As of December 31, 2007, unreserved fund balance for the general fund was \$521,609, or approximately 26% of total general fund expenditures.
- The Village's total general-obligation debt decreased by \$496,197 during 2007.

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 three 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, 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 \$7,160,759 at the close of 2007.

Village of Hobart's Net Assets						
(In thousands of dollars)						
	Governmental Activities		Business-type Activities		Totals	
	2007	2006	2007	2006	2007	2006
Current and other assets	\$ 16,915	\$ 16,026	\$ 3,536	\$ 3,371	\$ 20,451	\$ 19,397
Capital assets	2,969	1,427	12,896	12,622	15,865	14,049
Total Assets	19,884	17,453	16,432	15,993	36,316	33,446
Long-term liabilities outstanding	6,947	5,396	8,792	9,229	15,739	14,625
Other liabilities	12,470	12,613	946	169	13,416	12,782
Total Liabilities	19,417	18,009	9,738	9,398	29,155	27,407
Net Assets						
Invested in capital assets, net of related debt	(3,978)	(3,968)	4,104	3,902	126	(66)
Restricted	2,025	2,049	-	-	2,025	2,049
Unrestricted	2,420	1,363	2,590	2,693	5,010	4,056
Total Net Assets	\$ 467	\$ (556)	\$ 6,694	\$ 6,595	\$ 7,161	\$ 6,039

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, 2007 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 \$1,023,589, thereby accounting for 91% 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	
	2007	2006	2007	2006	2007	2006
Revenues						
Program Revenues						
Charges for services	\$ 654	\$ 573	\$ 1,059	\$ 912	\$ 1,713	\$ 1,485
Operating grants and contributions	361	347	-	-	361	347
Capital grants and contributions	1	11	66	36	67	47
General Revenues						
Property taxes	2,092	2,037	324	324	2,416	2,361
Other taxes	30	155	-	-	30	155
Grants and contributions not restricted to specific programs	101	103	-	-	101	103
Other	433	462	143	119	576	581
Total Revenues	3,672	3,688	1,592	1,391	5,264	5,079
Expenses						
General government	863	678	-	-	863	678
Public safety	769	709	-	-	769	709
Public works	661	885	-	-	661	885
Culture and recreation	12	22	-	-	12	22
Conservation and development	95	61	-	-	95	61
Interest on long-term debt	356	384	-	-	356	384
Water utility	-	-	613	549	613	549
Sewer utility	-	-	640	699	640	699
Storm Water	-	-	133	-	133	-
Total Expenses	2,756	2,739	1,386	1,248	4,142	3,987
Increase in Net Assets Before Transfers	916	949	206	143	1,122	1,092
Transfers	107	101	(107)	(101)	-	-
Change in Net Assets	1,023	1,050	99	42	1,122	1,092
Net Assets - January 1	(556)	(1,606)	6,595	6,553	6,039	4,947
Net Assets - December 31	\$ 467	\$ (556)	\$ 6,694	\$ 6,595	\$ 7,161	\$ 6,039

- Property taxes increased by \$54,364 (3%) during the year. Most of this increase was directed toward the payment of principal and interest on outstanding Village debt.
- Charges for services for governmental activities increased by \$80,594, primarily as a result of charges for street lighting.

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, 2007, the Village's governmental funds reported combined ending fund balances of \$3,796,508, an increase of \$1,239,670 in comparison with the prior year. Approximately 47% of this amount (\$1,771,499) 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 (\$2,025,009).

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 \$521,609. 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 26% of total general fund expenditures.

The fund balance of the Village's general fund decreased by \$353,785 during the current year, mostly due to a transfer out of \$444,844 to the capital projects fund.

The capital projects fund has a total fund balance of \$1,249,890 which represents unspent bond proceeds carried over to 2008 for project spending.

The debt service fund has a total fund balance of \$2,025,009 all of which is reserved for future debt service payments and O'Hare Boulevard.

The fund balance of the debt service fund decreased by \$23,979 during the current year.

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 \$1,896,645. The total decrease in net assets was \$37,101.

Unrestricted net assets of the sewer utility enterprise fund at the end of the year amounted to \$698,900. The total growth in net assets was \$93,771.

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, 2007 amounts to \$15,864,978 (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 \$1,307,504.

Village of Hobart's Capital Assets						
	Governmental Activities		Business-type Activities		Totals	
	2007	2006	2007	2006	2007	2006
Land	\$ 1,510,800	\$ 528,800	\$ 508,671	\$ 508,671	\$ 2,019,471	\$ 1,037,471
Buildings	1,014,589	856,294	263,031	263,031	1,277,620	1,119,325
Improvements other than buildings	-	-	12,960,864	12,897,413	12,960,864	12,897,413
Machinery and equipment	927,125	765,533	2,563,581	2,555,194	3,490,706	3,320,727
Infrastructure	479,318	186,468	-	-	479,318	186,468
Construction in progress	-	-	89,405	89,405	89,405	89,405
Less accumulated depreciation	(962,815)	(910,175)	(3,489,591)	(3,183,160)	(4,452,406)	(4,093,335)
Total	\$ 2,969,017	\$ 1,426,920	\$ 12,895,961	\$ 13,130,554	\$ 15,864,978	\$ 14,557,474

Long-term debt. At the end of the current fiscal year, the Village had total notes outstanding of \$15,739,407. Of this amount, \$5,565,183 comprises debt backed by the full faith and credit of the government, \$4,780,000 is bond anticipation notes and \$2,010,000 is note anticipation notes which will be converted to general obligation debt at some future time, and \$3,384,224 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	
	2007	2006	2007	2006	2007	2006
General obligation notes	\$ 4,937,311	\$ 5,395,763	\$ 627,872	\$ 665,618	\$ 5,565,183	\$ 6,061,381
Bond anticipation notes	-	-	4,780,000	5,020,000	4,780,000	5,020,000
Note Anticipation Notes	2,010,000	-	-	-	2,010,000	-
Notes payable - Green Bay MSD	-	-	3,384,224	3,543,193	3,384,224	3,543,193
Total	\$ 6,947,311	\$ 5,395,763	\$ 8,792,096	\$ 9,228,811	\$ 15,739,407	\$ 14,624,574

The Village's total debt increased by \$1,114,834 (8%) 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 \$30,497,165, which is significantly in excess of the Village's \$5,565,183 in outstanding general obligation debt. It should be noted, however, that the Village must reserve a portion of its borrowing capacity for the \$6,790,000 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, 2007

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 5,446,482	\$ 1,912,256	\$ 7,358,738
Receivables			
Taxes	10,543,129	-	10,543,129
Accounts	-	177,532	177,532
Special assessments	781,687	524,570	1,306,257
Other receivables (due from tax roll)	-	930,301	930,301
Internal balances	129,611	(129,611)	-
Deferred charges	13,639	-	13,639
Restricted assets			
Deferred charges - issuance costs	-	121,152	121,152
Capital assets, nondepreciable			
Property held for future use	-	508,671	508,671
Land	1,510,800	-	1,510,800
Construction in progress	-	89,405	89,405
Capital assets, depreciable			
Land improvements	-	12,960,864	12,960,864
Buildings and improvements	1,014,589	263,031	1,277,620
Machinery and equipment	927,125	2,563,581	3,490,706
Infrastructure	479,318	-	479,318
Less: Accumulated depreciation	(962,815)	(3,489,591)	(4,452,406)
TOTAL ASSETS	19,883,565	16,432,161	36,315,726
LIABILITIES			
Accounts payable	104,379	30,172	134,551
Accrued and other current liabilities	28,742	6,979	35,721
Accrued interest payable	146,499	129,449	275,948
Due to other governments	9,378,713	-	9,378,713
Unearned revenues	2,810,880	779,747	3,590,627
Long-term obligations			
Due within one year	2,721,941	421,814	3,143,755
Due in more than one year	4,225,370	8,370,282	12,595,652
TOTAL LIABILITIES	19,416,524	9,738,443	29,154,967
NET ASSETS			
Invested in capital assets, net of related debt	(3,978,294)	4,103,865	125,571
Restricted for			
Debt service	2,025,009	-	2,025,009
Unrestricted	2,420,326	2,589,853	5,010,179
TOTAL NET ASSETS	\$ 467,041	\$ 6,693,718	\$ 7,160,759

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, 2007

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 862,870	\$ 295,993	\$ -	\$ 142
Public safety	768,584	64,502	27,922	1,000
Public works	660,492	281,753	308,151	-
Culture and recreation	12,052	3,425	-	-
Conservation and development	95,358	8,297	24,718	-
Interest on debt	356,249	-	-	-
Total Governmental Activities	2,755,605	653,970	360,791	1,142
Business-type Activities				
Water utility	612,637	574,185	-	9,289
Sewer utility	640,548	358,611	-	8,387
Storm Water	132,751	126,455	-	48,302
Total Business-type Activities	1,385,936	1,059,251	-	65,978
Total	\$ 4,141,541	\$ 1,713,221	\$ 360,791	\$ 67,120

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

Net assets (deficit) - 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

\$ (566,735)	\$ -	\$ (566,735)
(675,160)	-	(675,160)
(70,588)	-	(70,588)
(8,627)	-	(8,627)
(62,343)	-	(62,343)
(356,249)	-	(356,249)
<u>(1,739,702)</u>	<u>-</u>	<u>(1,739,702)</u>

-	(29,163)	(29,163)
-	(273,550)	(273,550)
-	42,006	42,006
-	<u>(260,707)</u>	<u>(260,707)</u>
<u>(1,739,702)</u>	<u>(260,707)</u>	<u>(2,000,409)</u>

617,748	324,228	941,976
909,288	-	909,288
564,590	-	564,590
29,662	-	29,662
101,492	-	101,492
391,204	49,435	440,639
42,426	92,601	135,027
106,881	(106,881)	-
<u>2,763,291</u>	<u>359,383</u>	<u>3,122,674</u>
1,023,589	98,676	1,122,265
<u>(556,548)</u>	<u>6,595,042</u>	<u>6,038,494</u>
<u>\$ 467,041</u>	<u>\$ 6,693,718</u>	<u>\$ 7,160,759</u>

VILLAGE OF HOBART, WISCONSIN

Balance Sheet
Governmental Funds
December 31, 2007

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and investments	\$ 2,154,337	\$ 2,025,009	\$ 1,267,136	\$ 5,446,482
Receivables				
Taxes	8,996,729	923,941	368,343	10,289,013
Delinquent taxes and special assessments	254,116	-	-	254,116
Special assessments	-	781,687	-	781,687
Due from other funds	129,611	-	-	129,611
TOTAL ASSETS	\$ 11,534,793	\$ 3,730,637	\$ 1,635,479	\$ 16,900,909
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 87,133	\$ -	\$ 17,246	\$ 104,379
Accrued payroll liabilities	28,742	-	-	28,742
Due to other governmental units	9,378,713	-	-	9,378,713
Deferred revenue	1,518,596	1,705,628	368,343	3,592,567
Total Liabilities	11,013,184	1,705,628	385,589	13,104,401
Fund Balances				
Reserved for				
Retirement of long-term debt	-	2,025,009	-	2,025,009
Unreserved				
Designated for subsequent year expenditures	-	-	1,249,890	1,249,890
Undesignated, reported in				
General fund	521,609	-	-	521,609
Total Fund Balances	521,609	2,025,009	1,249,890	3,796,508
TOTAL LIABILITIES AND FUND BALANCES	\$ 11,534,793	\$ 3,730,637	\$ 1,635,479	\$ 16,900,909

(Continued)

VILLAGE OF HOBART, WISCONSIN
Balance Sheet (Continued)
Governmental Funds
December 31, 2007

Reconciliation to the Statement of Net Assets

Total Fund Balances as shown on previous page		\$ 3,796,508
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.		2,969,017
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	\$ (6,947,311)	
Deferred charges - bond issues	13,639	
Accrued interest on long-term obligations	<u>(146,499)</u>	(7,080,171)
Other long-term assets are not available to pay current period expenditures and, therefore, are deferred in the funds.		
Special assessments		<u>781,687</u>
Net Assets (Deficit) of Governmental Activities as Reported on the Statement of Net Assets (see page 9)		<u><u>\$ 467,041</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, 2007

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Taxes	\$ 647,410	\$ 909,288	\$ 564,590	\$ 2,121,288
Special assessments	-	127,083	-	127,083
Intergovernmental	579,570	-	-	579,570
Licenses and permits	112,100	-	-	112,100
Fines and forfeits	33,411	-	-	33,411
Public charges for services	284,770	-	-	284,770
Other general government	359,444	51,297	130,433	541,174
Total Revenues	2,016,705	1,087,668	695,023	3,799,396
Expenditures				
Current				
General government	788,044	-	-	788,044
Public safety	710,553	-	-	710,553
Public works	493,925	-	-	493,925
Conservation and development	40,005	-	-	40,005
Debt service				
Principal	-	878,452	-	878,452
Interest and fiscal charges	-	233,195	-	233,195
Capital outlay	-	-	1,952,433	1,952,433
Total Expenditures	2,032,527	1,111,647	1,952,433	5,096,607
Excess of Revenues Over (Under)				
Expenditures	(15,822)	(23,979)	(1,257,410)	(1,297,211)
Other Financing Sources (Uses)				
Long-term debt issued	-	-	2,430,000	2,430,000
Transfers in	106,881	-	444,844	551,725
Transfers out	(444,844)	-	-	(444,844)
Total Other Financing Sources (Uses)	(337,963)	-	2,874,844	2,536,881
Net Change in Fund Balances	(353,785)	(23,979)	1,617,434	1,239,670
Fund Balances (Deficit) - January 1	875,394	2,048,988	(367,544)	2,556,838
Fund Balances - December 31	\$ 521,609	\$ 2,025,009	\$ 1,249,890	\$ 3,796,508

(Continued)

VILLAGE OF HOBART, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Governmental Funds
Year Ended December 31, 2007

Reconciliation to the Statement of Activities

Net Change in Fund Balances as shown on previous page \$ 1,239,670

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	1,700,527
Depreciation expense reported in the statement of activities	(102,895)
Loss on disposal of capital assets	(55,535)

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	878,452
Long-term debt issued	(2,430,000)

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.	(93,186)
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Revenues reported in the fund statement that were earned in a prior year are not recognized as revenues in the statement of activities.	(127,083)
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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.	13,639
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Change in Net Assets of Governmental Activities as Reported in the Statement of Activities (see pages 10 - 11)	\$ 1,023,589
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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, 2007

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 753,748	\$ 753,748	\$ 647,410	\$ (106,338)
Intergovernmental	554,510	554,510	579,570	25,060
Licenses and permits	102,705	102,705	112,100	9,395
Fines and forfeits	32,000	32,000	33,411	1,411
Public charges for services	278,943	278,943	284,770	5,827
Other general government	255,000	255,000	359,444	104,444
Total Revenues	1,976,906	1,976,906	2,016,705	39,799
Expenditures				
General government	624,060	624,060	788,044	(163,984)
Public safety	735,461	735,461	710,553	24,908
Public works	681,310	681,310	493,925	187,385
Conservation and development	46,075	46,075	40,005	6,070
Total Expenditures	2,086,906	2,086,906	2,032,527	54,379
Excess of Revenues Over (Under) Expenditures	(110,000)	(110,000)	(15,822)	94,178
Other Financing Sources (Uses)				
Transfers in	110,000	110,000	106,881	(3,119)
Transfers out	-	(444,844)	(444,844)	-
Total Other Financing Sources (Uses)	110,000	(334,844)	(337,963)	(3,119)
Net Change in Fund Balance	(0)	(444,844)	(353,785)	91,059
Fund Balance - January 1	875,394	875,394	875,394	-
Fund Balance - December 31	\$ 875,394	\$ 430,550	\$ 521,609	\$ 91,059

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, 2007

	Water Utility	Sewer Utility	Storm Water Utility	Total
ASSETS				
Current assets				
Cash and investments	\$ 1,339,390	\$ 572,866	\$ -	\$ 1,912,256
Accounts receivable	74,994	102,538	-	177,532
Other receivables	70,361	277,478	582,462	930,301
Total Current Assets	1,484,745	952,882	582,462	3,020,089
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	7,359,191	5,553,371	48,302	12,960,864
Equipment	273,495	2,290,086	-	2,563,581
Less: Accumulated depreciation	(1,279,612)	(2,209,375)	(604)	(3,489,591)
Total Capital Assets, Net of Accumulated Depreciation	6,705,510	6,142,753	47,698	12,895,961
Other Assets				
Special assessments	293,248	113,441	-	406,689
Special assessments deferred	115,188	-	2,693	117,881
Unamortized debt discount and expense	90,699	30,453	-	121,152
Total Noncurrent Assets	7,204,645	6,286,647	50,391	13,541,683
TOTAL ASSETS	8,689,390	7,239,529	632,853	16,561,772
LIABILITIES				
Current Liabilities				
Accounts payable	8,254	16,201	5,717	30,172
Accrued expenses	4,101	2,878	-	6,979
Due to other funds	-	-	129,611	129,611
Accrued interest	14,680	114,769	-	129,449
Deferred revenue	60,200	264,028	455,519	779,747
Noncurrent				
Due within one year	237,200	184,614	-	421,814
Due in more than one year	4,112,786	4,257,496	-	8,370,282
TOTAL LIABILITIES	4,437,221	4,839,986	590,847	9,868,054
NET ASSETS				
Invested in capital assets, net of related debt	2,355,524	1,700,643	47,698	4,103,865
Unrestricted	1,896,645	698,900	(5,692)	2,589,853
TOTAL NET ASSETS	\$ 4,252,169	\$ 2,399,543	\$ 42,006	\$ 6,693,718

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, 2007

	Water Utility	Sewer Utility	Storm Water Utility	Total
Operating Revenues				
Charges for Services				
Metered sales				
Residential	\$ 329,271	\$ 327,335	\$ -	\$ 656,606
Commercial	18,553	24,844	-	43,397
Public authority	662	1,237	-	1,899
Private fire protection	5,858	-	-	5,858
Public fire protection	206,514	-	-	206,514
Total Charges for Services	<u>560,858</u>	<u>353,416</u>	<u>-</u>	<u>914,274</u>
Other Operating Revenues				
Inspection fees	1,126	1,000	-	2,126
Water testing	489	-	-	489
Well operation permits	600	-	-	600
Other operating revenues	11,112	92,396	126,455	229,963
Total Other Operating Revenues	<u>13,327</u>	<u>93,396</u>	<u>126,455</u>	<u>233,178</u>
Total Operating Revenues	<u>574,185</u>	<u>446,812</u>	<u>126,455</u>	<u>1,147,452</u>
Operating Expenses				
Operation and Maintenance				
Purchased water	50,686	-	-	50,686
Power for pumping	28,925	4,142	-	33,067
Operation labor	74,273	39,185	-	113,458
Treatment charges	-	148,751	-	148,751
Chemicals	9,094	-	-	9,094
Maintenance of plant	15,868	42,193	131,002	189,063
Operation supplies and expense	9,858	14,044	-	23,902
Administrative and general salaries	29,636	19,343	-	48,979
Office supplies and expense	12,661	1,306	-	13,967
Outside services	20,658	8,494	1,145	30,297
Employee pensions and benefits	31,169	22,342	-	53,511
Miscellaneous general expenses	1,562	-	-	1,562
Total Operation and Maintenance	<u>284,390</u>	<u>299,800</u>	<u>132,147</u>	<u>716,337</u>
Depreciation	149,546	160,841	604	310,991
Taxes	5,530	5,068	-	10,598
Total Operating Expenses	<u>439,466</u>	<u>465,709</u>	<u>132,751</u>	<u>1,037,926</u>
Operating Income (Loss)	<u>134,719</u>	<u>(18,897)</u>	<u>(6,296)</u>	<u>109,526</u>
Nonoperating Revenues (Expenses)				
Interest income	38,743	10,692	-	49,435
Property taxes	60,200	264,028	-	324,228
Hook-up fees	-	4,400	-	4,400
Amortization of debt issuance costs	(7,405)	(2,343)	-	(9,748)
Interest and fiscal charges	(165,766)	(172,496)	-	(338,262)
Total Nonoperating Revenues (Expenses)	<u>(74,228)</u>	<u>104,281</u>	<u>-</u>	<u>30,053</u>
Income Before Contributions and Transfers	60,491	85,384	(6,296)	139,579
Capital contributions	9,289	8,387	48,302	65,978
Transfers out	(106,881)	-	-	(106,881)
Change in Net Assets	(37,101)	93,771	42,006	98,676
Net Assets - January 1	<u>4,289,270</u>	<u>2,305,772</u>	<u>-</u>	<u>6,595,042</u>
Net Assets - December 31	<u>\$ 4,252,169</u>	<u>\$ 2,399,543</u>	<u>\$ 42,006</u>	<u>\$ 6,693,718</u>

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, 2007

	Water Utility	Sewer Utility	Storm Water Utility	Total
Cash Flows from Operating Activities				
Cash received from user charges	\$ 576,777	\$ 436,893	\$ 129,123	\$ 1,142,793
Cash payments to suppliers	(161,647)	(219,109)	(129,123)	(509,879)
Cash payments to employees	(120,817)	(83,969)	-	(204,786)
Net Cash Provided by Operating Activities	294,313	133,815	-	428,128
Cash Flows from Non-Capital Financing Activities				
Paid to municipality for tax equivalent	(106,881)	-	-	(106,881)
Cash Flows from Capital and Related Financing Activities				
Acquisition of capital assets	(10,419)	-	-	(10,419)
General property taxes	60,200	264,028	-	324,228
Principal payments on long-term debt	(235,890)	(200,825)	-	(436,715)
Interest payments on long-term debt	(167,502)	(187,848)	-	(355,350)
Hook up fees	-	4,400	-	4,400
Contributions from property owners	194,952	31,536	-	226,488
Net Cash Provided (Used) by Capital and Related Financing Activities	(158,659)	(88,709)	-	(247,368)
Cash Flows from Investing Activities				
Interest on investments	38,743	10,692	-	49,435
Net Increase in Cash and Cash Equivalents	67,516	55,798	-	123,314
Cash and Cash Equivalents - Beginning of Year	1,271,874	517,068	-	1,788,942
Cash and Cash Equivalents - End of Year	\$ 1,339,390	\$ 572,866	\$ -	\$ 1,912,256
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ 134,719	\$ (18,897)	\$ (6,296)	\$ 109,526
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	149,546	160,841	604	310,991
Depreciation allocation for meters	4,055	(4,055)	-	-
Changes in assets and liabilities				
Accounts receivable	(3,110)	(15,559)	-	(18,669)
Other receivables	5,702	5,640	(126,943)	(115,601)
Accounts payable	2,099	4,845	3,024	9,968
Accrued expenses	1,302	1,000	-	2,302
Due to other funds	-	-	129,611	129,611
Net Cash Provided (Used) by Operating Activities	\$ 294,313	\$ 133,815	\$ -	\$ 428,128

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, 2007

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.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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, 2007

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, 2007

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
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, 2007

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, 2007.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

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 \$7,358,738 on December 31, 2007 as summarized below:

Deposits with financial institutions	\$ 5,878,166
Investments	
Wisconsin local government investment pool	1,480,572
	<u>\$ 7,358,738</u>

Reconciliation to the basic financial statements:

Basic financial statements	
Cash and investments	<u>\$ 7,358,738</u>

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 \$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, 2007, \$5,461,850 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, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Investment in Wisconsin Local Government Investment Pool

The Village has investments in the Wisconsin local government investment pool of \$1,480,572 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, 2007, the fair value of the Village's share of the LGIP's assets was substantially equal to the carrying value.

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. The Village's investment in the Wisconsin local government investment pool is not rated.

Investments in the Wisconsin Local Government Investment Pool are covered under a surety bond issued by Financial Security Assurance, Inc. 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.

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. The investments held by the Wisconsin local government investment pool mature in 12 months or less.

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.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

3. Capital Assets

Capital asset activity for the year ended December 31, 2007 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Government activities:				
Capital assets, not being depreciated:				
Land	\$ 528,800	\$ 982,000	\$ -	\$ 1,510,800
Capital assets, being depreciated:				
Buildings and improvements	856,294	264,085	105,790	1,014,589
Machinery and equipment	45,600	36,945	-	82,545
Vehicles	719,933	124,647	-	844,580
Infrastructure	186,468	292,850	-	479,318
Subtotals	1,808,295	718,527	105,790	2,421,032
Less accumulated depreciation for:				
Buildings and improvements	484,650	25,358	50,255	459,753
Machinery and equipment	32,680	8,255	-	40,935
Vehicles	386,629	53,304	-	439,933
Infrastructure	6,216	15,978	-	22,194
Subtotals	910,175	102,895	50,255	962,815
Total capital assets, being depreciated, net	898,120	615,632	55,535	1,458,217
Governmental activities capital assets, net	<u>\$ 1,426,920</u>	<u>\$ 1,597,632</u>	<u>\$ 55,535</u>	2,969,017
Less related long-term debt outstanding				<u>6,947,311</u>
Investment in capital assets, net of related debt				<u>\$ (3,978,294)</u>

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

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	<u>598,076</u>	-	-	<u>598,076</u>
Capital assets, being depreciated:				
Buildings	263,031	-	-	263,031
Improvements other than buildings	12,897,413	68,011	4,560	12,960,864
Machinery and equipment	2,555,194	8,387	-	2,563,581
Subtotals	<u>15,715,638</u>	<u>76,398</u>	<u>4,560</u>	<u>15,787,476</u>
Less accumulated depreciation for:				
Water utility	1,130,571	153,601	4,560	1,279,612
Sewer utility	2,052,589	156,786	-	2,209,375
Storm water utility	-	604	-	604
Subtotals	<u>3,183,160</u>	<u>310,991</u>	<u>4,560</u>	<u>3,489,591</u>
Total capital assets, being depreciated, net	<u>12,532,478</u>	<u>(234,593)</u>	-	<u>12,297,885</u>
Business-type activities capital assets, net	<u>\$ 13,130,554</u>	<u>\$ (234,593)</u>	<u>\$ -</u>	12,895,961
Less related long-term debt outstanding				<u>8,792,096</u>
Investment in capital assets, net of related debt				<u>\$ 4,103,865</u>
Depreciation expense was charged to functions of the Village as follows:				
Governmental activities				
General government				\$ 12,296
Public safety				41,982
Public works				44,741
Conservation and development				3,876
Total depreciation expense - governmental activities				<u>\$ 102,895</u>
Business-type activities				
Water utility				\$ 153,601
Sewer utility				156,786
Storm Water Utility				604
Total depreciation expense - business-type activities				<u>\$ 310,991</u>

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

4. Interfund Receivable, Payables, and Transfers

Interfund receivables and payables between individual funds of the Village, as reported in the fund financial statements, as of December 31, 2007 are detailed below:

	Interfund Receivables	Interfund Payables
Temporary Cash Advances to Finance Operating Cash		
Deficits of Other Funds		
General fund	\$ 129,611	\$ -
Storm water utility enterprise fund	-	129,611
Totals	<u>\$ 129,611</u>	<u>\$ 129,611</u>

Interfund transfers for the year ended December 31, 2007 were as follows:

	Transfer to:	
	General Fund	Capital Projects Fund
Transfers from:		
General fund	\$ -	\$ 444,844
Water utility enterprise fund	106,881	-
Totals	<u>\$ 106,881</u>	<u>\$ 444,844</u>

The transfers for 2007 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	\$ -	\$ 1,518,596
Debt service fund	-	923,941
Capital projects fund	-	368,343
Special assessments		
Debt service fund	781,687	-
Totals	<u>\$ 781,687</u>	<u>\$ 2,810,880</u>

Special assessments are generally collectible in annual installments.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

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, 2007:

	Outstanding 1/1/07	Issued	Retired	Outstanding 12/31/07	Due Within One Year
Governmental activities:					
General Obligation Debt					
Notes	\$ 5,395,763	\$ 420,000	\$ 878,452	\$ 4,937,311	\$ 711,941
Taxable note anticipation note	-	2,010,000	-	2,010,000	2,010,000
Governmental activities Long-term obligations	<u>\$ 5,395,763</u>	<u>\$ 2,430,000</u>	<u>\$ 878,452</u>	<u>\$ 6,947,311</u>	<u>\$ 2,721,941</u>
Business-type activities:					
General Obligation Debt					
Notes	\$ 665,617	\$ -	\$ 37,745	\$ 627,872	\$ 29,918
Bond anticipation notes	5,020,000	-	240,000	4,780,000	240,000
Notes payable - Green Bay MSD	3,543,193	-	158,969	3,384,224	151,896
Business-type activities Long-term obligations	<u>\$ 9,228,810</u>	<u>\$ -</u>	<u>\$ 436,714</u>	<u>\$ 8,792,096</u>	<u>\$ 421,814</u>

Total interest paid during the year on long-term debt totaled \$595,318.

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%	\$ 520,000
\$1,085,000 issued 3/1/02; \$100,000 to \$170,000 due annually through 2011; interest 3.75% to 4.4%	485,000
\$2,635,000 issued 11/15/02; \$150,000 to \$265,000 due annually through 2013; interest 3.1% to 4.0%	1,170,000
\$1,125,000 issued 7/15/03; \$85,000 to \$115,000 due annually through 2016; interest 3.75% to 3.8%	890,000
\$1,340,000 issued 12/15/03; \$105,000 to \$225,000 due annually through 2014; interest 4.7% to 5.6%	1,120,000
\$212,065 issued 9/2/02; \$32,739 due in 2008 and \$34,273 due in 2009; interest 4.6%	67,012
\$627,526 issued 2005; \$10,134 to \$525,573 due annually through 2015, interest 4.75%	608,088
\$159,241 issued 2006; \$31,702 to \$36,214 due annually through 2010; interest 6.88%	101,799
\$55,518 issued 2006; \$19,784 due in 2008; interest 6.88%	19,784
\$176,000 issued 8/04/06; \$12,500 to \$34,625 due annually through 2013; interest 5.2%	163,500
\$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>\$ 5,565,183</u></u>

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Annual principal and interest maturities of the outstanding general obligation debt of \$5,565,183 on December 31, 2007 are detailed below:

Year Ended December 31	Governmental Activities		Business-type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 711,941	\$ 214,182	\$ 29,918	\$ 30,768	\$ 741,859	\$ 244,950
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	11,759	27,742	731,384	141,678
2012	654,625	85,138	12,250	27,250	666,875	112,388
2013-2017	1,484,625	110,503	552,024	69,331	2,036,649	179,834
	<u>\$ 4,937,311</u>	<u>\$ 847,492</u>	<u>\$ 627,872</u>	<u>\$ 212,170</u>	<u>\$ 5,565,183</u>	<u>\$ 1,059,662</u>

Legal Margin for New Debt

The Village's legal margin for creation of additional general obligation debt on December 31, 2007 was \$26,956,991 as follows:

Equalized valuation of the Village		\$609,943,300
Statutory limitation percentage		<u>(x) 5%</u>
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		30,497,165
Total outstanding general obligation debt applicable to debt limitation	\$ 5,565,183	
Less: Amounts available for financing general obligation debt		
Debt service fund	<u>2,025,009</u>	
Net outstanding general obligation debt applicable to debt limitation		<u>3,540,174</u>
Legal Margin for New Debt		<u>\$ 26,956,991</u>

The Village has outstanding \$4,780,000 in bond anticipation notes (BANs) and \$2,010,000 in taxable note anticipation notes (NANs). Although the outstanding BANs and 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 BANs and NANs.

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

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, 2007 totaled \$3,384,224 and were comprised of the following issues:

\$187,713 issued 1982 for interceptor construction; \$6,257 due annually through 2011; non-interest bearing	\$ 25,028
\$135,545 issued 1992 for interceptor construction; \$4,674 due annually through 2020; non-interest bearing	60,761
\$1,697,786 issued 1999 for interceptor construction; \$65,650 to \$113,506 due annually through 2022; interest 2.64% to 5%	1,312,879
\$2,151,581 issued 2005 for interceptor construction; \$75,315 to \$154,069 due annually through 2025; interest 5.00%	1,985,556
Total Notes Payable - Green Bay MSD	<u>\$ 3,384,224</u>

Annual principal and interest payments of the above outstanding notes payable on December 31, 2007 are shown below:

	Business-type Activities	
	Principal	Interest
2008	\$ 151,896	\$ 137,785
2009	157,741	131,940
2010	163,830	125,850
2011	170,175	119,506
2012	170,528	112,895
2013-2017	961,912	455,207
2018-2022	1,164,728	243,043
2023-2025	443,414	38,668
	<u>\$ 3,384,224</u>	<u>\$ 1,364,894</u>

Bond Anticipation Notes

Bond anticipation notes outstanding at December 31, 2007 totaled \$4,780,000 and were comprised of the following issue:

\$5,500,000 issued 11/1/04; \$240,000 due in 2008 and \$4,540,000 due in 2009; interest 2.7% to 3.75%	\$ 4,780,000
Total Bond Anticipation Notes	<u>\$ 4,780,000</u>

Annual principal and interest maturities of the above outstanding bond anticipation notes of \$4,780,000 on December 31, 2007 are shown below:

Year Ended December 31	Business-type Activities	
	Principal	Interest
2008	\$ 240,000	\$ 174,450
2009	4,540,000	85,125
	<u>\$ 4,780,000</u>	<u>\$ 259,575</u>

VILLAGE OF HOBART, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Taxable Note Anticipation Notes

Taxable note anticipation notes outstanding at December 31, 2007 totaled \$2,010,000 and were comprised of the following issues:

\$2,010,000 issued 4/15/07; \$2,010,000 due in 2008; interest 6.0%	\$ 2,010,000
Total Taxable Note Anticipation Notes	\$ 2,010,000

Annual principal and interest maturities of the above outstanding taxable note anticipation notes of \$2,010,000 on December 31, 2007 are shown below:

Year Ended December 31	Governmental Activities	
	Principal	Interest
2008	\$ 2,010,000	\$ 115,910

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, 2007 was \$641,643; the employer's total payroll was \$701,630. The total required contribution for the year ended December 31, 2007 was \$74,436, which consisted of \$35,480, or 5.53% of covered payroll from the employer and \$36,956, or 5.76% of covered payroll from employees. The required contribution for employees for the year ended December 31, 2007 was financed by the Village. Total contributions for the years ending December 31, 2006 and 2005 were \$63,866 and \$59,145 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, 2007

NOTE D - OTHER INFORMATION (Continued)

The WRS also provides death and disability benefits for employees. Eligibility and the amount of all benefits is 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 2008 budget was 3.86% 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. Subsequent Events

On January 8, 2008, the Village issued \$6,820,000 of taxable note anticipation notes at 4.9%; interest payable in 2012, and \$1,110,000 note anticipation notes at 3.4%; interest payable in 2012.

SUPPLEMENTAL INFORMATION

VILLAGE OF HOBART, WISCONSIN
General Fund
Detailed Comparison of Budgeted and Actual Revenues
Year Ended December 31, 2007
With Comparative Actual Amounts for Year Ended December 31, 2006

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)	Prior Year Actual
Taxes				
General property	\$ 618,748	\$ 617,748	\$ (1,000)	\$ 590,966
Managed forest crop tax	-	49	49	49
County culvert reimbursement	-	20,743	20,743	10,300
Payment in lieu of taxes	135,000	1,459	(133,541)	138,480
Interest on taxes	-	6,199	6,199	5,147
Use value penalty	-	1,212	1,212	1,355
Total Taxes	753,748	647,410	(106,338)	746,297
Intergovernmental				
Federal aids				
Police grant	-	-	-	22,836
State aids				
Shared taxes	98,918	98,918	-	98,918
Fire insurance	21,800	19,277	(2,523)	21,283
Fire department grant	-	8,645	8,645	-
Transportation	280,155	280,471	316	267,386
Smart Growth Grant	-	24,000	24,000	-
Exempt computer aid	-	2,562	2,562	3,636
Gypsy moth grant	-	718	718	2,393
Forest crop	-	12	12	12
Recycling	27,695	27,680	(15)	27,695
Parks	-	-	-	300
Local aids				
Reimbursements from the Town of Lawrence	125,942	117,287	(8,655)	102,130
Total Intergovernmental	554,510	579,570	25,060	546,589
Licenses and Permits				
Quarry permits	5,200	4,105	(1,095)	6,700
Liquor and malt beverages	2,480	2,480	-	2,490
Operators license	1,100	980	(120)	1,959
Cigarette license	150	150	-	150
Dog license	1,750	1,174	(576)	833
Cable TV franchise fees	25,500	26,424	924	25,507
Building permits and associated fees	41,725	30,366	(11,359)	57,348
Site review permits	200	635	435	360
Park fee/building permits	2,600	3,000	400	2,800
Park developer fees	1,500	5,297	3,797	6,119
Rent-park/hall/shelter	5,000	3,900	(1,100)	5,545
Rent-land and tower	12,700	25,389	12,689	16,006
Zoning permits	2,800	8,200	5,400	4,601
Total Licenses and Permits	102,705	112,100	9,395	130,418

(Continued)

VILLAGE OF HOBART, WISCONSIN

General Fund

Detailed Comparison of Budgeted and Actual Revenues (Continued)

Year Ended December 31, 2007

With Comparative Actual Amounts for Year Ended December 31, 2006

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)	Prior Year Actual
Fines and Forfeits				
Court fines and penalties	32,000	33,411	1,411	25,349
Public Charges for Services				
General government	2,000	3,310	1,310	5,518
Garbage collection	203,478	198,738	(4,740)	199,851
Street lighting	71,665	78,926	7,261	15,214
Fire calls	-	2,100	2,100	175
Bins and bags	1,800	1,696	(104)	2,975
Total Public Charges for Services	278,943	284,770	5,827	223,733
Other General Government				
Reimbursements	-	164	164	579
Interest	250,000	339,854	89,854	268,822
Donations	-	1,142	1,142	10,818
Sale of village property	-	327	327	2,295
Other general government	5,000	17,957	12,957	5,578
Total Other General Government	255,000	359,444	104,444	288,092
Total Revenues	\$ 1,976,906	\$ 2,016,705	\$ 39,799	\$ 1,960,478

VILLAGE OF HOBART, WISCONSIN
General Fund
Detailed Comparison of Budgeted and Actual Expenditures
Year Ended December 31, 2007
With Comparative Actual Amounts for Year Ended December 31, 2006

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)	Prior Year Actual
General Government				
Board	\$ 52,080	\$ 51,987	\$ 93	\$ 43,851
Municipal court	42,028	42,583	(555)	38,430
Legal	100,000	292,975	(192,975)	180,775
Administrator	91,962	104,472	(12,510)	94,852
Clerk	65,968	56,144	9,824	51,634
General government	71,750	79,704	(7,954)	81,209
Secretary	41,349	9,127	32,222	11,059
Elections	5,253	4,168	1,085	6,532
Audit and other accounting	3,600	3,600	-	2,500
Treasurer	24,077	33,759	(9,682)	23,543
Uncollected taxes and refunds	-	298	(298)	-
Assessor	25,600	24,999	601	28,100
General building and equipment	46,548	42,687	3,861	43,366
General insurance	53,845	41,541	12,304	28,597
Total General Government	624,060	788,044	(163,984)	634,448
Public Safety				
Police department	335,797	298,053	37,744	257,617
Animal control	1,775	1,824	(49)	2,453
Fire department	274,133	298,796	(24,663)	271,842
Building inspection	77,102	70,409	6,693	75,251
Ambulance	39,046	39,045	1	38,093
First responders	7,608	2,426	5,182	3,784
Total Public Safety	735,461	710,553	24,908	649,040
Public Works				
Highway administration	128,151	91,828	36,323	66,582
Highway maintenance and construction	288,000	173,250	114,750	207,958
Street lighting	79,881	61,493	18,388	63,206
Garbage collection	122,000	108,244	13,756	117,199
Recycling	63,278	59,110	4,168	60,061
Total Public Works	681,310	493,925	187,385	515,006
Conservation and Development				
Parks	16,500	11,602	4,898	14,086
Economic Development	-	16,392	(16,392)	-
Gypsy moth grant	-	1,457	(1,457)	4,004
Planning	22,600	10,554	12,046	34,550
Promotions	5,000	-	5,000	-
Zoning	1,975	-	1,975	-
Total Conservation and Development	46,075	40,005	6,070	52,640
Total Expenditures	\$ 2,086,906	\$ 2,032,527	\$ 54,379	\$ 1,851,134