

VILLAGE OF HOWARD, WISCONSIN



POPULAR ANNUAL FINANCIAL REPORT

FOR YEAR ENDING DECEMBER 31, 2008



Howard Town Hall - 1874



Howard Village Hall - 2008

“RISING TO NEW HEIGHTS”



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VILLAGE GOVERNMENT

“One of my primary goals as Village President is to make our government as transparent and open as possible to our citizens. Our village is a wonderful place to live, work and play and I want our citizens to take a participatory role in shaping how we grow our community together.”

- Village President, Burt R. McIntyre



Howard Village Board

From Left (Front Row): George Speaker, Burt R. McIntyre, Kelly Crouch
(Back Row): Ron Bredael, Jim Widiger, Catherine Hughes, David Steffen, Dan Deppeler, Jim Lemorande



LETTER FROM THE VILLAGE ADMINISTRATOR



Joshua A. Smith
Village Administrator

Dear Residents,

Much of the financial information in this report is based on material contained in the Village of Howard's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2008. By law, this is prepared in accordance with Generally Accepted Accounting Principles or GAAP. The Village's financial statements are audited by an independent, third-party professional accounting firm to provide reasonable assurance to the Village President, Village Board, the financial community and citizens-at-large that these financial statements are free of material misrepresentations. Based on our most recent audit, the Village of Howard received an unqualified opinion that the Village of Howard's financial statements are fairly presented and in conformity with GAAP. This opinion and accompanying financial statements were presented in depth by our auditing firm at a noticed Village Board meeting.

This is the second year the Village's Administrative Services Department has prepared an easy-to-read summary to our CAFR. Termed a "PAFR" or Popular Annual Financial Report, our goal is to inform citizens and other interested parties of financial and other significant information relating to Village operations in a concise, easy-to-read format. Last year, the Government Finance Officers Association of the United States and Canada (GFOA) gave an Award for Outstanding Achievement in Popular Annual Financial Reporting to the Village of Howard for its Popular Annual Financial Report for the fiscal year ended December 31, 2007. The award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. The Village of Howard is one of two municipalities in the State of Wisconsin currently receiving the GFOA's Popular Annual Financial Report award.

On behalf of the Village of Howard's Trustees and Village President Burt McIntyre, I thank you for taking a moment to read this financial report. Our staff is proud to serve the citizens of Howard and we thank you for your support as we seek to further enhance the level of financial accountability to our taxpayers. Questions, comments and feedback on this report are welcomed and encouraged. Contact information for myself and all elected officials can be found at www.villageofhoward.com.

Sincerely,

Joshua A. Smith

Village Administrator

HOWARD COMMUNITY PROFILE



Welcome to the Village of Howard, Wisconsin! Howard, population 15,965, is located in Brown County and is contiguous to the City of Green Bay, the Village of Hobart, the Village of Suamico, and abuts the bay of Green Bay on Lake Michigan with over three miles of shoreline.

The Village of Howard is one of the premiere places to live in

Northeast Wisconsin. The Howard -Suamico School District is one of the finest school districts in Wisconsin. Howard is also home to several corporate offices including United Healthcare, N-Sight Communication, WIPFLI CPA & Consulting (regional corporate office) and the Green Bay branch of the ITT Technical Institute.

Strategically located on several major highways, Howard's direct access to Interstate 43, US Highway 41, and State Highway 29 provides a quick and easy commute to Madison (2.5 hours), Milwaukee (2 hours), Door County (45 minutes) and Lambeau Field (5 minutes) - Home of the Twelve Time World Champion Green Bay Packers!

Howard at a Glance

December 31, 2008

Unemployment Rate.....	5.4%
Village Property Tax Rate	\$16.83
Village Portion Prop. Tax Rate....	\$3.31
Property Tax Revenue.....	\$5,831,831
Bond Rating	AA
General Obligation Debt....	\$5,775,000
Village Net Assets	\$2,587,173



Woodfield Village Mixed-Use Development in the Howard Village Center



Duck Creek

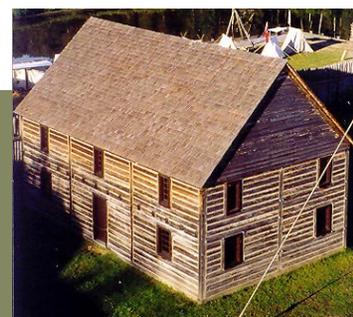


United Healthcare Insurance Corporate Offices



1669

Father Claude Allouez discovers the Menominee Indian Settlement along the western banks of Green Bay and the Duck Creek basin.



1765

Joseph Roy and Pierre Allee establish a fur trading post along the banks of Duck Creek.



CHRISTOPHER HALTOM, CPA
Executive Director of Administrative Services

What is a PAFR?

As part of our continuous effort to keep you informed of how your tax dollars are being spent, we are pleased to present the 2008 Popular Annual Financial Report (PAFR). The PAFR is a summary of the financial activities of the Village and was drawn from information found in the Comprehensive Annual Financial Report (CAFR). The data in this document is presented on the same measurement focus and basis of accounting as the CAFR. The CAFR was prepared in conformance with generally accepted accounting principles (GAAP) and includes financial statements audited by Schenck, S.C. of Green Bay, Wisconsin.

The Village's PAFR is unaudited and is presented on a non-GAAP basis. Non-GAAP means that the statements do not comply with generally accepted accounting principles because the PAFR includes summarization of financial data found in the CAFR; detailed schedules, footnotes and other data are omitted. For more detailed information, the reader should review the CAFR. The Village's CAFR and PAFR can be viewed by the public at Village Hall or online at <http://villageofhoward.com/village-financial.cfm>.

This PAFR reports data from all of the Village's funds that are also reported in the CAFR. All individual funds within the Capital Project Funds are combined into one fund for reporting in this PAFR.



1826

Judge Arndt begins construction of a sawmill in Duck Creek which results in the creation of the Duck Creek Quarry. Stones from the quarry were used to build numerous buildings in the Green Bay area.



1831

Alexis de Tocqueville, author of Democracy in America travels to Howard via Duck Creek. De Tocqueville's book is considered by scholars to be the greatest interpretative work ever written on U.S. government and its influence on democracy worldwide.

GFOA POPULAR ANNUAL FINANCIAL REPORT AWARD



The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award of Outstanding Achievement in Popular Annual Financial Report to the Village of Howard, Wisconsin for its Popular Annual Financial Report for the fiscal year ended December 31, 2007. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

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

An Award for Outstanding Achievement in Popular Annual Financial reporting is valid for a period of one year only. The Village of Howard, Wisconsin received the Popular Award for the year ending December 31, 2007 which was the first year the Village received the award. We believe our current report continues to conform to the Popular Annual Financial reporting requirements, and we are submitting it to the GFOA.

Award for Outstanding Achievement in Popular Annual Financial Reporting

PRESENTED TO

Village of Howard
Wisconsin

for the Fiscal Year Ended
December 31, 2007



Michael R. Rott
President
Jeffrey L. Esser
Executive Director

1830



Duck Creek was scene of a murder. One of the Fort Howard soldiers, Daniel Hempstead, shot Captain Gorham as he was infuriated with him for banning whiskey during work at the sawmill. Daniel Hempstead became the first hanging in the Green Bay area.

1836



A second sawmill was built at Duck Creek by Judge Arndt on the site now known as Pamperin Park.

2008 Financial Highlights

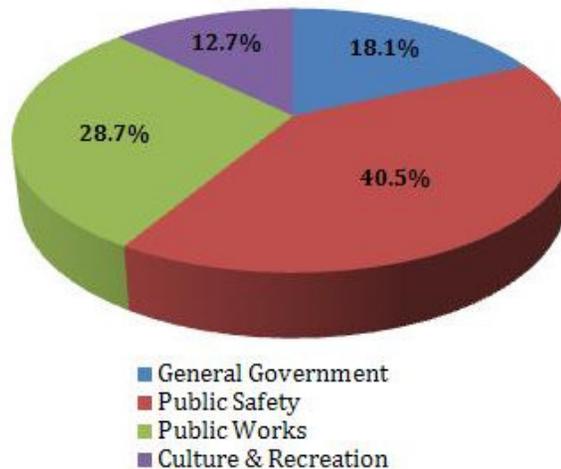
- The Village's combined net assets (difference between assets and liabilities on the government-wide statements) at December 31, 2008 totaled \$99.0 million and \$94.6 million in 2007. The fund balance for all governmental funds was \$6.2 million in 2008 and \$7.6 million in 2007.
- In 2008, total revenue of the total primary government on government-wide statements was \$19.5 million in 2008, \$21.8 million in 2007 and total spending was \$15.1 million in 2008 and \$17.5 million in 2007.
- Total revenues for business-type activities (golf course & three utilities) at the end of 2008 were \$8.9 million and total spending was \$6.7 million. Total net assets were \$54.9 million at December 31, 2008.
- The Village of Howard adopts an annual operating budget for General, Debt Service, Capital Projects, Special Revenue and Enterprise Funds.

Howard Property Tax Rate Continues to Decline

The Village of Howard's total tax rate decreased in December 2008 with a tax rate of \$3.31 compared to a tax rate of \$3.32 in 2007. The taxes generated from the December 2008 tax rate is as revenue in 2009. Property taxes levied increased only \$49,000, which is the lowest increase in over 20 years. Tax levy needs in the General Fund increased by \$359,000 were offset by decreases in Capital Projects. The tax rate for the Village of Howard continues to decrease as depicted in a graph located below.

The Village's percentage of the total tax bill property owners received in December 2008 was only 18.1%. The Village portion of the property tax bill continues to decrease as the Village's share was 18.4% in 2007. The pie-graph below depicts the breakdown of the property tax bills issued in December 2008 payable in 2009.

2008 General Fund Expenditures by Function



Howard Municipal Tax Rate



1838

The Oneida Post Office is established as Duck Creek with Solomon Davis as the first postmaster.

What You Get for Your Village Tax Dollars

Where do my property tax dollars go? Only 18.1% of your total property tax bill is kept by the Village of Howard to pay for all services provided. The remaining 81.9% of your property tax bill is remitted to Brown County, Howard-Suamico School District, Northeast Wisconsin Technical College (NWTC), and the State of Wisconsin. The average home in the Village of Howard has an assessed value of \$183,480 and **\$607.39** of the total property tax bill (\$3,088.20) is allocated to pay the following services in the Village of Howard:

<u>Village Board.</u> This accounts for Village Board salaries and expenses for various materials.	\$6.55	<u>Public Works.</u> This accounts for Public Works and Engineering administrative salaries and benefits.	\$10.73
<u>Administrator.</u> This accounts for the salaries of the Administrator, his assistant, secretary, and office materials.	\$24.93	<u>Street Repair.</u> This accounts for street repair projects and electricity expenses for street lights & traffic signals.	\$18.87
<u>Court/Attorney.</u> This accounts for salaries of the Judge, Court Clerk, and Village Attorney.	\$15.39	<u>Garbage/Recycling.</u> This accounts for the Village's garbage & recycling collection service contract.	\$67.03
<u>Community Development.</u> This accounts for the salaries and benefits of the Community Development Director and the Board of Zoning Appeals.	\$10.91	<u>Snow & Ice Removal.</u> This accounts for labor, equipment, and material costs for snow & ice removal during winter storms.	\$13.28
<u>Administrative Services.</u> This accounts for salaries and benefits of the Admin. Services Dept., property assessments, election expenses, health & human services, and contingencies.	\$27.53	<u>Parks.</u> This accounts for salaries and benefits of the Parks Dept. as well as park maintenance costs.	\$28.14
<u>Building Maintenance.</u> This accounts for expenses incurred in maintaining the village hall and public works facilities.	\$16.04	<u>Recreation.</u> This accounts for salaries and benefits of the	\$20.21
<u>Police.</u> This accounts for the Village's police contract with the Brown County Sheriff's Dept. and the Village's two DEO officers.	\$117.30	<u>Insurance costs.</u> This accounts for the property, liability, auto and worker's compensation insurance.	\$13.38
<u>Fire/EMS.</u> This accounts for fire protection services through the Village's volunteer Fire Dept. and emergency medical services.	\$91.78	<u>Debt Service.</u> This accounts for regular payments on the Village's outstanding debt.	\$29.88
<u>Code Enforcement.</u> This accounts for the Village's Code Enforcement Dept. which also includes building inspections.	\$8.29	<u>Capital Improvements.</u> This accounts for all capital improvements in the Village. Capital improvements include but are not limited to building improvements, equipment purchases, road improvement projects, and property acquisition.	\$87.15

1853

The first resident-pastor, Reverend Turcotte, is assigned to St. John the Baptist Church. Early pastors preached in English, French, Flemish and German.



1855

Guillaume Steeno and his wife, Maria Meulemans arrive in Duck creek and open a saloon. This was the second licensed saloon in Duck Creek



GOVERNMENTAL FUNDS



Most Village services and projects are accounted for in a category referred to as Governmental Funds. Governmental funds include the General Fund, Special Revenue Fund, Debt Service Fund, and Capital Projects Fund.

General Fund

Accounts for revenues and expenditures associated with the general operations of the Village that are not accounted for in any other fund.

Fund Balance

Fund balance is the excess of what is owned (assets) over what is owed (debts or liabilities). The Village's fund balance policy states that the Fund Balance of the General Fund will be between 35-40% of the previous year's actual expenditures within the fund. As of December 31, 2008, the General Fund Balance was \$2,587,173, an increase of \$294,874 from 2007.

Revenue

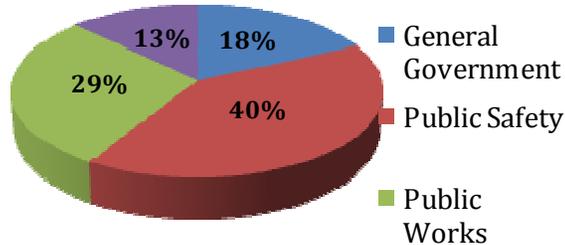
General Fund revenue totaled \$5.9 million in 2008 compared to \$5.7 million in 2007. The two most significant changes were increases of \$167,006 in taxes and \$51,497 increase in licenses and permits.

Expenditures

General Fund expenditures totaled \$5.9 million in 2008 and \$5.9 million in 2007.

There were noted increases within expenditures in 2008 but such increases were offset by a large decrease in health insurance costs by switching providers in April 2008.

% of General Fund Expenditures by Function



Capital Projects Fund

Account for the financial resources used for the construction and/or acquisition of major capital facilities and equipment.

Fund Balance

Fund balance in Capital Projects Funds fluctuates from year to year. The Village pays cash for all equipment purchases, major reconstruction of roadways, acquisition of properties and all other capital purchases (except for items purchased within TIF Districts when borrowed money may be used to pay for capital purchases). Fund balance increases in years when little or no purchases are made (usually saving funds for a large purchase) and decrease in years when large purchases are made. In 2008, the fund balance decreased by \$2.0 million as large construction projects occurred for roadways and a new park shelter building.

Revenue

Combined revenue in all Capital Project Funds totaled \$2.7 million in 2008 and \$2.3 million in 2007. The primary reason for this increase was related to grant funding (\$178,000) for park land purchase and a large donation (\$379,500) related to the same park land purchase.

Expenditures

Combined expenditures in all Capital Project Funds totaled almost \$4.8 million in 2008 and \$4.2 million in 2007. The 2008 list of projects included roadway costs of \$2.4 million (\$2.9 million in 2007), park land acquisition and building construction of \$1.5 million (\$2 million in 2007), building acquisition \$327,000 (\$503,000 in 2007) and equipment purchases of \$.6 million (\$.6 million in 2007).

1857

The Panic of 1857 begins around the United States causing many shingle-mills, saw-mills and other industries to cease operations around the Duck Creek area.



1862

The Chicago and Northwestern Railroad extends its railroad tracks to pass through Duck Creek. The C & NW Railroad used so much quarry-rock that it eventually bought the Cormier Quarry in 1874.



Special Revenue Fund

Account for proceeds of specific revenue sources that are legally restricted for specific purposes.

The Village of Howard has two special revenue funds; Tax Incremental District No. 2 (TIF #2) and the Revolving Loan Fund. Both funds are classified as Special Revenue Funds because they collect revenue that is designated for debt payments (TIF #2) and for future loans.

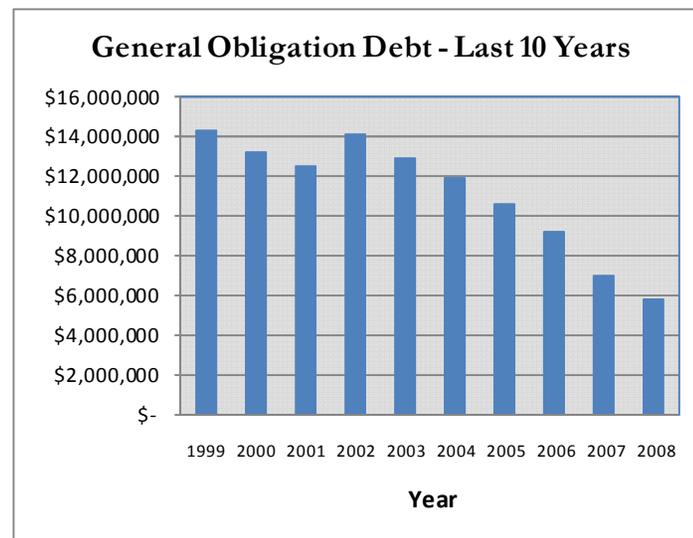
TIF #2 collected over \$1.5 million in revenue and used \$1.0 million to make scheduled debt payments. This TIF has a fund balance of over \$2.2 million that will be used to make future scheduled and early debt payments. TIF #2 funds are transferred to the Debt Service Fund before debt payments are made.

The Revolving Loan Fund made a loan of \$280,000 during 2008 to a local business. This fund also collected over \$166,000 in loan repayments and interest earnings from cash balances. Future loans will be made from existing fund balance of \$644,302 at December 31, 2008 and from future collections of loan repayments. This fund was established in 1991 from a federal community development block grant to a local business that required the business to repay the grant to the Village. Two other grants were obtained in the early 1990's. All three grants were repaid to the Village and totaled over \$750,000 which allowed the Village to make more loans from the fund. There are certain requirements a Howard business must meet before qualifying for a loan from this fund; one requirement limits funding to \$20,000 for each job created by the business.

Debt Service Fund

Account for the payment of principal, interest and related costs on general long-term debt.

The Village of Howard outstanding debt continues to decrease with a balance at December 31, 2008 of \$5,775,000 compared to \$6,980,000 in 2007. The Village's outstanding debt has decreased during the past 10 years as debt payments are made and no new debt has incurred since 2002. The outstanding debt is expected to be repaid in 2011 or earlier if no new debt is issued. The chart below reports debt levels over the past 10 years.



1874

Howard Town Hall is constructed and is used in that capacity for the next 81 years.



1915

St. John's Church is reconstructed and stands in the same condition today at the intersection of Glendale Avenue and Cardinal Lane.

PROPRIETARY FUNDS



Proprietary Funds account for activities the Village operates similar to private businesses. The Village has four proprietary funds: the Water Utility, Sanitary Sewer Utility, Golf Course and Storm Water Utility Funds.

Water, Sewer and Storm Water Utilities

Account for operations of each of these utilities. Revenues are generated from user fees charged to customers. Expenses include a variety of administrative and operating costs for each utility.

The Village of Howard provides these three utilities to customers within the service areas. Water and sewer services are required to all customers within these two utility service areas. All property owners in the Village are subject to storm water utility fees if their parcel of land contains impervious surfaces.

Revenue and Expenses

All three utilities are billed monthly to customers on one combined billing (see example of monthly billing to the right). In 2008, total combined revenue to customers totaled \$7.7 million. Combined total operating expense of the three utilities was \$5.8 million in 2008. After accounting for transfers and contributions, the net assets of the utilities increased by a combined total of \$2.2 million in 2008.

Cash and investments

Each of the three utilities holds unrestricted cash and investments as of December 31, 2008 as follows:

Water Utility	\$2,736,806
Sewer Utility	\$1,368,436
Storm Water	\$247,743

Cash and investments will be used in future years to fund each utilities' expansion and/or replacement of existing infrastructure or equipment. Each of the utilities have identified substantial infrastructure improvements needed over the next 5 years which will substantially utilize cash balances.

VOLUME CHARGES PER M/GAL

0 - 10	\$5.461 M/GAL
10+ - 100	\$4.551 M/GAL
100+ - OVER	\$3.381 M/GAL

This is the charge for the water used per 1,000 gallon (see above) in the billing period plus administrative fee.

This is a charge for public fire protection. All customers pay a portion of this fee and the Village pays a portion of this fee.

For Service From 2/19/2009 to 3/19/2009

CHARGES/CREDITS	DATE	METER READING PREVIOUS	METER READING PRESENT	USAGE	AMOUNT
PREV BAL					\$46.79
RECEIPT	03/18				-\$46.79
Water Res	03/19	145779	148324	2545	\$25.60
Public Fire					\$7.38
Sewer Res				2545	\$9.56
Storm Water				0.9	\$3.90
CUR CHRGS					\$46.44
TOTAL DUE					\$46.44

RETURN THIS PORTION WITH YOUR PAYMENT

ACCT. NO. 01-00059472-00-8

AMT. \$46.44

After 4/20/2009 Pay \$46.91

4/20/2009 PAY \$46.91 AMOUNT DUE NOW \$46.44

The top arrow represents the utility customer's account number. The bottom arrow represents the total amount due.

This is the charge for storm water fees. This fee is calculated based on the amount of impervious surface located on each property. For this bill, there is 0.9 ERU. One ERU is equal to 3,301 square feet of impervious surface.

This is the charge for sanitary sewer usage. This fee assists in maintaining sewers and constructing infrastructure. The Village of Howard conveys sewage to the Green Bay Metropolitan Sewerage District for treatment.



1915

Howard Oil opens its doors to customers desiring to fill the gas tanks of their automobiles.



1952

The Town of Howard's Fire Department takes receipt of its first fire engine. This engine was recently donated to the Howard-Suamico Historical Society.

Golf Course

Account for operations of the Village Green, 9 hold golf course.

The Village Greens is a 9 hole golf course and is conveniently located adjacent to State Highway 29 and within one mile of U.S. Highway 41. The course has experienced over 20,000 rounds of golf played during a typical year. In addition to golf, the course offers a “Friday night fish fry” and operates the bar and restaurant facilities during the golf season.

Revenue and Expenses

During 2008, the golf course revenue (from golf and restaurant operations) totaled \$643,632 and the course earned \$10,454 in interest income from cash investments. Expenses of the course totaled \$562,453 and transfers to other funds totaled \$100,000. The change in net assets for 2008 reported a reduction (or net loss) of \$8,367. In future years, the Village plans to transfer all current earnings of the golf course into one of the capital project funds.

Cash and investments

The golf course had over \$329,000 in cash and investments at December 31, 2008. This cash will be used for funding future improvements to the golf course. In 2008, the golf course invested over \$280,000 in course improvements, equipment and building improvements.



1959

Bernard Kimps is the first president elected in the “Village” of Howard.



1964

Village of Howard firefighters pose for a picture in the Village’s Fire Department.

ECONOMIC GROWTH

The Village relies heavily on property taxes and intergovernmental revenues (state aids and grants) as the main revenue sources. These two items made up 75% of total governmental funds revenue in 2008 and 63% in 2007. Property tax revenue increases when new residential and commercial buildings are constructed. In the business-type funds more customers generate higher revenue which helps offset rising costs. Growth in taxpayer base and customer base is essential in maintaining low tax rates and steady utility rates.

The Village has seen substantial growth in population and the number of new homes and businesses since 1990. For 2008, there are enough existing residential and commercial lots available to accommodate for new growth.

For the past two years, the Village has made a concentrated attempt to attract more growth in commercial areas with new development occurring in the Cardinal Lane commercial area. The intersection of US Highways 29 & 41 is another targeted area for growth.



Family Services Counseling Services constructed in 2008



Artist rendering of Kwik Trip to be constructed on Cardinal Lane



1968

Village Clerk Leo O'Connor reviews plans for a new Village Hall with Village President Cyril Cornell



1980

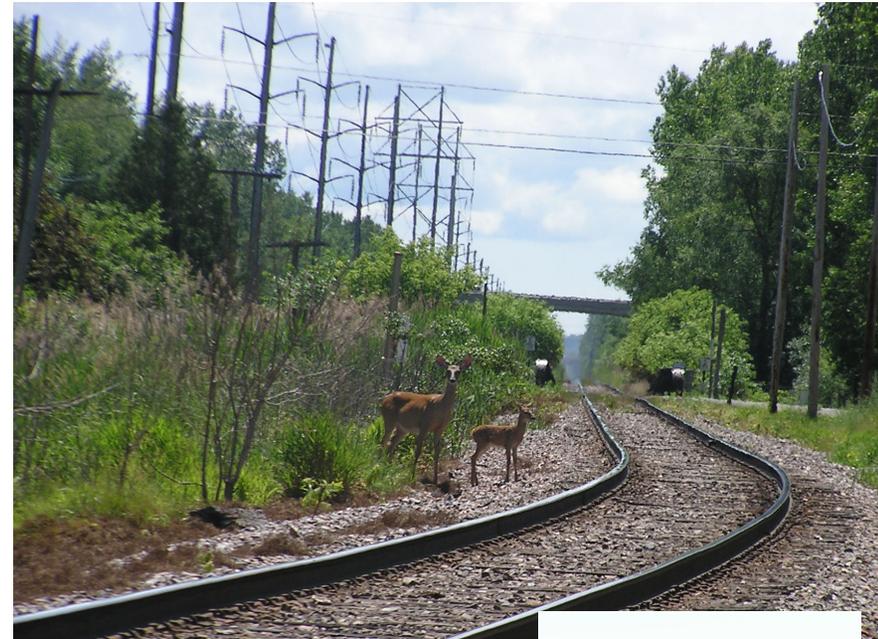
Presidential candidate Ronald Reagan makes a campaign stop at the old Bay Port High School located on Cardinal Lane (currently the site of Bay View Middle School).

CONTACT INFORMATION



Village Board

<u>Name</u>	<u>Phone No.</u>	<u>Email</u>
President Burt R. McIntyre	920/434 - 0482	bmcintyre@villageofhoward.com
Trustee Ronal Bredael	920/494 - 1845	ronloubabe@aol.com
Trustee Jim Widiger	920/498 - 5824	jwidiger@new.rr.com
Trustee Cathy Hughes	920/434 - 7973	freyhughes431@yahoo.com
Trustee George Speaker	920/434 - 2429	N/A
Trustee Jim Lemorande	920/434 - 2597	jlemorande@new.rr.com
Trustee Kelly Crouch	920/662 - 7557	kcrouch@villageofhoward.com
Trustee David Steffen	920/434 - 8343	davidsteffen04@yahoo.com
Trustee Dan Deppeler	920/544 - 0357	ddeppeler@villageofhoward.com



Appointed Staff

<u>Name</u>	<u>Phone No.</u>	<u>Email</u>
Joshua A. Smith	920/434 - 4640	jsmith@villageofhoward.com
Christopher Haltom, CPA	920/434 - 4640	chaltom@villageofhoward.com
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