

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

COMPLIANCE ENGAGEMENT REPORT

OF

CITY OF HOBART REDEVELOPMENT AUTHORITY

LAKE COUNTY, INDIANA

January 1, 2020 to December 31, 2022



**FILED**

09/17/2024



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Fiscal Officer	Deborah Longer	01-01-20 to 12-31-24
President of the Redevelopment Authority	Christopher Perez Sherryl Doerr Emily SeDoris	01-01-20 to 12-31-21 01-01-22 to 12-31-23 01-01-24 to 12-31-24



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE CITY OF HOBART REDEVELOPMENT  
AUTHORITY, LAKE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the City of Hobart Redevelopment Authority (Authority), for the period of January 1, 2020 to December 31, 2022. The objective of this engagement was to determine compliance with applicable Indiana laws, regulations, and uniform compliance guidelines (Guidelines) established by the Indiana State Board of Accounts pursuant to Indiana Code 5-11-1-24. The objective of this engagement is not to opine on compliance or financial activity of the Authority, as this engagement was not conducted in accordance with any standards established by an authoritative standard setting body, and, as such, we do not provide any opinions on compliance or financial activity.

Management is responsible for preparing and maintaining its accounting records and related documents in accordance with applicable Indiana laws, regulations, and Guidelines. Management's responsibility also includes, but is not limited to, complying with other applicable Indiana laws, regulations, and Guidelines concerning how it operates: authorized sources and uses of funds; what reports are required to be prepared and filed; and what depositories and investment types are allowable.

We fulfilled our responsibility as detailed in the first paragraph, using procedures that verified the appropriate accounting for and reporting of cash, receipts, and disbursements; and the appropriate sources and uses of funds in accordance with applicable Indiana laws, regulations, and Guidelines. Expanding the scope and nature of these procedures can and does occur in specific circumstances.

The Comments contained herein, if any, describe the identified reportable instances of noncompliance found during our engagement. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified. Any Official Response to the Comments incorporated within this report was not verified for accuracy.

The Schedule of Officials and Statements of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis (Statements) are informational only. The Statements have not been subjected to any procedures designed to express an opinion or provide any assurance on them, and, accordingly, we do not express an opinion or provide any assurance on them.

This report is intended solely for the information and use of management, governance, and others within the organization. This restriction is not intended to limit the distribution of this report, which is a matter of public record. Reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>, and the Authority's Annual Financial Reports filed by management can be found on the Indiana Gateway for Government Units financial reporting system website: <http://www.gateway.ifionline.org>.

The contents of this report were communicated to Deborah Longer, Fiscal Officer; Josh Huddlestun, Mayor; Heather McCarthy, City Attorney; Dan Waldrop, Common Council member; Matthew Claussen, President Pro Tempore of the Common Council; Maria Galka, Board of Public Works and Safety member; Robert Fulton, President of the Sanitary and Stormwater District Board; Mark Kara, Common Council member; Kelly Clemens, Chief of Staff; Alex Metz, Secretary of the Sanitary and Stormwater District Board; and Larry Gutierrez, Sanitary and Stormwater District Board member, on August 27, 2024.



Beth Kelley, CPA, CFE  
Deputy State Examiner

August 27, 2024

CITY OF HOBART REDEVELOPMENT AUTHORITY  
COMMENTS

No reportable instances of noncompliance.

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STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CASH  
AND INVESTMENT BALANCES - REGULATORY BASIS

CITY OF HOBART REDEVELOPMENT AUTHORITY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended December 31, 2020 and 2021

Fund	Cash and Investments 01-01-20	Receipts	Disbursements	Cash and Investments 12-31-20	Receipts	Disbursements	Cash and Investments 12-31-21
Sewer Lease Debt Service Reserve	\$ 511,347	\$ 291	\$ -	\$ 511,638	\$ 26	\$ -	\$ 511,664
Downtown Lease Debt Service Reserve	274,180	156	332	274,004	14	14	274,004
69th Ave TRAX Construction	-	12,859,596	2,130,573	10,729,023	4,966	659,721	10,074,268
Sewer Lease Construction	13,137	2,867	1,150	14,854	7,947	1,150	21,651
Sewer Lease Bond and Interest	48	470,520	470,567	1	627,503	627,502	2
Downtown Lease Construction	20,828	3,665	825	23,668	8,189	825	31,032
Downtown Lease Bond and Interest	444	250,347	250,708	83	227,515	227,590	8
69th Ave TRAX Debt Service Reserve	-	1,145,166	-	1,145,166	5,685	-	1,150,851
69th Ave TRAX Sinking	-	343,002	343,000	2	717,003	717,003	2
Totals	<u>\$ 819,984</u>	<u>\$ 15,075,610</u>	<u>\$ 3,197,155</u>	<u>\$ 12,698,439</u>	<u>\$ 1,598,848</u>	<u>\$ 2,233,805</u>	<u>\$ 12,063,482</u>

CITY OF HOBART REDEVELOPMENT AUTHORITY  
 STATEMENT OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

Fund	Cash and Investments 01-01-22	Receipts	Disbursements	Cash and Investments 12-31-22
Sewer Lease Debt Service Reserve	\$ 511,664	\$ 26	\$ -	\$ 511,690
Downtown Lease Debt Service Reserve	274,004	14	14	274,004
69th Ave TRAX Construction	10,074,268	488	1,715,475	8,359,281
Sewer Lease Construction	21,651	5,529	1,275	25,905
Sewer Lease Bond and Interest	2	684,002	684,003	1
Downtown Lease Construction	31,032	3,112	825	33,319
Downtown Lease Bond and Interest	8	230,014	230,015	7
69th Ave TRAX Debt Service Reserve	1,150,851	7,311	-	1,158,162
69th Ave TRAX Sinking	2	805,502	805,503	1
Totals	<u>\$ 12,063,482</u>	<u>\$ 1,735,998</u>	<u>\$ 3,437,110</u>	<u>\$ 10,362,370</u>