

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

FINANCIAL STATEMENT AUDIT REPORT

OF

CITY OF HOBART

LAKE COUNTY, INDIANA

January 1, 2019 to December 31, 2019



FILED
07/13/2020

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Deborah Longer	01-01-19 to 12-31-20
Mayor	Brian Snedecor	01-01-19 to 12-31-20
President of the Board of Public Works and Safety	Brian Snedecor	01-01-19 to 12-31-20
President Pro Tempore of the Common Council	Matthew Claussen	01-01-19 to 12-31-20



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statement

We have audited the accompanying financial statement of the City of Hobart (City), which comprises the financial position and results of operations for the year ended December 31, 2019, and the related notes to the financial statement as listed in the Table of Contents.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement 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 statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 to the financial statement, the City prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the City for the year ended December 31, 2019.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the City for the year ended December 31, 2019, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Emphasis of Matter

As discussed in Notes 7 and 9 to the financial statement, the City has been experiencing a significant negative cash balance in the General fund. Management's plan in regard to these matters are discussed in Notes 7 and 8. The financial statement does not include any adjustments that might result from the outcome of Management's plans. Our opinion is not modified with respect to this matter.

Other Matters


Other Information

Our audit was conducted for the purpose of forming an opinion on the City's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 31, 2020, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely 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 effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

May 28, 2020

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

The financial statement and accompanying notes were approved by management of the City. The financial statement and notes are presented as intended by the City.

CITY OF HOBART
STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2019

Fund	Cash and Investments 01-01-19	Receipts	Disbursements	Cash and Investments 12-31-19
General	\$ (3,834,280)	\$ 27,238,881	\$ 28,458,666	\$ (5,054,065)
Motor Vehicle Highway	1,018,796	1,748,446	2,691,583	75,659
Local Road And Street	459,482	660,519	648,967	471,034
MVH Restricted	-	625,366	166,774	458,592
Law Enforcement Continuing Ed	71,722	58,663	61,456	68,929
Riverboat	456,081	315,005	391,734	379,352
Parks And Recreation	145,548	1,057,193	783,963	418,778
Economic Development Income Tax	667,974	1,221,161	1,049,786	839,349
LOIT Special Distribution	-	187,080	187,080	-
Cumulative Capital Improvement	277,094	128,432	7,000	398,526
Cumulative Capital Development	1,157,976	854,341	1,353,222	659,095
Police Pension	681,845	589,844	593,531	678,158
Fire Pension	364,798	359,931	362,768	361,961
Public Safety Income Tax	167,625	1,313,728	1,327,596	153,757
HMS Police Court Bond B Debt Svc	150,578	133,517	132,960	151,135
Redev RZ TIF Bond A & B Debt Service	284,437	308,416	570,630	22,223
Maria Reiner Senior Center	177,172	123,001	155,065	145,108
Domestic Highway Enforcement	(410)	34,081	36,103	(2,432)
City Donations	4,658	255	3,684	1,229
RDC Special Fund	16,907	-	25	16,882
2014 Paving Bond Debt Service	101,503	417,856	415,600	103,759
Southside Lease Bond	175,000	183,000	358,000	-
G.R.I.T.	(3,676)	16,096	14,110	(1,690)
Downtown Lease Bond	135,500	137,000	272,500	-
O.P.O./D.U.I. Grant Administration	-	385,866	385,866	-
2017 Park Bond Debt Service	19,035	242,901	215,700	46,236
Park Bond Proceeds 7 Project	1,280,155	-	368,717	911,438
Indiana American Water (Centier)	54,232	352,049	348,660	57,621
Nipsco (Centier)	5,581	570,325	573,692	2,214
3rd Street Bridge Project	1,000,000	2,406,725	3,406,707	18
50/50 Sidewalk	18,888	6,299	25,187	-
Local Road & Bridge Matching Grant Fund	-	1,328,250	1,328,231	19
Seizure Department of Justice/Federal	-	983,628	205,451	778,177
Save Grant	-	9,899	9,899	-
City Court Odyssey	-	710,911	323,004	387,907
Traffic Management Capital Improvement	-	1,490	-	1,490
Health Insurance Bank Account	9,149	2,526,855	2,260,830	275,174
City Court Bank Account	286,022	188,188	471,580	2,630
Fire Donation	10,533	9,613	13,773	6,373
Park Donation	8,290	6,730	1,985	13,035
Trust	27,750	-	3,821	23,929
Dare / Too Good for Drugs	4,973	10,719	9,308	6,384
Police Donation	7,116	13,275	15,294	5,097
County Share Court Costs	-	117,918	117,918	-
Court Records Perpetuation	111,074	15,153	3,955	122,272
Innkeeper's Tax	12,765	4,725	-	17,490
Police Seizure	929,175	253,200	1,119,714	62,661
Drug Task Force (Hidta)	4,017	21,542	19,520	6,039
Drug Free Communities	-	5,041	5,041	-
Park Improvement	10,176	-	-	10,176

CITY OF HOBART
STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2019

Fund	Cash and Investments 01-01-19	Receipts	Disbursements	Cash and Investments 12-31-19
Park & Rec Non-Reverting	2,235	-	-	2,235
Arbor Lane Park Donation	2,150	-	-	2,150
Enhancement & Improvement	806,993	102,891	127,692	782,192
Pennsy Depot Donation	12,611	-	-	12,611
Lakefront Festival	27,199	55,353	43,851	38,701
Barrington Ridge Park Donation	58,544	-	31,088	27,456
Pleak Fund	32,789	-	45	32,744
Water Lines	11,595	-	-	11,595
Dui Overtime Grant	5,085	52,312	59,071	(1,674)
Court Public Defender	12,568	1,270	211	13,627
Adult Probation	83,549	29,345	44,046	68,848
Park District Program	24,831	42,624	45,954	21,501
Hobart Entryway Triangle	6,632	-	-	6,632
Operation Pull Over	19,927	47,731	58,300	9,358
Tax Abatement	6,086	887	339	6,634
Scout Cabin	571	-	-	571
Redevelopment	2,761,846	1,346,168	364,402	3,743,612
Special Events	16,265	62,662	64,742	14,185
Public Works Donation	1,796	2,001	1,890	1,907
Assistance To Firefighters Grant	-	96,819	-	96,819
Recycling Grants	6,319	-	1,137	5,182
Employee Health Benefits	121,730	386,646	467,127	41,249
Redevelopment 61St Avenue	3,861,163	2,599,617	1,942,375	4,518,405
Reimburse Professional Fees	16,055	194,275	13,172	197,158
2007 61St Avenue Debt Service	156,300	165,000	321,800	(500)
HMS Police Court Bond A Debt Svc	463,068	1,415,010	1,407,564	470,514
61St Ave Series B Debt Service	60,777	65,627	126,404	-
61St Avenue Reserve Fund	919,605	-	71	919,534
Fire Pension 1977	-	241,951	241,951	-
Police Pension 1977	-	312,315	312,315	-
Payroll	2,036	15,514,760	15,508,393	8,403
Civilian Perf	-	169,566	169,566	-
Investments	109,551	124,281	20,381	213,451
Stormwater Bond Construction	13,634,669	98,195	2,814,166	10,918,698
Stormwater Bond Debt Service Reserve	1,106,988	-	-	1,106,988
HSD Stormwater	2,293,994	2,683,906	2,910,437	2,067,463
SRF Bond and Interest HSD	149,428	237,667	235,515	151,580
SRF Debt Svc. Reserve HSD	240,968	5,092	-	246,060
Sewer Lease Debt Service Reserve	509,995	1,352	-	511,347
Downtown Lease Debt Service Reserve	274,277	725	822	274,180
Wastewater Operating	577,531	5,292,617	5,459,589	410,559
Wastewater Improvement	1,973,394	1,027,119	1,641,175	1,359,338
Wastewater Revenue	322,083	7,058,326	7,354,421	25,988
Totals	\$ 37,168,464	\$ 87,317,224	\$ 93,066,668	\$ 31,419,020

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

CITY OF HOBART
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The City was established under the laws of the State of Indiana. The City operates under a Council-Mayor form of government and provides some or all of the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, wastewater, electric, gas, storm water, trash, aviation, and urban redevelopment and housing.

The accompanying financial statement presents the financial information for the City.

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Taxes. Amounts received from one or more of the following: property tax, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeeper's tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the City.

Licenses and permits. Amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction, or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include the following: peddler licenses, animal licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

CITY OF HOBART
NOTES TO FINANCIAL STATEMENT
(Continued)

Intergovernmental receipts. Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental receipts include, but are not limited to, the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services. Amounts received for services including, but not limited to, the following: planning commission charges, building department charges, copies of public records, copy machines charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable TV receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits. Amounts received from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Utility fees. Amounts received from charges for current services.

Other receipts. Amounts received from various sources, including, but not limited to, the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

Personal services. Amounts disbursed for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies. Amounts disbursed for articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges. Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service - principal and interest. Amounts disbursed for fixed obligations resulting from financial transactions previously entered into by the City. It includes all expenditures for the reduction of the principal and interest of the City's general obligation indebtedness.

CITY OF HOBART
NOTES TO FINANCIAL STATEMENT
(Continued)

Capital outlay. Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses. Amounts disbursed for operating the utilities.

Other disbursements. Amounts disbursed for various other purposes including, but not limited to, the following: interfund loan payments; loans made to other funds; internal service disbursements; and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The City may, from time to time, make transfers from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the City. Each fund is used to account for amounts received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the City. The amounts accounted for in a specific fund may only be available for use for certain, legally-restricted purposes. Additionally, some funds are used to account for assets held by the City in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and, therefore, the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the City submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the City in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by December 31 of the year preceding the budget year or January 15 of the budget year if the City is issuing debt after December 1 or intends on filing a shortfall appeal. These rates were based upon the assessed valuations adjusted for various tax credits from the preceding year's lien date of January 1. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

CITY OF HOBART
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the City to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

The City may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the City to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund Defined Benefit Plan (PERF DB) is a cost-sharing multiple-employer defined benefit plan and provides retirement, disability, and survivor benefits to plan members. PERF DB is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2 and IC 5-10.3) and administrative code (35 IAC 1.2), which govern most requirements of the system and give the City authority to contribute to the plan.

The Public Employees' Hybrid Plan (PERF Hybrid) consists of two components: PERF DB, the employer-funded monthly defined benefit component, and the Public Employees' Hybrid Members Defined Contribution Account, the defined contribution component.

The Retirement Savings Plan for Public Employees (My Choice) is a multiple-employer defined contribution plan. It is administered through the INPRS Board in accordance with state statutes (IC 5-10.2 and IC 5-10.3) and administrative code (35 IAC 1.2), which govern most requirements of the system and give the City authority to contribute to the plan.

New employees hired have a one-time election to join either the PERF Hybrid or the My Choice.

CITY OF HOBART
NOTES TO FINANCIAL STATEMENT
(Continued)

Financial Report

INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (844) 464-6777

Contributions

Members' contributions are set by state statute at 3 percent of compensation for both the defined contribution component of PERF Hybrid and My Choice. The employer may elect to make the contribution on behalf of the member of the defined contribution component of PERF Hybrid and My Choice members may receive additional employer contribution in lieu of the PERF DB. Contributions to the PERF DB are determined by INPRS Board based on actuarial valuation.

B. 1925 Police Officers' Pension Plan

Plan Description

The 1925 Police Officers' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute.

On Behalf Payments

The 1925 Police Officers' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

C. 1937 Firefighters' Pension Plan

Plan Description

The 1937 Firefighters' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-7). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

CITY OF HOBART
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute.

On Behalf Payments

The 1937 Firefighters' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

D. 1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS) for all police officers and firefighters hired after April 30, 1977, providing retirement, disability, and survivor benefits.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting, and requirements for contributions by employers and by employees. Covered employees may retire at age 52 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 52.

Financial Report

INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (844) 464-6777

Contributions

The contribution requirements of plan members and the City are established by the Board of Trustees of INPRS based on actuarial valuation. Employers may pay all or part of the member contribution for the member.

CITY OF HOBART
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of reimbursable expenditures that were not received by December 31, 2019, in the General fund, G.R.I.T. fund, Dui Overtime Grant fund, Domestic Highway Enforcement fund, and the 2007 61St Avenue Debt Service fund. In the case of the Debt Service fund, the TIF distribution from the county was not received until the very end of December and the appropriate funds were moved to cover these expenditures for Trustee's fees in the first week of January. The G.R.I.T, Dui Overtime Grant, and Domestic Highway Enforcement funds all involve reimbursable funds for police officers time/benefits who are assigned to these specific programs or grants. The reimbursement is requested on a regular basis but the actual receipt of funds takes time to process.

As to the General fund, along with some reimbursable expenditures not received prior to the end of the year, the deficit was also a result of a combination of a levy collection shortfall with tax distributions coming in at just over 94 percent which is not realized until late December when distributions are received from Lake County, coupled with the previous shortfalls that are not made up from past years. In addition, the Public Safety Income Tax funds that were earmarked to be transferred to cover Fire and Police Department staffing costs paid from the General fund were not available due to other unanticipated costs paid from the Public Safety fund through the year. In addition, early in the year the City was made aware that a new charge for recycling services was being required due to the federal government breaking ties with China who had been under contract for taking the recycling from our subcontractor at no cost to the City. What was once a "free" service to the City was now being charged by the tonnage received and this additional cost was passed on to the City with very little notice to adjust budgets and expenses. In late 2019, the Common Council addressed some of this ongoing deficit in the General fund by increasing the cost of garbage pick-up services, effective January 1, 2020.

Note 8. Subsequent Events

New Debt

The City issued Redevelopment Authority Lease Rental Revenue Bond of 2020 issued for infrastructure (69th Ave & TRAX). Legal processes and approvals for issuing this bond were done in 2019, but the bond was sold in January 2020, and closed in early February 2020.

New Tax Increment Financing (TIF) District created: US30 Corridor

Legal process and approval from Common Council for this TIF were done in 2019, effective January 2020. No revenue or appropriations in 2019, and none expected in 2020 due to property taxes collection scheduled in arrears.

Hobart Sanitary District Sewer User Fee rates increased effective January 1, 2020

Rate study and approvals by the Sanitary District Board and Common Council were done in 2019 with new rates put in place for January 2020 bills.

Garbage Fee increased effective January 1, 2020

Common Council Ordinance enacted in December 2019. Rates put in place on January 2020 billing.

CITY OF HOBART
NOTES TO FINANCIAL STATEMENT
(Continued)

Redevelopment Commission Resolution 2020-02

The Hobart Redevelopment Commission approved Resolution 2020-02 on March 16, 2020. A Resolution determining the lowest responsible and responsive bidders and awarding contracts for the 69th Avenue Reconstruction Project and the 69th Avenue Sanitary Sewer Extension Project. The Resolution awarded the Base bid for contract "A" (Roadway Reconstruction) to G.E. Marshall, Inc. in the amount of \$4,081,289.79, and to award the base bid (\$531,303), plus alternate 1 (\$222,686) for contract "B" (Sanitary Sewer Extension) to Grimmer Construction in a total amount of \$783,989.

COVID-19: Coronavirus global pandemic was declared in March 2020

Indiana Governor's Executive Orders issued in March and April directing Hoosiers to stay at home will have an major effect on revenue for the City in 2020 and beyond with an ending unknown. Economic recession being almost a certainty as businesses are closed down and workers are furloughed will directly impact the Income Tax revenues received by the City for Public Safety and CEDIT uses. Property tax collections will show a shortfall for 2020 and late fee penalties are delayed with an unknown as to whether the actual due date of the May taxes will also be delayed. Additionally, increased costs to the City for supplies to keep our essential workers safe as they perform their jobs during the crisis, increased payroll costs as employees are split-scheduled but on-call to ensure public safety measures are in place, downturn of permitting fee revenues as construction has been curtailed, unemployment costs for part-time employees furloughed during the crisis and the suspension of late-payment fees for garbage and sewer charges will all have an impact well into 2021 and beyond. As of this writing (April 2020), there is no definitive date for the COVID-19 pandemic to be over and it will be some time for the true impact to be known.

Note 9. Assessed Valuation Appeals

Over the past 5-7 years, the City Administration has been directly involved in discussion with the Township and County Assessor regarding the concerns of the growing number of Assess Valuations (A.V.) Appeals being filed especially on commercial (i.e. "big box") properties in the southern retail district of the City. Quarterly appeal lists are issued by the County Assessor and meetings of various taxing units have been held with the Assessor's present to discuss the process and the potential impacts. Pending appeals filed over ten years ago because greater concern every year as they wind their way through the Tax Review Board and the State Tax Court with no certainty as to when a decision may be issued.

Most recently is the appeal pending decision in the State Tax Court of some of the properties in the Southlake Mall which potentially could require a refund of tax payments as far back as 2014 and for each year since. As we await the Tax Court decision, the City has been proactive in engaging more Lake County taxing units and other taxing entities (cities and towns) throughout the State that will feel the impact of these large appeals dating back to more than a decade ago. The State Legislators have been appraised of the issues at stake and work is being done locally to garner support throughout the state for needed legislative changes to deal with the two major issues at stake: 1) the pending appeals from long ago which may require the taxing units to "refund" the taxes paid - essentially paying back money we received years ago to provide services to residents and businesses through the years; and 2) to "fix" the problem of the assessment process and formulas to become equitable. The City will continue to work on garnering support throughout the state for needed legislative changes and to explore possibilities of chipping away at the problem before it becomes even more unmanageable.

CITY OF HOBART
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 10. Other Postemployment Benefits

The City provides to eligible retirees and their spouses the following benefits: medical and hospitalization insurance benefits. These benefits pose a liability to the City for this year and in future years. Information regarding the benefits can be obtained by contacting the City. The City schedules an actuarial valuation for the Pension Plans to be completed every two (2) years with the next actuarial valuation to be done for FY 2020.

Note 11. Redevelopment Authority

The City has entered into capital leases with the Hobart Redevelopment Authority (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the City. The lessor has been determined to be a related-party of the City. Lease payments during the year 2019 totaled \$630,500.

OTHER INFORMATION - UNAUDITED

The City's Annual Financial Report information can be found on the Indiana Gateway for Government Units website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the City's Annual Financial Report referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The other information presented was approved by management of the City. It is presented as intended by the City.

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	General	Motor Vehicle Highway	Local Road And Street	MVH Restricted	Law Enforcement Continuing Ed	Riverboat
Cash and investments - beginning	\$ (3,834,280)	\$ 1,018,796	\$ 459,482	\$ -	\$ 71,722	\$ 456,081
Receipts:						
Taxes	12,671,235	889,824	-	-	-	-
Licenses and permits	898,950	-	-	-	14,960	-
Intergovernmental receipts	853,037	772,372	582,977	625,366	-	203,140
Charges for services	2,751,931	-	77,542	-	38,283	-
Fines and forfeits	114,686	-	-	-	4,960	-
Utility fees	-	-	-	-	-	-
Other receipts	9,949,042	86,250	-	-	460	111,865
Total receipts	27,238,881	1,748,446	660,519	625,366	58,663	315,005
Disbursements:						
Personal services	16,091,604	1,662,132	-	-	-	-
Supplies	572,192	472,496	980	166,774	18,929	-
Other services and charges	3,118,787	112,357	80,364	-	36,306	15,677
Debt service - principal and interest	6,080,946	-	-	-	-	-
Capital outlay	56,580	341,686	567,623	-	6,217	376,057
Utility operating expenses	-	-	-	-	-	-
Other disbursements	2,538,557	102,912	-	-	4	-
Total disbursements	28,458,666	2,691,583	648,967	166,774	61,456	391,734
Excess (deficiency) of receipts over disbursements	(1,219,785)	(943,137)	11,552	458,592	(2,793)	(76,729)
Cash and investments - ending	\$ (5,054,065)	\$ 75,659	\$ 471,034	\$ 458,592	\$ 68,929	\$ 379,352

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	Parks And Recreation	Economic Development Income Tax	LOIT Special Distribution	Cumulative Capital Improvement	Cumulative Capital Development	Police Pension
Cash and investments - beginning	\$ 145,548	\$ 667,974	\$ -	\$ 277,094	\$ 1,157,976	\$ 681,845
Receipts:						
Taxes	874,741	1,033,917	-	-	742,642	-
Licenses and permits	260	-	-	-	-	-
Intergovernmental receipts	43,354	-	-	66,390	36,807	-
Charges for services	112,053	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	26,785	187,244	187,080	62,042	74,892	589,844
Total receipts	1,057,193	1,221,161	187,080	128,432	854,341	589,844
Disbursements:						
Personal services	544,303	121,117	-	-	-	1,456
Supplies	47,772	773	-	-	-	-
Other services and charges	87,504	358,585	-	7,000	141,568	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	80,019	569,311	187,080	-	226,679	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	24,365	-	-	-	984,975	592,075
Total disbursements	783,963	1,049,786	187,080	7,000	1,353,222	593,531
Excess (deficiency) of receipts over disbursements	273,230	171,375	-	121,432	(498,881)	(3,687)
Cash and investments - ending	\$ 418,778	\$ 839,349	\$ -	\$ 398,526	\$ 659,095	\$ 678,158

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	Fire Pension	Public Safety Income Tax	HMS Police Court Bond B Debt Svc	Redev RZ TIF Bond A & B Debt Service	Maria Reiner Senior Center	Domestic Highway Enforcement
Cash and investments - beginning	\$ 364,798	\$ 167,625	\$ 150,578	\$ 284,437	\$ 177,172	\$ (410)
Receipts:						
Taxes	-	-	127,499	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	1,220,871	6,018	-	-	-
Charges for services	-	-	-	-	104,030	34,081
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	359,931	92,857	-	308,416	18,971	-
Total receipts	359,931	1,313,728	133,517	308,416	123,001	34,081
Disbursements:						
Personal services	2,054	468,553	-	-	104,543	36,103
Supplies	255	17,761	-	-	17,991	-
Other services and charges	-	274,407	650	1,205	8,722	-
Debt service - principal and interest	-	-	132,310	569,425	-	-
Capital outlay	-	566,875	-	-	2,211	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	360,459	-	-	-	21,598	-
Total disbursements	362,768	1,327,596	132,960	570,630	155,065	36,103
Excess (deficiency) of receipts over disbursements	(2,837)	(13,868)	557	(262,214)	(32,064)	(2,022)
Cash and investments - ending	\$ 361,961	\$ 153,757	\$ 151,135	\$ 22,223	\$ 145,108	\$ (2,432)

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	City Donations	RDC Special Fund	2014 Paving Bond Debt Service	Southside Lease Bond	G.R.I.T.	Downtown Lease Bond
Cash and investments - beginning	\$ 4,658	\$ 16,907	\$ 101,503	\$ 175,000	\$ (3,676)	\$ 135,500
Receipts:						
Taxes	-	-	399,021	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	18,835	-	-	-
Charges for services	-	-	-	-	16,096	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	255	-	-	183,000	-	137,000
Total receipts	255	-	417,856	183,000	16,096	137,000
Disbursements:						
Personal services	-	-	-	-	14,110	-
Supplies	-	-	-	-	-	-
Other services and charges	3,684	25	600	358,000	-	272,500
Debt service - principal and interest	-	-	415,000	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	3,684	25	415,600	358,000	14,110	272,500
Excess (deficiency) of receipts over disbursements	(3,429)	(25)	2,256	(175,000)	1,986	(135,500)
Cash and investments - ending	\$ 1,229	\$ 16,882	\$ 103,759	\$ -	\$ (1,690)	\$ -

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	O.P.O./D.U.I. Grant Administration	2017 Park Bond Debt Service	Park Bond Proceeds 7 Project	Indiana American Water (Centier)	Nipsco (Centier)	3rd Street Bridge Project
Cash and investments - beginning	\$ -	\$ 19,035	\$ 1,280,155	\$ 54,232	\$ 5,581	\$ 1,000,000
Receipts:						
Taxes	-	231,971	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	385,866	10,930	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	352,049	570,325	2,406,725
Total receipts	<u>385,866</u>	<u>242,901</u>	<u>-</u>	<u>352,049</u>	<u>570,325</u>	<u>2,406,725</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	215,700	-	-	-	-
Capital outlay	-	-	368,717	-	-	3,406,707
Utility operating expenses	-	-	-	-	-	-
Other disbursements	385,866	-	-	348,660	573,692	-
Total disbursements	<u>385,866</u>	<u>215,700</u>	<u>368,717</u>	<u>348,660</u>	<u>573,692</u>	<u>3,406,707</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>27,201</u>	<u>(368,717)</u>	<u>3,389</u>	<u>(3,367)</u>	<u>(999,982)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 46,236</u>	<u>\$ 911,438</u>	<u>\$ 57,621</u>	<u>\$ 2,214</u>	<u>\$ 18</u>

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	50/50 Sidewalk	Local Road & Bridge Matching Grant Fund	Seizure Department of Justice/Federal	Save Grant	City Court Odyssey
Cash and investments - beginning	\$ 18,888	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	1,328,250	-	-	-
Charges for services	-	-	-	9,899	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	6,299	-	983,628	-	710,911
Total receipts	6,299	1,328,250	983,628	9,899	710,911
Disbursements:					
Personal services	-	-	-	9,899	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	22,325	1,328,231	205,451	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	2,862	-	-	-	323,004
Total disbursements	25,187	1,328,231	205,451	9,899	323,004
Excess (deficiency) of receipts over disbursements	(18,888)	19	778,177	-	387,907
Cash and investments - ending	\$ -	\$ 19	\$ 778,177	\$ -	\$ 387,907

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	Traffic Management Capital Improvement	Health Insurance Bank Account	City Court Bank Account	Fire Donation	Park Donation	Trust
Cash and investments - beginning	\$ -	\$ 9,149	\$ 286,022	\$ 10,533	\$ 8,290	\$ 27,750
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	1,490	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	400	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	2,526,855	188,188	9,613	6,330	-
Total receipts	1,490	2,526,855	188,188	9,613	6,730	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	13,773	1,985	3,661
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	160
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	2,260,830	471,580	-	-	-
Total disbursements	-	2,260,830	471,580	13,773	1,985	3,821
Excess (deficiency) of receipts over disbursements	1,490	266,025	(283,392)	(4,160)	4,745	(3,821)
Cash and investments - ending	\$ 1,490	\$ 275,174	\$ 2,630	\$ 6,373	\$ 13,035	\$ 23,929

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	Dare / Too Good for Drugs	Police Donation	County Share Court Costs	Court Records Perpetuation	Innkeeper's Tax	Police Seizure
Cash and investments - beginning	\$ 4,973	\$ 7,116	\$ -	\$ 111,074	\$ 12,765	\$ 929,175
Receipts:						
Taxes	-	-	-	-	4,725	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	9,000	-	-	-	-	-
Fines and forfeits	-	-	117,918	15,153	-	-
Utility fees	-	-	-	-	-	-
Other receipts	1,719	13,275	-	-	-	253,200
Total receipts	10,719	13,275	117,918	15,153	4,725	253,200
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	2,252
Other services and charges	7,622	15,294	-	3,955	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	320,047
Utility operating expenses	-	-	-	-	-	-
Other disbursements	1,686	-	117,918	-	-	797,415
Total disbursements	9,308	15,294	117,918	3,955	-	1,119,714
Excess (deficiency) of receipts over disbursements	1,411	(2,019)	-	11,198	4,725	(866,514)
Cash and investments - ending	\$ 6,384	\$ 5,097	\$ -	\$ 122,272	\$ 17,490	\$ 62,661

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	Drug Task Force (Hidta)	Drug Free Communities	Park Improvement	Park & Rec Non-Reverting	Arbor Lane Park Donation	Enhancement & Improvement
Cash and investments - beginning	\$ 4,017	\$ -	\$ 10,176	\$ 2,235	\$ 2,150	\$ 806,993
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	21,542	-	-	-	-	102,891
Fines and forfeits	-	5,041	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	21,542	5,041	-	-	-	102,891
Disbursements:						
Personal services	19,520	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	127,692
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	5,041	-	-	-	-
Total disbursements	19,520	5,041	-	-	-	127,692
Excess (deficiency) of receipts over disbursements	2,022	-	-	-	-	(24,801)
Cash and investments - ending	\$ 6,039	\$ -	\$ 10,176	\$ 2,235	\$ 2,150	\$ 782,192

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	Penny Depot Donation	Lakefront Festival	Barrington Ridge Park Donation	Pleak Fund	Water Lines	Dui Overtime Grant
Cash and investments - beginning	\$ 12,611	\$ 27,199	\$ 58,544	\$ 32,789	\$ 11,595	\$ 5,085
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	53,538	-	-	-	52,312
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	1,815	-	-	-	-
Total receipts	-	55,353	-	-	-	52,312
Disbursements:						
Personal services	-	1,300	-	-	-	59,071
Supplies	-	-	-	-	-	-
Other services and charges	-	42,371	3,200	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	27,888	45	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	180	-	-	-	-
Total disbursements	-	43,851	31,088	45	-	59,071
Excess (deficiency) of receipts over disbursements	-	11,502	(31,088)	(45)	-	(6,759)
Cash and investments - ending	\$ 12,611	\$ 38,701	\$ 27,456	\$ 32,744	\$ 11,595	\$ (1,674)

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	Court Public Defender	Adult Probation	Park District Program	Hobart Entryway Triangle	Operation Pull Over	Tax Abatement
Cash and investments - beginning	\$ 12,568	\$ 83,549	\$ 24,831	\$ 6,632	\$ 19,927	\$ 6,086
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	41,748	-	47,731	887
Fines and forfeits	1,270	29,345	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	876	-	-	-
Total receipts	1,270	29,345	42,624	-	47,731	887
Disbursements:						
Personal services	211	43,115	30,258	-	58,300	-
Supplies	-	428	-	-	-	-
Other services and charges	-	462	15,696	-	-	339
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	41	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	211	44,046	45,954	-	58,300	339
Excess (deficiency) of receipts over disbursements	1,059	(14,701)	(3,330)	-	(10,569)	548
Cash and investments - ending	\$ 13,627	\$ 68,848	\$ 21,501	\$ 6,632	\$ 9,358	\$ 6,634

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	Scout Cabin	Redevelopment	Special Events	Public Works Donation	Assistance To Firefighters Grant	Recycling Grants
Cash and investments - beginning	\$ 571	\$ 2,761,846	\$ 16,265	\$ 1,796	\$ -	\$ 6,319
Receipts:						
Taxes	-	481,982	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	46,149	-	96,819	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	864,186	16,513	2,001	-	-
Total receipts	-	1,346,168	62,662	2,001	96,819	-
Disbursements:						
Personal services	-	12,334	1,350	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	167,076	63,392	1,890	-	1,137
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	47,992	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	137,000	-	-	-	-
Total disbursements	-	364,402	64,742	1,890	-	1,137
Excess (deficiency) of receipts over disbursements	-	981,766	(2,080)	111	96,819	(1,137)
Cash and investments - ending	\$ 571	\$ 3,743,612	\$ 14,185	\$ 1,907	\$ 96,819	\$ 5,182

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	Employee Health Benefits	Redevelopment 61St Avenue	Reimburse Professional Fees	2007 61St Avenue Debt Service	HMS Police Court Bond A Debt Svc	61St Ave Series B Debt Service
Cash and investments - beginning	\$ 121,730	\$ 3,861,163	\$ 16,055	\$ 156,300	\$ 463,068	\$ 60,777
Receipts:						
Taxes	-	1,950,483	-	-	1,351,228	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	63,782	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	386,646	649,134	194,275	165,000	-	65,627
Total receipts	386,646	2,599,617	194,275	165,000	1,415,010	65,627
Disbursements:						
Personal services	467,127	12,334	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	372,700	13,172	500	650	650
Debt service - principal and interest	-	-	-	321,300	1,406,914	125,754
Capital outlay	-	883,159	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	674,182	-	-	-	-
Total disbursements	467,127	1,942,375	13,172	321,800	1,407,564	126,404
Excess (deficiency) of receipts over disbursements	(80,481)	657,242	181,103	(156,800)	7,446	(60,777)
Cash and investments - ending	\$ 41,249	\$ 4,518,405	\$ 197,158	\$ (500)	\$ 470,514	\$ -

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	61St Avenue Reserve Fund	Fire Pension 1977	Police Pension 1977	Payroll	Civilian Perf	Investments
Cash and investments - beginning	\$ 919,605	\$ -	\$ -	\$ 2,036	\$ -	\$ 109,551
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	241,951	312,315	15,514,760	169,566	124,281
Total receipts	-	241,951	312,315	15,514,760	169,566	124,281
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	71	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	241,951	312,315	15,508,393	169,566	20,381
Total disbursements	71	241,951	312,315	15,508,393	169,566	20,381
Excess (deficiency) of receipts over disbursements	(71)	-	-	6,367	-	103,900
Cash and investments - ending	\$ 919,534	\$ -	\$ -	\$ 8,403	\$ -	\$ 213,451

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	Stormwater Bond Construction	Stormwater Bond Debt Service Reserve	HSD Stormwater	SRF Bond and Interest HSD	SRF Debt Svc. Reserve HSD	Sewer Lease Debt Service Reserve
Cash and investments - beginning	\$ 13,634,669	\$ 1,106,988	\$ 2,293,994	\$ 149,428	\$ 240,968	\$ 509,995
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	2,342,497	-	-	-
Other receipts	98,195	-	341,409	237,667	5,092	1,352
Total receipts	98,195	-	2,683,906	237,667	5,092	1,352
Disbursements:						
Personal services	-	-	76,372	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	958,925	235,515	-	-
Capital outlay	2,814,166	-	1,165,901	-	-	-
Utility operating expenses	-	-	709,239	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	2,814,166	-	2,910,437	235,515	-	-
Excess (deficiency) of receipts over disbursements	(2,715,971)	-	(226,531)	2,152	5,092	1,352
Cash and investments - ending	\$ 10,918,698	\$ 1,106,988	\$ 2,067,463	\$ 151,580	\$ 246,060	\$ 511,347

CITY OF HOBART
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	Downtown Lease Debt Service Reserve	Wastewater Operating	Wastewater Improvement	Wastewater Revenue	Totals
Cash and investments - beginning	\$ 274,277	\$ 577,531	\$ 1,973,394	\$ 322,083	\$ 37,168,464
Receipts:					
Taxes	-	-	-	-	20,759,268
Licenses and permits	-	-	-	-	915,660
Intergovernmental receipts	-	-	-	-	6,217,995
Charges for services	-	-	-	-	3,616,932
Fines and forfeits	-	-	-	-	288,373
Utility fees	-	7,000	-	7,058,326	9,407,823
Other receipts	725	5,285,617	1,027,119	-	46,111,173
Total receipts	725	5,292,617	1,027,119	7,058,326	87,317,224
Disbursements:					
Personal services	-	1,284,618	-	-	21,121,784
Supplies	-	-	-	-	1,318,603
Other services and charges	-	3,950	-	-	5,611,487
Debt service - principal and interest	822	-	235,038	-	10,697,649
Capital outlay	-	16,417	907,802	-	14,623,079
Utility operating expenses	-	4,098,161	100,000	-	4,907,400
Other disbursements	-	56,443	398,335	7,354,421	34,786,666
Total disbursements	822	5,459,589	1,641,175	7,354,421	93,066,668
Excess (deficiency) of receipts over disbursements	(97)	(166,972)	(614,056)	(296,095)	(5,749,444)
Cash and investments - ending	\$ 274,180	\$ 410,559	\$ 1,359,338	\$ 25,988	\$ 31,419,020

CITY OF HOBART
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2019

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 453,208	\$ 1,680,075
Wastewater	<u>26,461</u>	<u>586,221</u>
Totals	<u>\$ 479,669</u>	<u>\$ 2,266,296</u>

CITY OF HOBART
SCHEDULE OF LEASES AND DEBT
December 31, 2019

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
People's Bank	FireHouse #2	\$ 117,693	07-15-16	01-15-26
People's Bank	Public Works Maintenance Building	173,545	05-17-17	07-15-27
Hobart Redevelopment Authority	2015 Lease Rental Revenue Bonds (Downtown)	250,000	08-01-16	02-01-39
Hobart Redevelopment Authority	2014 Lease Rental Revenue Bonds (Southside)	470,500	01-01-15	01-01-27
Us Bankcorp	2017 Braun Chief XL Ambulance	46,018	03-30-18	03-30-21
US Bankcorp	2017 Chevy Silverado Dump Truck(Parks)	10,641	08-15-18	08-15-21
US Bankcorp	2016 Auto- Arm Garbage Truck (Freightliner)	63,265	08-15-17	08-15-20
US Bankcorp	2018 Auto-Arm Garbage Truck (Freightliner)	65,029	12-15-17	12-15-20
US Bankcorp	2019 Two(2) Fire Trucks (Pierce) One (1) Ambulance (Braun)	<u>261,132</u>	06-15-19	06-15-25
Total of annual lease payments		<u>\$ 1,457,823</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	2009 Redevelopment Bond: 61st Ave. Series B (Fund 313)	\$ 805,000	\$ 127,113
General obligation bonds	2010 Police Court Reconstruction Bond B (Fund 315)	1,490,000	1,535,550
General obligation bonds	2010 Redevelopment Bond: 61st Ave RZ Series B (Fund 325)	1,940,000	323,715
General obligation bonds	2010 Redevelopment Bond: 61st Ave TIF Series A (Fund 325)	135,000	137,329
General obligation bonds	2014 GO Bond: Street Improvements (Fund 311)	195,000	196,950
General obligation bonds	2016 Redevelopment Refunding Bond: 61st Ave (Fund 324)	2,360,000	330,800
General obligation bonds	2017 Park District Bond (Fund 323)	<u>3,935,000</u>	<u>328,000</u>
Total governmental activities		<u>10,860,000</u>	<u>2,979,457</u>
Wastewater:			
Revenue bonds	2012 HSD Sanitary Sewage Revenue Bonds (SRF)	2,864,000	235,240
Revenue bonds	2018 Storm Water Management District Bond	<u>14,805,000</u>	<u>953,894</u>
Total Wastewater		<u>17,669,000</u>	<u>1,189,134</u>
Totals		<u>\$ 28,529,000</u>	<u>\$ 4,168,591</u>

CITY OF HOBART
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2019

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	<u>Ending Balance</u>
Wastewater:	
Land	\$ 1,115,487
Infrastructure	26,933,873
Buildings	15,662,269
Improvements other than buildings	1,618,988
Machinery, equipment, and vehicles	2,809,615
Construction in progress	<u>6,458,303</u>
Total Wastewater	<u>54,598,535</u>
Storm Water:	
Infrastructure	13,618,193
Machinery, equipment, and vehicles	228,860
Construction in progress	<u>1,095,718</u>
Total Storm Water	<u>14,942,771</u>
Governmental activities:	
Land	2,056,282
Infrastructure	98,409,665
Buildings	32,639,880
Improvements other than buildings	11,566,383
Machinery, equipment, and vehicles	20,157,350
Construction in progress	13,959,677
Books and other	<u>89,356</u>
Total governmental activities	<u>178,878,593</u>
Total capital assets	<u>\$ 248,419,899</u>

OTHER REPORTS

In addition to this report, other reports may have been issued for the City. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.