

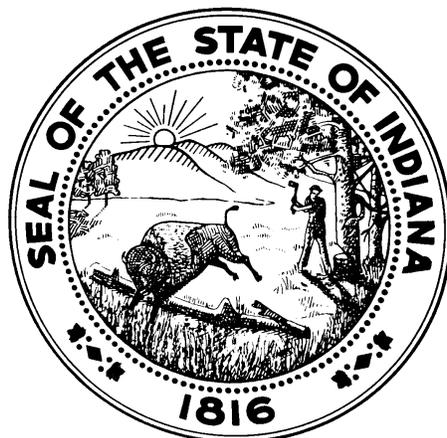
STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT

OF

WELLS COUNTY, INDIANA

January 1, 2007 to December 31, 2007



FILED
08/22/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Laura A. Brubaker	01-01-07 to 12-31-10
Treasurer	Rinda S. Vaughn	01-01-05 to 12-31-08
Clerk	Beth J. Davis	01-01-07 to 12-31-10
Sheriff	Robert E. Frantz	01-01-07 to 12-31-10
Recorder	Sandra K. Fair	01-01-05 to 12-31-08
President of the Board of County Commissioners	Paul I. Bonham	01-01-07 to 12-31-08
President of the County Council	Peter W. Cole	01-01-07 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF WELLS COUNTY, INDIANA

We have examined the financial information presented herein of Wells County (County), for the period of January 1, 2007 to December 31, 2007. The County's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the County for the year ended December 31, 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

July 28, 2008

WELLS COUNTY
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
As Of And For The Year Ended December 31, 2007

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 2,204,172	\$ 7,199,833	\$ 7,919,113	\$ 1,484,892
County Highway	222,557	2,920,014	2,794,083	348,488
County Health	161,880	283,441	239,247	206,074
Local Road and Street	92,205	307,108	181,356	217,957
Property Reassessment 2006	500,750	189,967	116,002	574,715
Accident Report	1,081	1,837	3,345	(427)
Firearms Training	6,941	7,830	3,026	11,745
Surveyor's Corner Perpetuation	15,101	5,940	2,283	18,758
Supplemental Adult Probation Service	241,466	56,657	54,755	243,368
Supplemental Juvenile Probation Service	42,002	11,584	7,000	46,586
County Extradition	3,632	40	923	2,749
Recorder's Records Perpetuation	62,324	36,019	78,755	19,588
County Corrections	2,285	19,291	4,161	17,415
Local Health Maintenance	38,107	41,424	30,171	49,360
Sheriff's Commissary	40,703	92,824	108,068	25,459
Drainage Maintenance	774,900	443,383	395,617	822,666
Emergency Planning and Right to Know	10,010	16,376	22,205	4,181
County Police Pension	16,007	12,882	-	28,889
Urinalysis Fees	2,612	4,372	4,036	2,948
Pretrial Diversion	25,881	9,069	7,391	27,559
County Drug Free Community	42,430	33,089	39,926	35,593
Vehicle Inspection	943	815	55	1,703
Community Corrections Home Detention	65,166	213,443	249,784	28,825
Community Corrections Grant	157	98,368	111,183	(12,658)
Community Corrections Grant II	(15,061)	93,542	101,800	(23,319)
Indigent	4,909	2,500	1,702	5,707
Emergency Telephone System	427,114	387,374	252,019	562,469
County Family and Children	1,147,925	672,946	1,345,422	475,449
County Medical Care For Inmates	1,220	2,349	-	3,569
G.E.D. Education	4,669	-	-	4,669
Jury Fee	30,366	3,751	3,171	30,946
Blood Analysis Fee	317	-	-	317
Abandoned Vehicle	125	-	-	125
Tobacco Settlement	66,986	19,886	10,163	76,709
Geographic Information System	1,000	6,200	-	7,200
Clerk's Records Perpetuation	12,789	3,344	2,406	13,727
Pretrial Deferral	35,003	27,170	33,048	29,125
Federal Assets Seizure	578	-	567	11
Bio Terrorism Grant	19,293	-	-	19,293
Community Transition Program	12,085	-	-	12,085
Interstate Compact Fee	75	300	300	75
Clerk Incentive IV-D	17,852	-	6,074	11,778
Prosecutor IV-D	46,904	-	6,155	40,749
Rainy Day	15,294	208,104	25,319	198,079
Sheriff's Share Diversion Deferral	222	475	-	697
Plat Book	17,319	6,375	1,050	22,644
Child Psychiatric Residential Treatment	235,234	89,830	81,326	243,738
Public Health Coordinator Grant	(3,871)	48,225	46,653	(2,299)
Public Transit Federal Grant	-	102,224	102,224	-

The accompanying notes are an integral part of the financial information.

WELLS COUNTY
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
As Of And For The Year Ended December 31, 2007
(Continued)

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds (continued):				
County Identification Security Protection	9,507	10,956	15,999	4,464
Levy Excess	92,013	-	-	92,013
Jail Lease Debt Service	67,344	270,849	233,450	104,743
Cumulative Bridge	3,562	191	-	3,753
Economic Development Income Tax	307,127	776,015	528,179	554,963
General Drain Improvement	572,946	273,232	216,689	629,489
Fiduciary Funds:				
Sheriff Pension Trust	2,455,893	658,040	339,646	2,774,287
Congressional Principal	26,045	-	-	26,045
Granand Cemetery Trust	5,389	50	1,327	4,112
Sheriff's Donation	1,420	-	-	1,420
K-9 Donation	45	1,552	1,051	546
Project Lifesaver Donation	-	8,381	7,755	626
Tax Sale Surplus	2,224	-	1,582	642
Infraction Judgment	3,741	48,548	46,940	5,349
Special Death Benefit	300	1,160	1,350	110
Fines and Forfeitures	10,108	36,643	44,565	2,186
Inheritance Tax	219,023	892,747	848,283	263,487
Surplus Tax	201,540	104,744	70,327	235,957
Congressional Interest	7,107	1,849	1,042	7,914
Surplus Dog Tax	-	178	-	178
County Sheriff	11,522	1,130,751	1,128,865	13,408
Tax Distributions	26,182	33,872,917	33,875,808	23,291
City/Town Court Cost	5,015	4,030	-	9,045
County Payroll	70,094	1,498,389	1,469,138	99,345
Clerk of the Circuit Court	217,802	3,072,689	3,154,763	135,728
Welfare Trust	4,017	1,051	2,181	2,887
Sheriff's Inmate Trust	6,859	107,541	106,625	7,775
County Recorder	150	135,511	135,511	150
County Treasurer	179,225	30,860,589	30,784,994	254,820
County Law Enforcement Continuing Education	27	337	-	364
State Sales Disclosure Fee	6,963	7,760	3,890	10,833
Coroner's Training and Continuing Education	306	2,073	2,059	320
Probation Department	-	90,267	90,267	-
User Fees	14,518	1,080	1,158	14,440
Education Plate Fee	-	2,569	2,569	-
Personal Property Collections Attorney	131	-	-	131
Tax Sale	49	-	49	-
Tax Sale Redemption	-	2,331	2,331	-
Hospital Care For The Indigent	-	188,226	188,226	-
Medical Assistance to Wards	-	49,045	49,045	-
Children With Special Health Care Needs	-	17,232	17,232	-
Mortgage Fees	1,080	4,002	4,525	557
Homestead Credit Rebate	-	961,868	-	961,868
Child Restraint System Fee	-	9	6	3
Totals	<u>\$ 11,180,933</u>	<u>\$ 88,775,603</u>	<u>\$ 87,769,311</u>	<u>\$ 12,187,225</u>

The accompanying notes are an integral part of the financial information.

WELLS COUNTY
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The County was established under the laws of the State of Indiana. The County provides the following services: public safety, highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

Note 2. Fund Accounting

The County uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied or highway use taxes are received are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the County in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% 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 become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the County on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were 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 statute (IC 5-13-9) authorizes the County to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

WELLS COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Pension Plans

Agent Multiple-Employer and Single-Employer Defined Benefit Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The County contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the County authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF.

B. County Police Retirement Plan

Plan Description

The County contributes to the County Police Retirement Plan, which is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides retirement, death, and disability benefits to plan members and beneficiaries. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the County Police Retirement Plan are established by state statute.

WELLS COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

C. County Police Benefit Plan

Plan Description

The County contributes to the County Police Benefit Plan which is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides dependent pensions, life insurance, and disability benefits to plan members and beneficiaries. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the County Police Benefit Plan are established by state statute.

WELLS COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2007

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital Leases:		
County Jail	\$ 100,000	\$ 102,600
Loans Payable	<u>853,360</u>	<u>238,997</u>
Total governmental activities long-term debt	<u>\$ 953,360</u>	<u>\$ 341,597</u>

WELLS COUNTY
OTHER REPORTS

The report presented herein was prepared in addition to other official reports prepared for the individual County offices listed below:

County Auditor
County Treasurer

WELLS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 28, 2008, with Laura A. Brubaker, Auditor; and Kevin S. Woodward, County Commissioner.