

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF  
WELLS COUNTY, INDIANA  
January 1, 2011 to December 31, 2011



**FILED**  
05/14/2012



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report .....	3-4
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance With Government Auditing Standards .....	5-6
Financial Statement:	
Statement of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis .....	8-9
Notes to Financial Statement .....	10-14
Supplementary Information:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis .....	16-30
Other Reports .....	31
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance With Requirements That Could Have A Direct and Material Effect on Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133 .....	34-35
Schedule of Expenditures of Federal Awards .....	38
Notes to Schedule of Expenditures of Federal Awards .....	39
Schedule of Findings and Questioned Costs .....	40
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings .....	41
Exit Conference .....	42

### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Beth J. Davis	01-01-11 to 12-31-14
Treasurer	Shar S. Mechling	01-01-09 to 12-31-12
Clerk	Yvette Runkle	01-01-11 to 12-31-14
Sheriff	Monte L. Fisher	01-01-11 to 12-31-14
Recorder	Rina E. Stuck	01-01-09 to 12-31-12
President of the Board of County Commissioners	Kevin S. Woodward	01-01-11 to 12-31-12
President of the County Council	Peter W. Cole (Vacant) James Van Winkle	01-01-11 to 03-20-12 03-21-12 to 04-03-12 04-04-12 to 12-31-12



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF WELLS COUNTY, INDIANA

We have audited the accompanying financial statement of Wells County (County), for the year ended December 31, 2011. This financial statement is the responsibility of the County's management. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the County prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by 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.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the County for the year ended December 31, 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated April 10, 2012, on our consideration of the County'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

Included in the financial statement is the receipts and disbursements activity from emergency telephone system fees (Indiana Code 36-8-16) and enhanced wireless emergency telephone fees (Indiana Code 36-8-16.5). In accordance with Indiana Code 36-8-16-14 and Indiana Code 36-8-16.5-41 these fees have been subject to an annual audit performed by the State Board of Accounts and, in our opinion, are fairly stated, in all material respects, in relation to the financial statement taken as a whole.

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis is presented for additional analysis and is not a required part of the financial statement. It has not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the County's management, Board of County Commissioners, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

April 10, 2012



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENT  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF WELLS COUNTY, INDIANA

We have audited the financial statement of Wells County (County), for the year ended December 31, 2011, and have issued our report thereon dated April 10, 2012. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENT  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the County's management, Board of County Commissioners, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

April 10, 2012

## FINANCIAL STATEMENT

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

WELLS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
County General	\$ 1,894,830	\$ 7,004,189	\$ 8,199,497	\$ 699,522
Highway	371,657	2,241,932	2,312,507	301,082
Local Road And Street	261,377	266,496	350,000	177,873
Firearms Training	13,427	6,005	2,404	17,028
County Health	38,074	324,514	270,648	91,940
Economic Development Income Tax	917,616	630,547	585,614	962,549
Clerks Record Perpetuation	6,097	4,288	-	10,385
E911 Service	539,670	248,134	335,325	452,479
Drug Free Community / CAD	24,275	11,040	25,123	10,192
Drainage Maintenance	240,745	1,629,986	750,763	1,119,968
LEPC	9,844	4,103	2,729	11,218
County Extradition	5,032	484	-	5,516
Juvenile Probation Service	46,168	5,760	6,545	45,383
Adult Probation Service	186,598	43,067	42,140	187,525
Recorder's Perpetuation	28,462	38,693	19,565	47,590
Local Health Maintenance	36,399	33,139	32,405	37,133
Pretrial Diversion	9,481	10,669	11,509	8,641
Plat Book Maintenance	6,114	6,640	8,227	4,527
Jury Pay	30,629	2,378	15,084	17,923
Rainy Day	2,162,726	16,494	-	2,179,220
Sales Disclosure Fee	175	2,705	2,635	245
Community Corrections Grant II	3,389	78,543	81,925	7
Tobacco Settlement	101,632	19,322	12,390	108,564
Levy Excess	14,029	14,029	28,058	-
Wireless 911	180,401	109,396	-	289,797
ARRA Clerk Stimulus	3,757	-	-	3,757
Sex or Violent Offender-County	-	1,607	-	1,607
Campaign Finance	25	-	-	25
Reassessment 2017	-	182,033	-	182,033
Elected Official Training	-	1,084	-	1,084
Cumulative Bridge	3,956	-	-	3,956
General Drain Improvement	443,682	475,744	286,823	632,603
Sheriff's Pension	2,865,716	538,582	171,207	3,233,091
City/Town Court Cost	4,172	4,125	-	8,297
Coroners Continuing Education	418	2,287	2,472	233
Tax Sale Redemption	(56,064)	65,636	18,307	(8,735)
Surplus Tax	132,092	48,611	111,998	68,705
State Sales Disclosure Fee	15,505	2,705	752	17,458
Sheriff	7,853	1,761,471	1,760,271	9,053
Infraction Judgments	3,272	38,937	36,316	5,893
Inheritance Tax	(50,275)	1,047,342	668,847	328,220
Sheriff's Inmate Trust	6,110	116,677	118,898	3,889
Special Death Benefit	-	1,505	1,250	255
Mortgage Fee	365	3,220	3,288	297
LOIT Public Safety - County	-	298,863	116,738	182,125
Sex or Violent Offender - State	-	179	-	179
Tax Distribution	3,741,781	27,868,741	27,023,690	4,586,832
County General IV-D	-	93,392	-	93,392
Commissioners Certificate Sale	-	16,291	15,191	1,100
County Offender Transportation	-	188	-	188
Bridge #59	-	36,727	-	36,727
Homestead Verification - County	-	19,512	-	19,512
Homestead Verification - State	-	18	-	18
Wind Farm Expense	-	65,000	62,720	2,280
Recycle Donations	12,553	6,027	18,580	-

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

WELLS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2011  
(Continued)

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
Public Transit Federal Grant	(22,587)	370,933	348,346	-
Reassessment 2006	586,638	19,069	331,088	274,619
County Family And Children	564	-	-	564
Community Corrections Grant	3	100,983	92,426	8,560
Town Of Vera Cruz Grant	600	2,409	3,009	-
Sheriff's Commissary	23,749	68,120	70,606	21,263
County Corrections	13,549	19,291	21,059	11,781
Pretrial Deferral	40,401	12,920	17,698	35,623
Sheriff's Accident Report	2,887	995	-	3,882
LET PP WEB - GIS Grant	4,922	-	4,922	-
ALCO Sensor Grant	85	-	-	85
Corner Perpetuation	11,785	5,220	3,655	13,350
Urinalysis Fees	15,255	5,414	8,775	11,894
Special Vehicle Inspection	922	805	-	1,727
GED Education	4,669	-	4,669	-
Blood Analysis Fee	317	-	-	317
Abandoned Vehicle	125	-	-	125
BIO Terror Grant	14,197	-	-	14,197
Clerk Incentive IV-D	32,072	25,855	9,699	48,228
Prosecutor IV-D Incentive	70,754	38,900	16,424	93,230
Sheriff's Share Diversion / Deferral	5,632	1,075	-	6,707
Substance / Indigent	5,931	-	1,214	4,717
Community Correction Project	5,622	302,975	333,576	(24,979)
County Medical For Inmates	6,742	2,458	-	9,200
Interstate Compact Fees	-	488	425	63
PHC	1,290	-	-	1,290
County ID Security Protection	29,417	6,756	-	36,173
PHD	(3,423)	9,961	6,538	-
County Police Pension	78,822	14,227	88,980	4,069
Federal Asset Seizure	11	-	-	11
Aerial Photography - Miscellaneous	12,296	-	12,296	-
ARRA Public Transit	-	14,533	14,533	-
Solid Waste Excess Levy	364	-	364	-
Immunization Grant	(6,569)	6,569	-	-
Jail Lease	2,143	-	-	2,143
Sheriff Donation	1,440	-	-	1,440
Project Lifesaver Donation	1,728	300	746	1,282
Granand Cemetery Trust	1,487	-	1,487	-
Recorder	150	121,358	121,358	150
Probation Department	-	72,375	72,375	-
Payroll	53,453	1,542,366	1,574,236	21,583
Tax Sale Surplus	56,990	46,019	71,785	31,224
Users Fee	16,564	1,362	420	17,506
Fines And Forfeitures	2,427	31,999	29,821	4,605
County Law Enforcement Continuing Education	2,278	759	2,780	257
Personal Property Collections	131	-	-	131
K-9 Donation	1,763	1,649	1,694	1,718
Clerk Of The Circuit Court	46,858	3,430,556	3,244,187	233,227
County Treasurer	1,397,001	460,040	1,397,001	460,040
Totals	<u>\$ 16,785,220</u>	<u>\$ 52,187,796</u>	<u>\$ 51,420,633</u>	<u>\$ 17,552,383</u>

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

WELLS COUNTY  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

The County was established under the laws of the State of Indiana. The County operates under a Council-Commissioner form of government and provides some or all of the following services: public safety (police), highways and streets, health welfare and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

The accompanying financial statement presents the financial information for the County (primary government), and does not include financial information for any of the County's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial information of the County (primary government).

*B. Basis of Accounting*

The financial statement is reported on a regulatory basis of accounting prescribed by the 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. Receipts are recorded when received and disbursements are recorded when paid.

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 may include, but are not limited to, the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers 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 County.

Licenses and permits which include 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: peddler licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

WELLS COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution 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 which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine 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 which include receipts derived 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).

Other receipts which include amounts received from various sources which can include, but are 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 may include, but are not limited to, the following uses:

Personal services include outflows 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 which include 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 office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

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

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

WELLS COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

Other disbursements which include, but are 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 County may, from time to time, transfer money 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 County. Each fund is used to account for money 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 County. The money 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 County 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 County 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 County 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 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 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.

**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.

WELLS COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

State statutes authorize 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.

**Note 5. Risk Management**

The County 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 County 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. These risks may also be mitigated by the County by recording as a disbursement any replacement items purchased.

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

The Indiana Public Employees' Retirement Fund (PERF) is 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 this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) 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 members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS 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. That report may be obtained by contacting:

Indiana Public Retirement System  
1 North Capital Street, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

*Funding Policy and Annual Pension Cost*

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

WELLS COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. County Police Retirement Plan*

*Plan Description*

The County Police Retirement Plan 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*

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

*C. County Police Benefit Plan*

*Plan Description*

The County Police Benefit Plan 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*

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

## SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the County's 2011 Annual Report information can be found on the Gateway 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 Annual Report of the County which is 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 supplementary information presented was approved by management of the County. It is presented as intended by the County.

WELLS COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011

	County General	Highway	Local Road And Street	Firearms Training	County Health	Economic Development Income Tax	Clerks Record Perpetuation
Cash and investments - beginning	\$ 1,894,830	\$ 371,657	\$ 261,377	\$ 13,427	\$ 38,074	\$ 917,616	\$ 6,097
Receipts:							
Taxes	5,421,164	-	-	-	222,129	627,017	-
Licenses and permits	31,087	-	-	-	-	-	-
Intergovernmental	685,413	2,123,968	263,835	-	23,279	-	-
Charges for services	522,300	101,310	-	6,005	79,106	-	-
Fines and forfeits	120,391	-	-	-	-	-	4,288
Other receipts	223,834	16,654	2,661	-	-	3,530	-
Total receipts	<u>7,004,189</u>	<u>2,241,932</u>	<u>266,496</u>	<u>6,005</u>	<u>324,514</u>	<u>630,547</u>	<u>4,288</u>
Disbursements:							
Personal services	5,337,122	1,059,171	-	-	228,945	-	-
Supplies	284,370	994,706	-	-	1,524	-	-
Other services and charges	2,144,885	111,934	-	2,404	39,670	36	-
Debt service - principal and interest	-	-	-	-	-	238,479	-
Capital outlay	347,070	146,696	350,000	-	-	262,099	-
Other disbursements	86,050	-	-	-	509	85,000	-
Total disbursements	<u>8,199,497</u>	<u>2,312,507</u>	<u>350,000</u>	<u>2,404</u>	<u>270,648</u>	<u>585,614</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(1,195,308)</u>	<u>(70,575)</u>	<u>(83,504)</u>	<u>3,601</u>	<u>53,866</u>	<u>44,933</u>	<u>4,288</u>
Cash and investments - ending	<u>\$ 699,522</u>	<u>\$ 301,082</u>	<u>\$ 177,873</u>	<u>\$ 17,028</u>	<u>\$ 91,940</u>	<u>\$ 962,549</u>	<u>\$ 10,385</u>

WELLS COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	E911 Service	Drug Free Community/ CAD	Drainage Maintenance	LEPC	County Extradition	Juvenile Probation Service	Adult Probation Service
Cash and investments - beginning	\$ 539,670	\$ 24,275	\$ 240,745	\$ 9,844	\$ 5,032	\$ 46,168	\$ 186,598
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	4,103	-	-	-
Charges for services	245,230	-	-	-	484	-	-
Fines and forfeits	-	11,040	-	-	-	5,760	42,127
Other receipts	2,904	-	1,629,986	-	-	-	940
Total receipts	<u>248,134</u>	<u>11,040</u>	<u>1,629,986</u>	<u>4,103</u>	<u>484</u>	<u>5,760</u>	<u>43,067</u>
Disbursements:							
Personal services	-	-	-	-	-	-	31,658
Supplies	-	-	-	-	-	-	413
Other services and charges	219,035	-	-	2,729	-	5,160	7,826
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	114,995	-	-	-	-	-	1,877
Other disbursements	1,295	25,123	750,763	-	-	1,385	366
Total disbursements	<u>335,325</u>	<u>25,123</u>	<u>750,763</u>	<u>2,729</u>	<u>-</u>	<u>6,545</u>	<u>42,140</u>
Excess (deficiency) of receipts over disbursements	<u>(87,191)</u>	<u>(14,083)</u>	<u>879,223</u>	<u>1,374</u>	<u>484</u>	<u>(785)</u>	<u>927</u>
Cash and investments - ending	<u>\$ 452,479</u>	<u>\$ 10,192</u>	<u>\$ 1,119,968</u>	<u>\$ 11,218</u>	<u>\$ 5,516</u>	<u>\$ 45,383</u>	<u>\$ 187,525</u>

WELLS COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Recorder's Perpetuation	Local Health Maintenance	Pretrial Diversion	Plat Book Maintenance	Jury Pay	Rainy Day	Sales Disclosure Fee
Cash and investments - beginning	\$ 28,462	\$ 36,399	\$ 9,481	\$ 6,114	\$ 30,629	\$ 2,162,726	\$ 175
Receipts:							
Taxes	-	-	-	-	-	483	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	33,139	-	-	-	-	-
Charges for services	38,693	-	-	6,640	-	-	2,705
Fines and forfeits	-	-	10,669	-	2,378	-	-
Other receipts	-	-	-	-	-	16,011	-
Total receipts	<u>38,693</u>	<u>33,139</u>	<u>10,669</u>	<u>6,640</u>	<u>2,378</u>	<u>16,494</u>	<u>2,705</u>
Disbursements:							
Personal services	-	28,122	-	8,227	-	-	-
Supplies	-	439	-	-	-	-	-
Other services and charges	-	3,844	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	1,432	-	-	-	-
Other disbursements	19,565	-	10,077	-	15,084	-	2,635
Total disbursements	<u>19,565</u>	<u>32,405</u>	<u>11,509</u>	<u>8,227</u>	<u>15,084</u>	<u>-</u>	<u>2,635</u>
Excess (deficiency) of receipts over disbursements	<u>19,128</u>	<u>734</u>	<u>(840)</u>	<u>(1,587)</u>	<u>(12,706)</u>	<u>16,494</u>	<u>70</u>
Cash and investments - ending	<u>\$ 47,590</u>	<u>\$ 37,133</u>	<u>\$ 8,641</u>	<u>\$ 4,527</u>	<u>\$ 17,923</u>	<u>\$ 2,179,220</u>	<u>\$ 245</u>

WELLS COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Community Corrections Grant II	Tobacco Settlement	Levy Excess	Wireless 911	ARRA Clerk Stimulus	Sex or Violent Offender - County	Campaign Finance
Cash and investments - beginning	\$ 3,389	\$ 101,632	\$ 14,029	\$ 180,401	\$ 3,757	\$ -	\$ 25
Receipts:							
Taxes	-	-	14,029	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	78,543	19,322	-	-	-	-	-
Charges for services	-	-	-	108,892	-	-	-
Fines and forfeits	-	-	-	-	-	1,607	-
Other receipts	-	-	-	504	-	-	-
Total receipts	<u>78,543</u>	<u>19,322</u>	<u>14,029</u>	<u>109,396</u>	<u>-</u>	<u>1,607</u>	<u>-</u>
Disbursements:							
Personal services	76,732	6,087	-	-	-	-	-
Supplies	1,050	1,004	-	-	-	-	-
Other services and charges	4,143	5,299	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	28,058	-	-	-	-
Total disbursements	<u>81,925</u>	<u>12,390</u>	<u>28,058</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(3,382)</u>	<u>6,932</u>	<u>(14,029)</u>	<u>109,396</u>	<u>-</u>	<u>1,607</u>	<u>-</u>
Cash and investments - ending	<u>\$ 7</u>	<u>\$ 108,564</u>	<u>\$ -</u>	<u>\$ 289,797</u>	<u>\$ 3,757</u>	<u>\$ 1,607</u>	<u>\$ 25</u>

WELLS COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Reassessment 2017	Elected Official Training	Cumulative Bridge	General Drain Improvement	Sheriff's Pension	City / Town Court Cost	Coroners Continuing Education
Cash and investments - beginning	\$ -	\$ -	\$ 3,956	\$ 443,682	\$ 2,865,716	\$ 4,172	\$ 418
Receipts:							
Taxes	164,766	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	17,267	-	-	-	-	-	-
Charges for services	-	1,084	-	-	-	-	2,287
Fines and forfeits	-	-	-	-	-	4,125	-
Other receipts	-	-	-	475,744	538,582	-	-
Total receipts	<u>182,033</u>	<u>1,084</u>	<u>-</u>	<u>475,744</u>	<u>538,582</u>	<u>4,125</u>	<u>2,287</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	286,823	-	-	2,472
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	171,207	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>286,823</u>	<u>171,207</u>	<u>-</u>	<u>2,472</u>
Excess (deficiency) of receipts over disbursements	<u>182,033</u>	<u>1,084</u>	<u>-</u>	<u>188,921</u>	<u>367,375</u>	<u>4,125</u>	<u>(185)</u>
Cash and investments - ending	<u>\$ 182,033</u>	<u>\$ 1,084</u>	<u>\$ 3,956</u>	<u>\$ 632,603</u>	<u>\$ 3,233,091</u>	<u>\$ 8,297</u>	<u>\$ 233</u>

WELLS COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Tax Sale Redemption	Surplus Tax	State Sales Disclosure Fee	Sheriff	Infraction Judgments	Inheritance Tax	Sheriff's Inmate Trust
Cash and investments - beginning	\$ (56,064)	\$ 132,092	\$ 15,505	\$ 7,853	\$ 3,272	\$ (50,275)	\$ 6,110
Receipts:							
Taxes	-	-	-	-	-	1,047,342	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	2,705	1,761,471	-	-	116,677
Fines and forfeits	-	-	-	-	38,937	-	-
Other receipts	65,636	48,611	-	-	-	-	-
Total receipts	<u>65,636</u>	<u>48,611</u>	<u>2,705</u>	<u>1,761,471</u>	<u>38,937</u>	<u>1,047,342</u>	<u>116,677</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	752	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	18,307	111,998	-	1,760,271	36,316	668,847	118,898
Total disbursements	<u>18,307</u>	<u>111,998</u>	<u>752</u>	<u>1,760,271</u>	<u>36,316</u>	<u>668,847</u>	<u>118,898</u>
Excess (deficiency) of receipts over disbursements	<u>47,329</u>	<u>(63,387)</u>	<u>1,953</u>	<u>1,200</u>	<u>2,621</u>	<u>378,495</u>	<u>(2,221)</u>
Cash and investments - ending	<u>\$ (8,735)</u>	<u>\$ 68,705</u>	<u>\$ 17,458</u>	<u>\$ 9,053</u>	<u>\$ 5,893</u>	<u>\$ 328,220</u>	<u>\$ 3,889</u>

WELLS COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Special Death Benefit	Mortgage Fee	LOIT Public Safety - County	Sex or Violent Offender - State	Tax Distribution	County General IV-D	Commissioners Certificate Sale
Cash and investments - beginning	\$ -	\$ 365	\$ -	\$ -	\$ 3,741,781	\$ -	\$ -
Receipts:							
Taxes	-	-	298,863	-	26,790,978	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	1,029,487	93,392	-
Charges for services	-	3,220	-	-	48,276	-	-
Fines and forfeits	1,505	-	-	179	-	-	-
Other receipts	-	-	-	-	-	-	16,291
Total receipts	<u>1,505</u>	<u>3,220</u>	<u>298,863</u>	<u>179</u>	<u>27,868,741</u>	<u>93,392</u>	<u>16,291</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	1,000	-	-	-	-
Debt service - principal and interest	-	-	115,738	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	1,250	3,288	-	-	27,023,690	-	15,191
Total disbursements	<u>1,250</u>	<u>3,288</u>	<u>116,738</u>	<u>-</u>	<u>27,023,690</u>	<u>-</u>	<u>15,191</u>
Excess (deficiency) of receipts over disbursements	<u>255</u>	<u>(68)</u>	<u>182,125</u>	<u>179</u>	<u>845,051</u>	<u>93,392</u>	<u>1,100</u>
Cash and investments - ending	<u>\$ 255</u>	<u>\$ 297</u>	<u>\$ 182,125</u>	<u>\$ 179</u>	<u>\$ 4,586,832</u>	<u>\$ 93,392</u>	<u>\$ 1,100</u>

WELLS COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	County Offender Transportation	Bridge #59	Homestead Verification - County	Homestead Verification - State	Wind Farm Expense	Recycle Donations	Public Transit Federal Grant
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,553	\$ (22,587)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	370,933
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	188	-	-	-	-	-	-
Other receipts	-	36,727	19,512	18	65,000	6,027	-
Total receipts	<u>188</u>	<u>36,727</u>	<u>19,512</u>	<u>18</u>	<u>65,000</u>	<u>6,027</u>	<u>370,933</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	62,720	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	18,580	348,346
Total disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,720</u>	<u>18,580</u>	<u>348,346</u>
Excess (deficiency) of receipts over disbursements	<u>188</u>	<u>36,727</u>	<u>19,512</u>	<u>18</u>	<u>2,280</u>	<u>(12,553)</u>	<u>22,587</u>
Cash and investments - ending	<u>\$ 188</u>	<u>\$ 36,727</u>	<u>\$ 19,512</u>	<u>\$ 18</u>	<u>\$ 2,280</u>	<u>\$ -</u>	<u>\$ -</u>

WELLS COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Reassessment 2006	County Family And Children	Community Corrections Grant	Town of Vera Cruz Grant	Sheriff's Commissary	County Corrections	Pretrial Deferral
Cash and investments - beginning	\$ 586,638	\$ 564	\$ 3	\$ 600	\$ 23,749	\$ 13,549	\$ 40,401
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	100,983	2,409	-	19,291	-
Charges for services	-	-	-	-	68,120	-	-
Fines and forfeits	-	-	-	-	-	-	12,920
Other receipts	19,069	-	-	-	-	-	-
Total receipts	<u>19,069</u>	<u>-</u>	<u>100,983</u>	<u>2,409</u>	<u>68,120</u>	<u>19,291</u>	<u>12,920</u>
Disbursements:							
Personal services	29,357	-	75,902	-	-	21,059	-
Supplies	2,412	-	1,122	-	-	-	-
Other services and charges	299,077	-	15,402	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	242	-	-	-	-	-	-
Other disbursements	-	-	-	3,009	70,606	-	17,698
Total disbursements	<u>331,088</u>	<u>-</u>	<u>92,426</u>	<u>3,009</u>	<u>70,606</u>	<u>21,059</u>	<u>17,698</u>
Excess (deficiency) of receipts over disbursements	<u>(312,019)</u>	<u>-</u>	<u>8,557</u>	<u>(600)</u>	<u>(2,486)</u>	<u>(1,768)</u>	<u>(4,778)</u>
Cash and investments - ending	<u>\$ 274,619</u>	<u>\$ 564</u>	<u>\$ 8,560</u>	<u>\$ -</u>	<u>\$ 21,263</u>	<u>\$ 11,781</u>	<u>\$ 35,623</u>

WELLS COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Sheriff's Accident Report	LET PP WEB - GIS Grant	ALCO Sensor Grant	Corner Perpetuation	Urinalysis Fees	Special Vehicle Inspection	GED Education
Cash and investments - beginning	\$ 2,887	\$ 4,922	\$ 85	\$ 11,785	\$ 15,255	\$ 922	\$ 4,669
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	995	-	-	5,220	-	805	-
Fines and forfeits	-	-	-	-	5,414	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>995</u>	<u>-</u>	<u>-</u>	<u>5,220</u>	<u>5,414</u>	<u>805</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	8,775	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	4,922	-	3,655	-	-	4,669
Total disbursements	<u>-</u>	<u>4,922</u>	<u>-</u>	<u>3,655</u>	<u>8,775</u>	<u>-</u>	<u>4,669</u>
Excess (deficiency) of receipts over disbursements	<u>995</u>	<u>(4,922)</u>	<u>-</u>	<u>1,565</u>	<u>(3,361)</u>	<u>805</u>	<u>(4,669)</u>
Cash and investments - ending	<u>\$ 3,882</u>	<u>\$ -</u>	<u>\$ 85</u>	<u>\$ 13,350</u>	<u>\$ 11,894</u>	<u>\$ 1,727</u>	<u>\$ -</u>

WELLS COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Blood Analysis Fee	Abandoned Vehicle	BIO Terror Grant	Clerk Incentive IV-D	Prosecutor IV-D Incentive	Sheriff's Share Diversion/ Deferral	Substance/ Indigent
Cash and investments - beginning	\$ 317	\$ 125	\$ 14,197	\$ 32,072	\$ 70,754	\$ 5,632	\$ 5,931
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	25,855	38,900	-	-
Charges for services	-	-	-	-	-	1,075	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	-	25,855	38,900	1,075	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	1,214
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	5,915	-	-	-
Other disbursements	-	-	-	3,784	16,424	-	-
Total disbursements	-	-	-	9,699	16,424	-	1,214
Excess (deficiency) of receipts over disbursements	-	-	-	16,156	22,476	1,075	(1,214)
Cash and investments - ending	\$ 317	\$ 125	\$ 14,197	\$ 48,228	\$ 93,230	\$ 6,707	\$ 4,717

WELLS COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Community Correction Project	County Medical For Inmates	Interstate Compact Fees	PHC	County ID Security Protection	PHD	County Police Pension
Cash and investments - beginning	\$ 5,622	\$ 6,742	\$ -	\$ 1,290	\$ 29,417	\$ (3,423)	\$ 78,822
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	9,961	-
Charges for services	302,975	2,458	-	-	6,756	-	-
Fines and forfeits	-	-	488	-	-	-	-
Other receipts	-	-	-	-	-	-	14,227
Total receipts	<u>302,975</u>	<u>2,458</u>	<u>488</u>	<u>-</u>	<u>6,756</u>	<u>9,961</u>	<u>14,227</u>
Disbursements:							
Personal services	80,610	-	-	-	-	-	88,980
Supplies	11,299	-	-	-	-	501	-
Other services and charges	237,794	-	-	-	-	4,878	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	3,873	-	-	-	-	1,159	-
Other disbursements	-	-	425	-	-	-	-
Total disbursements	<u>333,576</u>	<u>-</u>	<u>425</u>	<u>-</u>	<u>-</u>	<u>6,538</u>	<u>88,980</u>
Excess (deficiency) of receipts over disbursements	<u>(30,601)</u>	<u>2,458</u>	<u>63</u>	<u>-</u>	<u>6,756</u>	<u>3,423</u>	<u>(74,753)</u>
Cash and investments - ending	<u>\$ (24,979)</u>	<u>\$ 9,200</u>	<u>\$ 63</u>	<u>\$ 1,290</u>	<u>\$ 36,173</u>	<u>\$ -</u>	<u>\$ 4,069</u>

WELLS COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Federal Asset Seizure	Aerial Photography - Miscellaneous	ARRA Public Transit	Solid Waste Excess Levy	Immunization Grant	Jail Lease	Sheriff Donation
Cash and investments - beginning	\$ 11	\$ 12,296	\$ -	\$ 364	\$ (6,569)	\$ 2,143	\$ 1,440
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	14,533	-	6,569	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	14,533	-	6,569	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	12,296	14,533	364	-	-	-
Total disbursements	-	12,296	14,533	364	-	-	-
Excess (deficiency) of receipts over disbursements	-	(12,296)	-	(364)	6,569	-	-
Cash and investments - ending	\$ 11	\$ -	\$ -	\$ -	\$ -	\$ 2,143	\$ 1,440

WELLS COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Project Lifesaver Donation	Granand Cemetery Trust	Recorder	Probation Department	Payroll	Tax Sale Surplus	Users Fee
Cash and investments - beginning	\$ 1,728	\$ 1,487	\$ 150	\$ -	\$ 53,453	\$ 56,990	\$ 16,564
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	121,358	-	-	-	-
Fines and forfeits	-	-	-	72,375	-	-	1,362
Other receipts	300	-	-	-	1,542,366	46,019	-
Total receipts	<u>300</u>	<u>-</u>	<u>121,358</u>	<u>72,375</u>	<u>1,542,366</u>	<u>46,019</u>	<u>1,362</u>
Disbursements:							
Personal services	-	-	-	-	1,574,236	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	746	1,487	121,358	72,375	-	71,785	420
Total disbursements	<u>746</u>	<u>1,487</u>	<u>121,358</u>	<u>72,375</u>	<u>1,574,236</u>	<u>71,785</u>	<u>420</u>
Excess (deficiency) of receipts over disbursements	<u>(446)</u>	<u>(1,487)</u>	<u>-</u>	<u>-</u>	<u>(31,870)</u>	<u>(25,766)</u>	<u>942</u>
Cash and investments - ending	<u>\$ 1,282</u>	<u>\$ -</u>	<u>\$ 150</u>	<u>\$ -</u>	<u>\$ 21,583</u>	<u>\$ 31,224</u>	<u>\$ 17,506</u>

WELLS COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Fines And Forfeitures	County Law Enforcement Continuing Education	Personal Property Collections	K-9 Donation	Clerk Of The Circuit Court	County Treasurer	Totals
Cash and investments - beginning	\$ 2,427	\$ 2,278	\$ 131	\$ 1,763	\$ 46,858	\$ 1,397,001	\$ 16,785,220
Receipts:							
Taxes	-	-	-	-	-	-	34,586,771
Licenses and permits	-	-	-	-	-	-	31,087
Intergovernmental	-	-	-	-	-	-	4,961,182
Charges for services	-	759	-	-	-	460,040	4,017,646
Fines and forfeits	31,999	-	-	-	3,430,556	-	3,798,308
Other receipts	-	-	-	1,649	-	-	4,792,802
Total receipts	<u>31,999</u>	<u>759</u>	<u>-</u>	<u>1,649</u>	<u>3,430,556</u>	<u>460,040</u>	<u>52,187,796</u>
Disbursements:							
Personal services	-	-	-	-	-	-	8,646,208
Supplies	-	-	-	1,694	-	-	1,300,534
Other services and charges	-	2,780	-	-	-	-	3,470,652
Debt service - principal and interest	-	-	-	-	-	-	354,217
Capital outlay	-	-	-	-	-	-	1,235,358
Other disbursements	29,821	-	-	-	3,244,187	1,397,001	36,413,664
Total disbursements	<u>29,821</u>	<u>2,780</u>	<u>-</u>	<u>1,694</u>	<u>3,244,187</u>	<u>1,397,001</u>	<u>51,420,633</u>
Excess (deficiency) of receipts over disbursements	<u>2,178</u>	<u>(2,021)</u>	<u>-</u>	<u>(45)</u>	<u>186,369</u>	<u>(936,961)</u>	<u>767,163</u>
Cash and investments - ending	<u>\$ 4,605</u>	<u>\$ 257</u>	<u>\$ 131</u>	<u>\$ 1,718</u>	<u>\$ 233,227</u>	<u>\$ 460,040</u>	<u>\$ 17,552,383</u>

WELLS COUNTY  
OTHER REPORTS

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

County Auditor  
County Sheriff

(This page intentionally left blank.)

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT  
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF WELLS COUNTY, INDIANA

Compliance

We have audited the compliance of Wells County (County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2011. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2011.

Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT  
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
(Continued)

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the County's management, Board of County Commissioners, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

April 10, 2012

(This page intentionally left blank.)

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the County. The schedule and notes are presented as intended by the County.

WELLS COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended December 31, 2011

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation			
Formula Grants for Other Than Urbanized Areas	20.509	A249-10-320565	\$ 56,745
		A249-11-320286	203,146
ARRA - Formula Grants for Other Than Urbanized Areas, Recovery Act	20.509	A249-09-321076	<u>14,533</u>
Total for federal grantor agency			<u>274,424</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana State Department of Health			
Immunization Cluster			
Immunization Grants	93.268	IP 190-68	<u>6,569</u>
Public Health Emergency Preparedness	93.069	BPRS 190-70	<u>9,961</u>
Pass-Through Indiana Department of Child Services			
Child Support Enforcement	93.563	FY 2011	<u>283,113</u>
Total for federal grantor agency			<u>299,643</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security			
Hazard Mitigation Grant	97.039	C44P-9-429A	<u>3,609</u>
Emergency Management Performance Grants	97.042	C44P-1-380A	<u>11,230</u>
Total for federal grantor agency			<u>14,839</u>
Total federal awards expended			<u>\$ 588,906</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

WELLS COUNTY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Wells County (County) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

**Note 2. Subrecipients**

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows for the year ended December 31, 2011:

Program Title	Federal CFDA Number	2011
Formula Grants for Other Than Urbanized Areas	20.509	\$ 259,891
ARRA – Formula Grants for Other Than Urbanized Areas, Recovery Act	20.509	14,533

WELLS COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I – Summary of Auditor's Results**

Financial Statement:

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiency identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	no

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
20.509	Formula Grants for Other Than Urbanized Areas
20.509	ARRA - Formula Grants for Other Than Urbanized Areas, Recovery Act
93.563	Child Support Enforcement

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? no

**Section II – Financial Statement Findings**

No matters are reportable.

**Section III – Federal Award Findings and Questioned Costs**

No matters are reportable.

WELLS COUNTY  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

WELLS COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on April 10, 2012, with Beth J. Davis, Auditor; Paul I. Bonham, County Commissioner; and Todd Mahnesmith, County Council member.