

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, 2013 to December 31, 2013



FILED
08/08/2014

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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	01-01-13 to 12-31-16
Clerk	Yvette K. Runkle	01-01-11 to 12-31-14
Sheriff	Monte L. Fisher	01-01-13 to 12-31-16
Recorder	Rina E. Stuck	01-01-13 to 12-31-16
President of the Board of County Commissioners	C. Scott Mossburg	01-01-13 to 12-31-14
President of the County Council	James E. Van Winkle	01-01-13 to 12-31-14



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF WELLS COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Wells County (County), which comprises the financial position and results of operations for the year ended December 31, 2013, and the related notes to the financial statement.

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 a 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 of 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 County'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 County'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 of the financial statement, the County 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 County for the year ended December 31, 2013.

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 County for the year ended December 31, 2013, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated July 2, 2014, 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* in considering the County's internal control over financial reporting and compliance.


Accompanying Information

Supplementary Information

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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

INDEPENDENT AUDITOR'S REPORT
(Continued)

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, 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.


Paul D. Joyce, CPA
State Examiner

July 2, 2014



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INDEPENDENT AUDITOR'S 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, 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, the financial statement of Wells County (County), which comprises the financial position and results of operations for the year ended December 31, 2013, and the related notes to the financial statement, and have issued our report thereon dated July 2, 2014, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.


INDEPENDENT AUDITOR'S 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*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

July 2, 2014

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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, 2013

Fund	Cash and Investments 01-01-13	Receipts	Disbursements	Cash and Investments 12-31-13
After Settlement Collections	\$ 428,011	\$ 571,022	\$ 428,011	\$ 571,022
Sheriff's Inmate Trust	3,484	143,551	143,927	3,108
Jail Commissary	24,999	81,306	75,481	30,824
Clerk's Trust	76,641	1,609,184	1,573,001	112,824
Sheriff's Cashbook	19,522	486,410	500,990	4,942
General	2,066,201	6,249,777	6,612,961	1,703,017
Accident Report	5,326	2,519	-	7,845
CAGIT - County Certified Shares	-	1,790,922	1,619,165	171,757
Campaign Finance Enforcement - County	25	-	-	25
CEDIT County Share	409,401	783,635	311,628	881,408
City and Town Court Costs	12,134	3,652	-	15,786
Clerk's Records Perpetuation	12,050	5,141	2,747	14,444
Community Corrections	(35,945)	532,214	477,551	18,718
Community Transition Program	-	5,735	-	5,735
Sales Disclosure - County Share	17,487	3,645	3,685	17,447
Drug Free Community	10,660	8,486	10,209	8,937
Emergency Planning and Right To Know	7,638	8,276	13	15,901
Extradition	5,516	400	-	5,916
Firearms Training	24,483	14,720	13,691	25,512
General Drain Improvement	639,771	172,102	202,616	609,257
Health	162,010	323,846	265,459	220,397
Identification Security Protection	38,961	2,828	2,471	39,318
Levy Excess	84,600	-	84,600	-
Local Health Maintenance	38,930	33,139	30,890	41,179
Local Road and Street	225,386	271,048	300,000	196,434
LOIT Public Safety - County Share	130,983	144,917	98,731	177,169
Medical Care for Inmates	10,956	2,138	-	13,094
Misdemeanant	11,780	19,291	19,291	11,780
Motor Vehicle Highway	331,310	2,657,469	2,394,186	594,593
Plat Book	2,835	7,880	7,519	3,196
Rainy Day	1,087,167	5,252	-	1,092,419
Reassessment - 2009	125,983	-	125,983	-
Reassessment - 2015	257,126	307,888	112,164	452,850
Recorder's Records Perpetuation	66,862	50,259	37,580	79,541
Sex and Violent Offender Administration	4,099	2,380	913	5,566
Sheriff's Pension Trust	3,750	11,560	6,797	8,513
Surplus Tax	23,876	57,900	45,116	36,660
Surveyor's Corner Perpetuation	18,970	6,415	-	25,385
Tax Sale Redemption	-	70,413	70,413	-
Tax Sale Surplus	19,809	156,896	94,764	81,941
Local Health Department Trust Account	112,211	9,433	16,110	105,534
Vehicle Inspection	2,397	765	-	3,162
Auditor's Ineligible Deductions	40,981	26,411	19,848	47,544
County Elected Officials Training	3,284	2,828	1,413	4,699
County Offender Transportation	438	375	-	813
Statewide 911	680,849	412,159	427,187	665,821
Abandoned Vehicle	125	437	-	562
Supplemental Adult Probation Services	214,412	60,058	55,743	218,727
Supplemental Juvenile Probation Services	52,366	10,223	3,480	59,109
County User Fee	83,248	25,463	39,995	68,716
Drainage Maintenance	1,024,134	470,034	668,347	825,821
K-9	629	700	473	856
Donations	1,175	800	1,893	82
Payroll Withholding - Donations	-	824	824	-
Payroll Withholding - Insurance	18,647	251,037	248,669	21,015
Payroll Withholding - Child Support	-	21,306	21,306	-
Payroll Withholding - Deferred Compensation	-	47,045	47,045	-

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, 2013
(Continued)

Fund	Cash and Investments 01-01-13	Receipts	Disbursements	Cash and Investments 12-31-13
Payroll Withholding - Federal	-	476,703	476,703	-
Payroll Withholding - FICA & Medicare	52	373,978	373,978	52
Payroll Withholding - Flex Spending	-	47,797	47,797	-
Payroll Withholding - Local Tax	-	95,189	95,189	-
Payroll Withholding - PERF	-	136,921	136,921	-
Payroll Withholding - Sheriff Pension	-	1,900	1,900	-
Payroll Withholding - State	-	163,904	163,904	-
Sheriff Pension Holding	-	20,910	20,910	-
Settlement	-	18,396,273	18,396,273	-
LOIT Property Tax Operating Levy Replacement	-	1,946,655	1,946,655	-
LOIT Public Safety	-	243,332	243,332	-
LOIT Stabilization	4,618,003	52,628	-	4,670,631
Wheel Tax	1,500	142,841	144,341	-
Sur Tax	-	284,165	284,165	-
CVET Agency	-	318,705	318,705	-
Final Excise Tax/Cut Replacement Due State	-	953,236	953,236	-
Weed Lien Collections	-	4,041	4,041	-
Sewage Lien Collections	-	30,422	30,422	-
Financial Institution Tax	-	185,823	185,823	-
CEDIT Homestead Credit	328,375	1,032,216	1,365,746	(5,155)
HEA 1001 State Homestead Credit	(2,050)	-	-	(2,050)
LOIT Homestead Credit	5,028	-	-	5,028
LOIT Residential PTRC	273,482	973,327	1,217,393	29,416
State Fines and Forfeitures	2,625	32,660	12,263	23,022
Infraction Judgments	10,683	32,778	41,484	1,977
Special Death Benefit	280	1,585	1,810	55
Sales Disclosure - State Share	530	3,640	3,775	395
Coroner's Training & Continuing Education	437	2,779	2,860	356
Interstate Compact - State Share	-	375	375	-
Mortgage Recording Fees - State Share	707	3,468	3,910	265
DLGF Homestead Property Database	14	24	38	-
Sex and Violent Offender Admin - State	41	264	280	25
Child Restraint Violations Fines	50	175	225	-
Inheritance Tax	53,083	478,847	531,178	752
Education Plate Fees	-	506	506	-
Riverboat Revenue Sharing	-	163,713	163,713	-
CAGIT Distribution	-	4,866,637	4,866,637	-
CEDIT Distribution	-	1,295,844	1,295,844	-
93.563 ARRA Clerk IV-D Incentive	3,757	-	3,757	-
93.563 Title IV-D Incentive	109,013	14,627	77	123,563
93.563 Prosecutor IV-D Incentive-Post Oct '99	108,020	23,781	38,449	93,352
93.563 Clerk IV-D Incentive-Post Oct '99	58,892	14,627	3,396	70,123
Wind Farm Expense	2,280	-	2,280	-
Commissioners' Certificate Sale	-	28,579	28,579	-
Substance/Indigent	4,581	-	13	4,568
Garnishment - Other County	-	9	9	-
20.509 Public Transit Fed Grant	-	288,937	288,937	-
93.069 PHD Federal Grant	(557)	13,424	12,867	-
93.507 Accreditation Grant	16,000	16,000	-	32,000
93.069 Bioterrorism PHP Bonus	-	10,911	10,911	-
20.205 Bridge 193 Rehabilitation	-	120,766	25,957	94,809
Grade Crossing Grant	-	12,692	12,692	-
ALCO Sensor Grant	85	-	-	85
Bio Terror Grant	4,356	-	3,870	486
Totals	\$ 14,206,960	\$ 51,252,728	\$ 50,989,012	\$ 14,470,676

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.

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 may include 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, dog tax 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 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.

WELLS COUNTY
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 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.

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 Capitol Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

WELLS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy and Annual Pension Cost

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

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. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. 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. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. 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.

Note 7. Cash Balance Deficits

The financial statement contains the CEDIT Homestead Credit fund and the HEA 1001 State Homestead Credit fund with deficits in cash of \$5,155 and \$2,050, respectively. These funds will be replenished by withholding money from taxing units upon the final settlement of 2013 taxes payable in 2014.

SUPPLEMENTARY INFORMATION - UNAUDITED

For additional financial information, the County's 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, 2013

	After Settlement Collections	Sheriff's Inmate Trust	Jail Commissary	Clerk's Trust	Sheriff's Cashbook	General	Accident Report
Cash and investments - beginning	\$ 428,011	\$ 3,484	\$ 24,999	\$ 76,641	\$ 19,522	\$ 2,066,201	\$ 5,326
Receipts:							
Taxes	-	-	-	-	-	4,089,021	-
Licenses and permits	-	-	-	-	-	48,224	-
Intergovernmental	-	-	-	-	-	1,328,489	-
Charges for services	-	-	-	-	-	270,097	2,519
Fines and forfeits	-	-	-	-	-	110,010	-
Other receipts	<u>571,022</u>	<u>143,551</u>	<u>81,306</u>	<u>1,609,184</u>	<u>486,410</u>	<u>403,936</u>	<u>-</u>
Total receipts	<u>571,022</u>	<u>143,551</u>	<u>81,306</u>	<u>1,609,184</u>	<u>486,410</u>	<u>6,249,777</u>	<u>2,519</u>
Disbursements:							
Personal services	-	-	-	-	-	4,302,599	-
Supplies	-	-	-	-	-	258,134	-
Other services and charges	-	-	-	-	-	1,682,445	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	175,519	-
Other disbursements	<u>428,011</u>	<u>143,927</u>	<u>75,481</u>	<u>1,573,001</u>	<u>500,990</u>	<u>194,264</u>	<u>-</u>
Total disbursements	<u>428,011</u>	<u>143,927</u>	<u>75,481</u>	<u>1,573,001</u>	<u>500,990</u>	<u>6,612,961</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>143,011</u>	<u>(376)</u>	<u>5,825</u>	<u>36,183</u>	<u>(14,580)</u>	<u>(363,184)</u>	<u>2,519</u>
Cash and investments - ending	<u>\$ 571,022</u>	<u>\$ 3,108</u>	<u>\$ 30,824</u>	<u>\$ 112,824</u>	<u>\$ 4,942</u>	<u>\$ 1,703,017</u>	<u>\$ 7,845</u>

WELLS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	CAGIT - County Certified Shares	Campaign Finance Enforcement - County	CEDIT County Share	City and Town Court Costs	Clerk's Records Perpetuation	Community Corrections	Community Transition Program
Cash and investments - beginning	\$ -	\$ 25	\$ 409,401	\$ 12,134	\$ 12,050	\$ (35,945)	\$ -
Receipts:							
Taxes	1,790,922	-	783,635	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	179,568	5,735
Charges for services	-	-	-	-	-	352,646	-
Fines and forfeits	-	-	-	3,652	5,141	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>1,790,922</u>	<u>-</u>	<u>783,635</u>	<u>3,652</u>	<u>5,141</u>	<u>532,214</u>	<u>5,735</u>
Disbursements:							
Personal services	1,222,268	-	-	-	2,747	236,523	-
Supplies	-	-	-	-	-	11,397	-
Other services and charges	396,897	-	85,000	-	-	225,609	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	226,628	-	-	3,978	-
Other disbursements	-	-	-	-	-	44	-
Total disbursements	<u>1,619,165</u>	<u>-</u>	<u>311,628</u>	<u>-</u>	<u>2,747</u>	<u>477,551</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>171,757</u>	<u>-</u>	<u>472,007</u>	<u>3,652</u>	<u>2,394</u>	<u>54,663</u>	<u>5,735</u>
Cash and investments - ending	<u>\$ 171,757</u>	<u>\$ 25</u>	<u>\$ 881,408</u>	<u>\$ 15,786</u>	<u>\$ 14,444</u>	<u>\$ 18,718</u>	<u>\$ 5,735</u>

WELLS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Sales Disclosure - County Share	Drug Free Community	Emergency Planning and Right To Know	Extradition	Firearms Training	General Drain Improvement	Health
Cash and investments - beginning	\$ 17,487	\$ 10,660	\$ 7,638	\$ 5,516	\$ 24,483	\$ 639,771	\$ 162,010
Receipts:							
Taxes	-	-	-	-	-	-	222,485
Licenses and permits	-	-	-	-	-	-	78,420
Intergovernmental	-	-	8,276	-	-	-	22,941
Charges for services	3,645	-	-	400	14,720	-	-
Fines and forfeits	-	8,486	-	-	-	-	-
Other receipts	-	-	-	-	-	172,102	-
Total receipts	3,645	8,486	8,276	400	14,720	172,102	323,846
Disbursements:							
Personal services	-	-	-	-	-	-	228,629
Supplies	-	-	-	-	-	-	3,418
Other services and charges	2,712	10,209	13	-	-	202,616	33,313
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	973	-	-	-	-	-	-
Other disbursements	-	-	-	-	13,691	-	99
Total disbursements	3,685	10,209	13	-	13,691	202,616	265,459
Excess (deficiency) of receipts over disbursements	(40)	(1,723)	8,263	400	1,029	(30,514)	58,387
Cash and investments - ending	\$ 17,447	\$ 8,937	\$ 15,901	\$ 5,916	\$ 25,512	\$ 609,257	\$ 220,397

WELLS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Identification Security Protection	Levy Excess	Local Health Maintenance	Local Road and Street	LOIT Public Safety - County Share	Medical Care for Inmates	Misdemeanant
Cash and investments - beginning	\$ 38,961	\$ 84,600	\$ 38,930	\$ 225,386	\$ 130,983	\$ 10,956	\$ 11,780
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	33,139	269,852	144,917	-	19,291
Charges for services	2,828	-	-	-	-	2,138	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	1,196	-	-	-
Total receipts	<u>2,828</u>	<u>-</u>	<u>33,139</u>	<u>271,048</u>	<u>144,917</u>	<u>2,138</u>	<u>19,291</u>
Disbursements:							
Personal services	-	-	28,355	-	-	-	19,291
Supplies	-	-	27	-	-	-	-
Other services and charges	2,471	-	2,508	-	1,494	-	-
Debt service - principal and interest	-	-	-	-	65,737	-	-
Capital outlay	-	-	-	300,000	31,500	-	-
Other disbursements	-	84,600	-	-	-	-	-
Total disbursements	<u>2,471</u>	<u>84,600</u>	<u>30,890</u>	<u>300,000</u>	<u>98,731</u>	<u>-</u>	<u>19,291</u>
Excess (deficiency) of receipts over disbursements	<u>357</u>	<u>(84,600)</u>	<u>2,249</u>	<u>(28,952)</u>	<u>46,186</u>	<u>2,138</u>	<u>-</u>
Cash and investments - ending	<u>\$ 39,318</u>	<u>\$ -</u>	<u>\$ 41,179</u>	<u>\$ 196,434</u>	<u>\$ 177,169</u>	<u>\$ 13,094</u>	<u>\$ 11,780</u>

WELLS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Motor Vehicle Highway	Plat Book	Rainy Day	Reassessment - 2009	Reassessment - 2015	Recorder's Records Perpetuation	Sex and Violent Offender Administration
Cash and investments - beginning	\$ 331,310	\$ 2,835	\$ 1,087,167	\$ 125,983	\$ 257,126	\$ 66,862	\$ 4,099
Receipts:							
Taxes	-	-	22	-	164,901	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	2,412,446	-	-	-	17,004	-	-
Charges for services	-	7,880	-	-	-	50,259	2,380
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	245,023	-	5,230	-	125,983	-	-
Total receipts	<u>2,657,469</u>	<u>7,880</u>	<u>5,252</u>	<u>-</u>	<u>307,888</u>	<u>50,259</u>	<u>2,380</u>
Disbursements:							
Personal services	994,058	-	-	-	30,037	-	-
Supplies	922,549	-	-	-	1,085	-	-
Other services and charges	199,037	7,519	-	-	80,668	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	272,712	-	-	-	374	-	-
Other disbursements	5,830	-	-	125,983	-	37,580	913
Total disbursements	<u>2,394,186</u>	<u>7,519</u>	<u>-</u>	<u>125,983</u>	<u>112,164</u>	<u>37,580</u>	<u>913</u>
Excess (deficiency) of receipts over disbursements	<u>263,283</u>	<u>361</u>	<u>5,252</u>	<u>(125,983)</u>	<u>195,724</u>	<u>12,679</u>	<u>1,467</u>
Cash and investments - ending	<u>\$ 594,593</u>	<u>\$ 3,196</u>	<u>\$ 1,092,419</u>	<u>\$ -</u>	<u>\$ 452,850</u>	<u>\$ 79,541</u>	<u>\$ 5,566</u>

WELLS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Sheriff's Pension Trust	Surplus Tax	Surveyor's Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus	Local Health Department Trust Account	Vehicle Inspection
Cash and investments - beginning	\$ 3,750	\$ 23,876	\$ 18,970	\$ -	\$ 19,809	\$ 112,211	\$ 2,397
Receipts:							
Taxes	-	57,900	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	9,433	-
Charges for services	-	-	6,415	-	-	-	765
Fines and forfeits	11,560	-	-	-	-	-	-
Other receipts	-	-	-	70,413	156,896	-	-
Total receipts	<u>11,560</u>	<u>57,900</u>	<u>6,415</u>	<u>70,413</u>	<u>156,896</u>	<u>9,433</u>	<u>765</u>
Disbursements:							
Personal services	6,797	-	-	-	-	8,110	-
Supplies	-	-	-	-	-	1,309	-
Other services and charges	-	-	-	-	-	6,691	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	45,116	-	70,413	94,764	-	-
Total disbursements	<u>6,797</u>	<u>45,116</u>	<u>-</u>	<u>70,413</u>	<u>94,764</u>	<u>16,110</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>4,763</u>	<u>12,784</u>	<u>6,415</u>	<u>-</u>	<u>62,132</u>	<u>(6,677)</u>	<u>765</u>
Cash and investments - ending	<u>\$ 8,513</u>	<u>\$ 36,660</u>	<u>\$ 25,385</u>	<u>\$ -</u>	<u>\$ 81,941</u>	<u>\$ 105,534</u>	<u>\$ 3,162</u>

WELLS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Auditor's Ineligible Deductions	County Elected Officials Training	County Offender Transportation	Statewide 911	Abandoned Vehicle	Supplemental Adult Probation Services	Supplemental Juvenile Probation Services
Cash and investments - beginning	\$ 40,981	\$ 3,284	\$ 438	\$ 680,849	\$ 125	\$ 214,412	\$ 52,366
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	26,411	2,828	-	410,229	437	-	-
Fines and forfeits	-	-	375	-	-	60,058	10,223
Other receipts	-	-	-	1,930	-	-	-
Total receipts	<u>26,411</u>	<u>2,828</u>	<u>375</u>	<u>412,159</u>	<u>437</u>	<u>60,058</u>	<u>10,223</u>
Disbursements:							
Personal services	6,727	-	-	-	-	16,982	-
Supplies	1,548	-	-	-	-	138	-
Other services and charges	11,573	1,413	-	306,130	-	13,775	2,744
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	121,057	-	24,763	-
Other disbursements	-	-	-	-	-	85	736
Total disbursements	<u>19,848</u>	<u>1,413</u>	<u>-</u>	<u>427,187</u>	<u>-</u>	<u>55,743</u>	<u>3,480</u>
Excess (deficiency) of receipts over disbursements	<u>6,563</u>	<u>1,415</u>	<u>375</u>	<u>(15,028)</u>	<u>437</u>	<u>4,315</u>	<u>6,743</u>
Cash and investments - ending	<u>\$ 47,544</u>	<u>\$ 4,699</u>	<u>\$ 813</u>	<u>\$ 665,821</u>	<u>\$ 562</u>	<u>\$ 218,727</u>	<u>\$ 59,109</u>

WELLS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	County User Fee	Drainage Maintenance	K-9	Donations	Payroll Withholding - Donations	Payroll Withholding - Insurance	Payroll Withholding - Child Support
Cash and investments - beginning	\$ 83,248	\$ 1,024,134	\$ 629	\$ 1,175	\$ -	\$ 18,647	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	25,463	-	-	-	-	-	-
Other receipts	-	470,034	700	800	824	251,037	21,306
Total receipts	<u>25,463</u>	<u>470,034</u>	<u>700</u>	<u>800</u>	<u>824</u>	<u>251,037</u>	<u>21,306</u>
Disbursements:							
Personal services	15,125	-	-	-	-	-	-
Supplies	129	-	-	-	-	-	-
Other services and charges	7,426	668,347	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	1,690	-	-	1,893	-	-	-
Other disbursements	15,625	-	473	-	824	248,669	21,306
Total disbursements	<u>39,995</u>	<u>668,347</u>	<u>473</u>	<u>1,893</u>	<u>824</u>	<u>248,669</u>	<u>21,306</u>
Excess (deficiency) of receipts over disbursements	<u>(14,532)</u>	<u>(198,313)</u>	<u>227</u>	<u>(1,093)</u>	<u>-</u>	<u>2,368</u>	<u>-</u>
Cash and investments - ending	<u>\$ 68,716</u>	<u>\$ 825,821</u>	<u>\$ 856</u>	<u>\$ 82</u>	<u>\$ -</u>	<u>\$ 21,015</u>	<u>\$ -</u>

WELLS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Payroll Withholding - Deferred Compensation	Payroll Withholding - Federal	Payroll Withholding - FICA & Medicare	Payroll Withholding - Flex Spending	Payroll Withholding - Local Tax	Payroll Withholding - PERF	Payroll Withholding - Sheriff Pension
Cash and investments - beginning	\$ -	\$ -	\$ 52	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	47,045	476,703	373,978	47,797	95,189	136,921	1,900
Total receipts	<u>47,045</u>	<u>476,703</u>	<u>373,978</u>	<u>47,797</u>	<u>95,189</u>	<u>136,921</u>	<u>1,900</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	47,045	476,703	373,978	47,797	95,189	136,921	1,900
Total disbursements	<u>47,045</u>	<u>476,703</u>	<u>373,978</u>	<u>47,797</u>	<u>95,189</u>	<u>136,921</u>	<u>1,900</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52</u>	<u>\$ -</u>	<u>\$ -</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, 2013
 (Continued)

	Payroll Withholding - State	Sheriff Pension Holding	Settlement	LOIT Property Tax Operating Levy Replacement	LOIT Public Safety	LOIT Stabilization	Wheel Tax
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,618,003	\$ 1,500
Receipts:							
Taxes	-	-	18,396,273	1,946,655	-	52,628	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	243,332	-	142,841
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	163,904	20,910	-	-	-	-	-
Total receipts	163,904	20,910	18,396,273	1,946,655	243,332	52,628	142,841
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	163,904	20,910	18,396,273	1,946,655	243,332	-	144,341
Total disbursements	163,904	20,910	18,396,273	1,946,655	243,332	-	144,341
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	52,628	(1,500)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,670,631	\$ -

WELLS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Sur Tax	CVET Agency	Final Excise TaxCut Replacement Due State	Weed Lien Collections	Sewage Lien Collections	Financial Institution Tax	CEDIT Homestead Credit
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 328,375
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	284,165	318,705	953,236	-	-	185,823	1,032,216
Charges for services	-	-	-	4,041	30,422	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>284,165</u>	<u>318,705</u>	<u>953,236</u>	<u>4,041</u>	<u>30,422</u>	<u>185,823</u>	<u>1,032,216</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	284,165	318,705	953,236	4,041	30,422	185,823	1,365,746
Total disbursements	<u>284,165</u>	<u>318,705</u>	<u>953,236</u>	<u>4,041</u>	<u>30,422</u>	<u>185,823</u>	<u>1,365,746</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	(333,530)
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,155)</u>

WELLS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	HEA 1001 State Homestead Credit	LOIT Homestead Credit	LOIT Residential PTRC	State Fines and Forfeitures	Infraction Judgments	Special Death Benefit	Sales Disclosure - State Share
Cash and investments - beginning	\$ (2,050)	\$ 5,028	\$ 273,482	\$ 2,625	\$ 10,683	\$ 280	\$ 530
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	973,327	-	-	-	-
Charges for services	-	-	-	-	-	-	3,640
Fines and forfeits	-	-	-	32,660	32,778	1,585	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	973,327	32,660	32,778	1,585	3,640
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	1,217,393	12,263	41,484	1,810	3,775
Total disbursements	-	-	1,217,393	12,263	41,484	1,810	3,775
Excess (deficiency) of receipts over disbursements	-	-	(244,066)	20,397	(8,706)	(225)	(135)
Cash and investments - ending	<u>\$ (2,050)</u>	<u>\$ 5,028</u>	<u>\$ 29,416</u>	<u>\$ 23,022</u>	<u>\$ 1,977</u>	<u>\$ 55</u>	<u>\$ 395</u>

WELLS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Coroner's Training & Continuing Education	Interstate Compact - State Share	Mortgage Recording Fees - State Share	DLGF Homestead Property Database	Sex and Violent Offender Admin - State	Child Restraint Violations Fines	Inheritance Tax
Cash and investments - beginning	\$ 437	\$ -	\$ 707	\$ 14	\$ 41	\$ 50	\$ 53,083
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	478,847
Charges for services	2,779	-	3,468	24	-	-	-
Fines and forfeits	-	375	-	-	264	175	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>2,779</u>	<u>375</u>	<u>3,468</u>	<u>24</u>	<u>264</u>	<u>175</u>	<u>478,847</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	2,860	375	3,910	38	280	225	531,178
Total disbursements	<u>2,860</u>	<u>375</u>	<u>3,910</u>	<u>38</u>	<u>280</u>	<u>225</u>	<u>531,178</u>
Excess (deficiency) of receipts over disbursements	<u>(81)</u>	<u>-</u>	<u>(442)</u>	<u>(14)</u>	<u>(16)</u>	<u>(50)</u>	<u>(52,331)</u>
Cash and investments - ending	<u>\$ 356</u>	<u>\$ -</u>	<u>\$ 265</u>	<u>\$ -</u>	<u>\$ 25</u>	<u>\$ -</u>	<u>\$ 752</u>

WELLS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Education Plate Fees	Riverboat Revenue Sharing	CAGIT Distribution	CEDIT Distribution	93.563 ARRA Clerk IV-D Incentive	93.563 Title IV-D Incentive	93.563 Prosecutor IV-D Incentive-Post Oct '99
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 3,757	\$ 109,013	\$ 108,020
Receipts:							
Taxes	-	-	3,649,978	1,295,844	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	163,713	1,216,659	-	-	14,627	23,781
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	506	-	-	-	-	-	-
Total receipts	506	163,713	4,866,637	1,295,844	-	14,627	23,781
Disbursements:							
Personal services	-	-	-	-	-	-	34,282
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	3,757	77	4,167
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	506	163,713	4,866,637	1,295,844	-	-	-
Total disbursements	506	163,713	4,866,637	1,295,844	3,757	77	38,449
Excess (deficiency) of receipts over disbursements	-	-	-	-	(3,757)	14,550	(14,668)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 123,563	\$ 93,352

WELLS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	93.563 Clerk IV-D Incentive-Post Oct '99	Wind Farm Expense	Commissioners' Certificate Sale	Substance/ Indigent	Garnishment - Other County	20.509 Public Transit Fed Grant	93.069 PHD Federal Grant
Cash and investments - beginning	\$ 58,892	\$ 2,280	\$ -	\$ 4,581	\$ -	\$ -	\$ (557)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	14,627	-	-	-	-	288,937	13,424
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	28,579	-	9	-	-
Total receipts	<u>14,627</u>	<u>-</u>	<u>28,579</u>	<u>-</u>	<u>9</u>	<u>288,937</u>	<u>13,424</u>
Disbursements:							
Personal services	-	-	-	-	9	-	161
Supplies	-	-	-	-	-	-	3,109
Other services and charges	-	2,280	-	13	-	-	9,597
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	3,396	-	28,579	-	-	288,937	-
Total disbursements	<u>3,396</u>	<u>2,280</u>	<u>28,579</u>	<u>13</u>	<u>9</u>	<u>288,937</u>	<u>12,867</u>
Excess (deficiency) of receipts over disbursements	<u>11,231</u>	<u>(2,280)</u>	<u>-</u>	<u>(13)</u>	<u>-</u>	<u>-</u>	<u>557</u>
Cash and investments - ending	<u>\$ 70,123</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,568</u>	<u>\$ -</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, 2013
 (Continued)

	93.507 Accreditation Grant	93.069 Bioterrorism PHP Bonus	20.205 Bridge 193 Rehabilitation	Grade Crossing Grant	ALCO Sensor Grant	Bio Terror Grant	Totals
Cash and investments - beginning	\$ 16,000	\$ -	\$ -	\$ -	\$ 85	\$ 4,356	\$ 14,206,960
Receipts:							
Taxes	-	-	-	-	-	-	32,450,264
Licenses and permits	-	-	-	-	-	-	126,644
Intergovernmental	16,000	10,911	20,766	12,692	-	-	10,859,720
Charges for services	-	-	-	-	-	-	1,200,971
Fines and forfeits	-	-	-	-	-	-	302,805
Other receipts	-	-	100,000	-	-	-	6,312,324
Total receipts	<u>16,000</u>	<u>10,911</u>	<u>120,766</u>	<u>12,692</u>	<u>-</u>	<u>-</u>	<u>51,252,728</u>
Disbursements:							
Personal services	-	66	-	-	-	-	7,152,766
Supplies	-	1,298	-	-	-	1,120	1,205,261
Other services and charges	-	863	-	-	-	-	3,971,364
Debt service - principal and interest	-	-	-	-	-	-	65,737
Capital outlay	-	8,684	25,957	12,692	-	2,750	1,211,170
Other disbursements	-	-	-	-	-	-	37,382,714
Total disbursements	<u>-</u>	<u>10,911</u>	<u>25,957</u>	<u>12,692</u>	<u>-</u>	<u>3,870</u>	<u>50,989,012</u>
Excess (deficiency) of receipts over disbursements	<u>16,000</u>	<u>-</u>	<u>94,809</u>	<u>-</u>	<u>-</u>	<u>(3,870)</u>	<u>263,716</u>
Cash and investments - ending	<u>\$ 32,000</u>	<u>\$ -</u>	<u>\$ 94,809</u>	<u>\$ -</u>	<u>\$ 85</u>	<u>\$ 486</u>	<u>\$ 14,470,676</u>

WELLS COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2013

<u>Government</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 306,452</u>	<u>\$ -</u>

WELLS COUNTY
 SCHEDULE OF LEASES AND DEBT
 December 31, 2013

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
Notes and loans payable	Rescue truck	<u>\$ 62,803</u>	<u>\$ 65,738</u>

WELLS COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2013

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.

	Ending Balance
Governmental activities:	
Land	\$ 16,213
Infrastructure	50,094,402
Buildings	5,022,785
Improvements other than buildings	464,544
Machinery, equipment, and vehicles	6,164,419
Total capital assets	\$ 61,762,363

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF WELLS COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Wells County's (County) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2013. The County's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the County's major federal program based on our audit of the types of compliance requirements referred to above. 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 on compliance for the major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2013.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)


Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program 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.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance 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. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of 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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

July 2, 2014

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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, 2013

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster				
Highway Planning and Construction	Indiana Department of Transportation	20.205		
Bridge 59			A249-10-321004	\$ 5,139
Bridge 193			A249-13-320129	20,766
Bridge Inspections			A249-13-320892	19,555
Unofficial Detours			Des. 0401206	<u>2,569</u>
Total - Highway Planning and Construction Cluster				<u>48,029</u>
Formula Grants for Rural Areas	Indiana Department of Transportation	20.509		
Public Transit			A249-13-320334	<u>188,532</u>
Total - Department of Transportation				<u>236,561</u>
<u>Department of Health and Human Services</u>				
Public Health Emergency Preparedness	Indiana Department of Health	93.069		
Bioterrorism PHP Bonus			A70-3-0532152	<u>10,911</u>
Hospital Preparedness Program (HPP) and Public Health Emergency	Indiana Department of Health	93.074		
Preparedness (PHEP) Aligned Cooperative Agreements				
Bioterrorism Preparedness & Response Supplemental			A70-3-0531995	<u>13,424</u>
Child Support Enforcement	Indiana Department of Child Services	93.563		
Clerk IV-D Incentive			FY 2013	3,396
Prosecutor IV-D Incentive			FY 2013	38,450
IV-D Reimbursement			FY 2013	289,263
IV-D Incentive			FY 2013	<u>77</u>
Total - Child Support Enforcement				<u>331,186</u>
Total - Department of Health and Human Services				<u>355,521</u>
<u>Department of Homeland Security</u>				
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042		
Emergency Management			C44P-2-395A	<u>2,169</u>
Total - Department of Homeland Security				<u>2,169</u>
Total federal awards expended				<u>\$ 594,251</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 the 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, 2013:

Program Title	Federal CFDA Number	2013
Formula Grants for Rural Areas	20.509	\$ <u>188,532</u>

WELLS COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

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

Identification of Major Program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
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
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Section II - Financial Statement Findings

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

OTHER REPORT

In addition to this report, a Supplemental Compliance Report has been issued for the County. That report can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.