

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

FINANCIAL STATEMENT AUDIT REPORT

OF

WELLS COUNTY, INDIANA

January 1, 2019 to December 31, 2019



FILED
04/30/2020

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Lisa K. McCormick	01-01-19 to 12-31-22
County Treasurer	Kathy J. Peeper	01-01-17 to 12-31-20
Clerk of the Circuit Court	Beth J. Davis	01-01-19 to 12-31-22
County Sheriff	Scott A. Holliday	01-01-19 to 12-31-22
County Recorder	Carolyn C. Bertsch	01-01-17 to 12-31-20
President of the Board of County Commissioners	Blake C. Gerber	01-01-19 to 12-31-20
President of the County Council	Todd J. Mahnensmith Michael K. Mossburg	01-01-19 to 12-31-19 01-01-20 to 12-31-20



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, 2019, and the related notes to the financial statement as listed in the Table of Contents.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 opinions.

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

As discussed in Note 1 to the financial statement, the 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, 2019.

Opinion on Regulatory Basis of Accounting

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


Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The Schedule of Capital Assets, as listed in the Table of Contents, 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated April 23, 2020, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

April 23, 2020

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, 2019

	After Settlement Collections	Sheriff's Inmate Trust	Commissary	Clerk's Trust
Cash and investments - beginning	\$ 702,496	\$ 23,331	\$ 62,789	\$ 103,356
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Other receipts	891,785	289,456	142,914	2,142,654
Total receipts	<u>891,785</u>	<u>289,456</u>	<u>142,914</u>	<u>2,142,654</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	702,496	300,525	127,481	2,044,313
Total disbursements	<u>702,496</u>	<u>300,525</u>	<u>127,481</u>	<u>2,044,313</u>
Excess (deficiency) of receipts over disbursements	<u>189,289</u>	<u>(11,069)</u>	<u>15,433</u>	<u>98,341</u>
Cash and investments - ending	<u>\$ 891,785</u>	<u>\$ 12,262</u>	<u>\$ 78,222</u>	<u>\$ 201,697</u>

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, 2019

	General	Accident Report	Campaign Finance Fund	LIT Economic Development
Cash and investments - beginning	\$ 2,037,513	\$ 18,200	\$ 225	\$ 1,129,744
Receipts:				
Taxes	7,277,074	-	-	947,280
Licenses and permits	31,756	-	-	-
Intergovernmental receipts	1,364,660	-	-	37,694
Charges for services	298,111	3,941	-	-
Fines and forfeits	95,210	-	-	-
Other receipts	499,797	-	-	-
Total receipts	<u>9,566,608</u>	<u>3,941</u>	<u>-</u>	<u>984,974</u>
Disbursements:				
Personal services	6,802,023	-	-	6,240
Supplies	244,241	-	-	-
Other services and charges	2,343,659	-	-	188,400
Debt service - principal and interest	-	-	-	-
Capital outlay	127,540	-	-	776,502
Other disbursements	90,898	11,858	-	69,337
Total disbursements	<u>9,608,361</u>	<u>11,858</u>	<u>-</u>	<u>1,040,479</u>
Excess (deficiency) of receipts over disbursements	<u>(41,753)</u>	<u>(7,917)</u>	<u>-</u>	<u>(55,505)</u>
Cash and investments - ending	<u>\$ 1,995,760</u>	<u>\$ 10,283</u>	<u>\$ 225</u>	<u>\$ 1,074,239</u>

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, 2019

	Child Advocacy	City/Town Court Cost	Clerk's Records Perpetuation	Comm Correction Project Income
Cash and investments - beginning	\$ 73	\$ 34,815	\$ 49,503	\$ 194,724
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	951	192,994
Charges for services	-	-	-	-
Fines and forfeits	50	4,730	19,700	163,738
Other receipts	-	-	-	4,017
Total receipts	50	4,730	20,651	360,749
Disbursements:				
Personal services	-	-	3,987	215,490
Supplies	-	-	-	9,784
Other services and charges	-	-	11,701	121,807
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	1,440	2,027
Other disbursements	-	-	-	-
Total disbursements	-	-	17,128	349,108
Excess (deficiency) of receipts over disbursements	50	4,730	3,523	11,641
Cash and investments - ending	\$ 123	\$ 39,545	\$ 53,026	\$ 206,365

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, 2019

	Community Transition Program	Sales Disclosure Fee County	Cumulative Bridge	Drug Free Community
Cash and investments - beginning	\$ 1,225	\$ 3,270	\$ -	\$ 17,775
Receipts:				
Taxes	-	-	391,691	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	24,050	-	41,658	-
Charges for services	-	3,550	-	-
Fines and forfeits	-	-	-	22,083
Other receipts	-	-	-	-
Total receipts	24,050	3,550	433,349	22,083
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	17,775
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	4,000	-	-	-
Total disbursements	4,000	-	-	17,775
Excess (deficiency) of receipts over disbursements	20,050	3,550	433,349	4,308
Cash and investments - ending	\$ 21,275	\$ 6,820	\$ 433,349	\$ 22,083

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

	Emergency Plan/Right to Know	Extradition & Sheriff's Assist	Firearms Training Fund	GDI
Cash and investments - beginning	\$ 11,418	\$ 8,369	\$ 13,119	\$ 557,978
Receipts:				
Taxes	-	-	-	76,048
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	6,050	27,891
Fines and forfeits	-	1,200	-	-
Other receipts	4,243	-	-	16,156
Total receipts	<u>4,243</u>	<u>1,200</u>	<u>6,050</u>	<u>120,095</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	15	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	2,943	-	-	-
Other disbursements	-	-	8,429	195,134
Total disbursements	<u>2,958</u>	<u>-</u>	<u>8,429</u>	<u>195,134</u>
Excess (deficiency) of receipts over disbursements	<u>1,285</u>	<u>1,200</u>	<u>(2,379)</u>	<u>(75,039)</u>
Cash and investments - ending	<u>\$ 12,703</u>	<u>\$ 9,569</u>	<u>\$ 10,740</u>	<u>\$ 482,939</u>

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

	Health	Identificaton Security Protect	Levy Excess	Local Health Maintenance
Cash and investments - beginning	\$ 398,273	\$ 27,986	\$ -	\$ 62,029
Receipts:				
Taxes	50,137	-	31,618	-
Licenses and permits	67,899	-	-	-
Intergovernmental receipts	5,332	-	-	33,139
Charges for services	-	4,465	-	-
Fines and forfeits	-	-	-	-
Other receipts	7,775	-	-	-
Total receipts	<u>131,143</u>	<u>4,465</u>	<u>31,618</u>	<u>33,139</u>
Disbursements:				
Personal services	181,753	-	-	36,611
Supplies	2,077	-	-	-
Other services and charges	22,340	6,000	-	1,456
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	-	-	-	-
Total disbursements	<u>206,170</u>	<u>6,000</u>	<u>-</u>	<u>38,067</u>
Excess (deficiency) of receipts over disbursements	<u>(75,027)</u>	<u>(1,535)</u>	<u>31,618</u>	<u>(4,928)</u>
Cash and investments - ending	<u>\$ 323,246</u>	<u>\$ 26,451</u>	<u>\$ 31,618</u>	<u>\$ 57,101</u>

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

	Local Road & St	LIT Public Safety- Co Share	Medical Care for Inmates	Misdemeanant
Cash and investments - beginning	\$ 394,176	\$ 4,587	\$ 28,504	\$ 10,623
Receipts:				
Taxes	-	566,538	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	472,902	-	-	18,712
Charges for services	-	-	4,286	-
Fines and forfeits	-	-	-	-
Other receipts	11,579	55	-	-
Total receipts	<u>484,481</u>	<u>566,593</u>	<u>4,286</u>	<u>18,712</u>
Disbursements:				
Personal services	-	-	-	18,711
Supplies	-	-	-	-
Other services and charges	-	223,215	-	-
Debt service - principal and interest	-	123,844	-	-
Capital outlay	368,489	165,421	-	-
Other disbursements	-	-	-	-
Total disbursements	<u>368,489</u>	<u>512,480</u>	<u>-</u>	<u>18,711</u>
Excess (deficiency) of receipts over disbursements	<u>115,992</u>	<u>54,113</u>	<u>4,286</u>	<u>1</u>
Cash and investments - ending	<u>\$ 510,168</u>	<u>\$ 58,700</u>	<u>\$ 32,790</u>	<u>\$ 10,624</u>

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, 2019

	Highway	Plat Book	Rainy Day	Recorder's Perpetuation Fund
Cash and investments - beginning	\$ 1,370,094	\$ 26,728	\$ 2,094,402	\$ 125,127
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	1,925,844	-	-	-
Charges for services	-	9,450	-	76,979
Fines and forfeits	-	-	-	-
Other receipts	100,475	-	-	-
Total receipts	<u>2,026,319</u>	<u>9,450</u>	<u>-</u>	<u>76,979</u>
Disbursements:				
Personal services	1,027,341	-	-	-
Supplies	421,168	-	-	9,254
Other services and charges	119,766	-	-	52,823
Debt service - principal and interest	-	-	-	-
Capital outlay	495,748	-	-	-
Other disbursements	-	-	584,674	-
Total disbursements	<u>2,064,023</u>	<u>-</u>	<u>584,674</u>	<u>62,077</u>
Excess (deficiency) of receipts over disbursements	<u>(37,704)</u>	<u>9,450</u>	<u>(584,674)</u>	<u>14,902</u>
Cash and investments - ending	<u>\$ 1,332,390</u>	<u>\$ 36,178</u>	<u>\$ 1,509,728</u>	<u>\$ 140,029</u>

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, 2019

	Sex/Violent Offender Admin	Supp Public Def Services	Surplus Tax	Surveyor's Corner Perpetuation
Cash and investments - beginning	\$ 17,691	\$ 28,456	\$ 42,538	\$ 70,933
Receipts:				
Taxes	-	-	35,965	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	3,513	-	-	22,100
Fines and forfeits	-	4,661	-	-
Other receipts	-	-	428	300
Total receipts	<u>3,513</u>	<u>4,661</u>	<u>36,393</u>	<u>22,400</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	1,746	-	3,420
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	9,325	-	50,981	-
Total disbursements	<u>9,325</u>	<u>1,746</u>	<u>50,981</u>	<u>3,420</u>
Excess (deficiency) of receipts over disbursements	<u>(5,812)</u>	<u>2,915</u>	<u>(14,588)</u>	<u>18,980</u>
Cash and investments - ending	<u>\$ 11,879</u>	<u>\$ 31,371</u>	<u>\$ 27,950</u>	<u>\$ 89,913</u>

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, 2019

	Tax Sale Redemption	Tax Sale Surplus	Local Health Dept Trust Acct	Vehicle Inspection
Cash and investments - beginning	\$ -	\$ 319,609	\$ 75,081	\$ 3,210
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	18,866	-
Charges for services	-	-	-	1,095
Fines and forfeits	-	-	-	-
Other receipts	24,241	421,541	-	-
Total receipts	24,241	421,541	18,866	1,095
Disbursements:				
Personal services	-	-	11,613	-
Supplies	-	-	97	-
Other services and charges	-	-	12,708	1,285
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	24,241	321,777	-	-
Total disbursements	24,241	321,777	24,418	1,285
Excess (deficiency) of receipts over disbursements	-	99,764	(5,552)	(190)
Cash and investments - ending	\$ -	\$ 419,373	\$ 69,529	\$ 3,020

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, 2019

	Auditors Ineligible Deductions	County Elected Official Train	County Offender Transportation	Statewide 9-1-1
Cash and investments - beginning	\$ 40,898	\$ 3,959	\$ 3,125	\$ 362,844
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	72	-	-
Charges for services	-	4,465	-	457,214
Fines and forfeits	-	-	438	-
Other receipts	-	-	-	-
Total receipts	-	4,537	438	457,214
Disbursements:				
Personal services	6,134	-	-	-
Supplies	-	-	-	-
Other services and charges	-	4,424	-	373,037
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	-	-	-	-
Total disbursements	6,134	4,424	-	373,037
Excess (deficiency) of receipts over disbursements	(6,134)	113	438	84,177
Cash and investments - ending	\$ 34,764	\$ 4,072	\$ 3,563	\$ 447,021

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, 2019

	Abandoned Vehicle	Reassessment	Supp Adult Probation Srcv	Sup Juvenile Probation Servc
Cash and investments - beginning	\$ 562	\$ 60,662	\$ 297,371	\$ 23,409
Receipts:				
Taxes	-	256,949	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	27,328	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	82,354	9,221
Other receipts	-	718	7,432	-
Total receipts	-	284,995	89,786	9,221
Disbursements:				
Personal services	-	32,663	21,851	1,755
Supplies	-	1,099	-	-
Other services and charges	-	239,129	45,878	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	813	1,465	-
Other disbursements	-	-	910	-
Total disbursements	-	273,704	70,104	1,755
Excess (deficiency) of receipts over disbursements	-	11,291	19,682	7,466
Cash and investments - ending	\$ 562	\$ 71,953	\$ 317,053	\$ 30,875

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, 2019

	County User Fee	Drainage Maint	K-9	Sheriff's Donation
Cash and investments - beginning	\$ 113,066	\$ 1,257,965	\$ 720	\$ 1,647
Receipts:				
Taxes	-	770,777	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	158,029	-	400
Fines and forfeits	34,107	-	-	-
Other receipts	-	33,262	400	-
Total receipts	<u>34,107</u>	<u>962,068</u>	<u>400</u>	<u>400</u>
Disbursements:				
Personal services	891	-	-	-
Supplies	1,023	-	-	-
Other services and charges	9,059	758,559	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	5,826	-	-	-
Other disbursements	6,155	160,441	407	300
Total disbursements	<u>22,954</u>	<u>919,000</u>	<u>407</u>	<u>300</u>
Excess (deficiency) of receipts over disbursements	<u>11,153</u>	<u>43,068</u>	<u>(7)</u>	<u>100</u>
Cash and investments - ending	<u>\$ 124,219</u>	<u>\$ 1,301,033</u>	<u>\$ 713</u>	<u>\$ 1,747</u>

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, 2019

	United Way	Payroll Withholding Insurance	Garnishee Child Support	Hoosier S.T.A.R.T
Cash and investments - beginning	\$ -	\$ 25,248	\$ -	\$ -
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Other receipts	1,165	313,626	11,090	31,092
Total receipts	<u>1,165</u>	<u>313,626</u>	<u>11,090</u>	<u>31,092</u>
Disbursements:				
Personal services	-	58,323	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	911	259,560	11,090	31,092
Total disbursements	<u>911</u>	<u>317,883</u>	<u>11,090</u>	<u>31,092</u>
Excess (deficiency) of receipts over disbursements	<u>254</u>	<u>(4,257)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 254</u>	<u>\$ 20,991</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2019

	Federal Withholding	FICA & Medicare	Flexible Spending	County Withholding
Cash and investments - beginning	\$ -	\$ 52	\$ -	\$ -
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Other receipts	469,488	436,359	34,878	115,527
Total receipts	469,488	436,359	34,878	115,527
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	469,488	436,359	34,878	115,527
Total disbursements	469,488	436,359	34,878	115,527
Excess (deficiency) of receipts over disbursements	-	-	-	-
Cash and investments - ending	\$ -	\$ 52	\$ -	\$ -

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, 2019

	PERF	Indiana Sheriffs 401(K)Roth	State Withholding	Garnishee Other County
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Other receipts	168,662	4,600	184,086	6,992
Total receipts	<u>168,662</u>	<u>4,600</u>	<u>184,086</u>	<u>6,992</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	168,662	4,600	184,086	6,992
Total disbursements	<u>168,662</u>	<u>4,600</u>	<u>184,086</u>	<u>6,992</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2019

	Sheriff Retirement	Settlement	LIT Prop tax Oper Levies Repla	LIT Stabilization
Cash and investments - beginning	\$ 21,216	\$ -	\$ 23,626	\$ 3,090,574
Receipts:				
Taxes	-	25,554,941	3,140,015	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	133,730	-	-
Charges for services	5,040	-	-	-
Fines and forfeits	28,983	-	-	-
Other receipts	27,555	-	-	-
Total receipts	<u>61,578</u>	<u>25,688,671</u>	<u>3,140,015</u>	<u>-</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	54,864	25,688,671	3,140,015	558,577
Total disbursements	<u>54,864</u>	<u>25,688,671</u>	<u>3,140,015</u>	<u>558,577</u>
Excess (deficiency) of receipts over disbursements	<u>6,714</u>	<u>-</u>	<u>-</u>	<u>(558,577)</u>
Cash and investments - ending	<u>\$ 27,930</u>	<u>\$ -</u>	<u>\$ 23,626</u>	<u>\$ 2,531,997</u>

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, 2019

	Wheel Tax	Surtax	CVET Agency	2009 Welfare Excise Tax Allo
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -
Receipts:				
Taxes	-	-	-	1,174,513
Licenses and permits	-	-	-	-
Intergovernmental receipts	66,719	331,962	341,876	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Other receipts	-	-	-	-
Total receipts	<u>66,719</u>	<u>331,962</u>	<u>341,876</u>	<u>1,174,513</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	66,165	331,962	341,876	1,174,513
Total disbursements	<u>66,165</u>	<u>331,962</u>	<u>341,876</u>	<u>1,174,513</u>
Excess (deficiency) of receipts over disbursements	<u>554</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 554</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2019

	Weed Lien Collections	Sewage Charge Collection	Financial Institution Tax	State Fines & Forfeitures
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 2,185
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	262,126	-
Charges for services	2,143	30,561	-	-
Fines and forfeits	-	-	-	11,199
Other receipts	-	-	-	-
Total receipts	<u>2,143</u>	<u>30,561</u>	<u>262,126</u>	<u>11,199</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	2,143	30,561	262,126	12,658
Total disbursements	<u>2,143</u>	<u>30,561</u>	<u>262,126</u>	<u>12,658</u>
Excess (deficiency) of receipts over disbursements	-	-	-	(1,459)
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 726</u>

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, 2019

	Infraction Judgements	Special Death Benefit	Sales Disclosure- State Share	Coroners Training & Cont Ed
Cash and investments - beginning	\$ 5,614	\$ 335	\$ 600	\$ 614
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	2,615
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	3,590	-
Fines and forfeits	39,499	2,235	-	-
Other receipts	-	-	-	-
Total receipts	<u>39,499</u>	<u>2,235</u>	<u>3,590</u>	<u>2,615</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	38,574	2,200	3,665	2,651
Total disbursements	<u>38,574</u>	<u>2,200</u>	<u>3,665</u>	<u>2,651</u>
Excess (deficiency) of receipts over disbursements	<u>925</u>	<u>35</u>	<u>(75)</u>	<u>(36)</u>
Cash and investments - ending	<u>\$ 6,539</u>	<u>\$ 370</u>	<u>\$ 525</u>	<u>\$ 578</u>

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, 2019

	Interstate Compact Fees	Mortgage Recording Fee-State	Sex/Violent Offender State	Child Restraint Violations Fin
Cash and investments - beginning	\$ 63	\$ 485	\$ 109	\$ -
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	3,005	390	-
Fines and forfeits	438	-	-	175
Other receipts	-	-	-	-
Total receipts	<u>438</u>	<u>3,005</u>	<u>390</u>	<u>175</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	375	2,938	436	175
Total disbursements	<u>375</u>	<u>2,938</u>	<u>436</u>	<u>175</u>
Excess (deficiency) of receipts over disbursements	<u>63</u>	<u>67</u>	<u>(46)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 126</u>	<u>\$ 552</u>	<u>\$ 63</u>	<u>\$ -</u>

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, 2019

	Education Plate Fee	Riverboat Revenue Sharing	93.563 County IV-D Incentive	93.563 Pros IV-D Incentive
Cash and investments - beginning	\$ -	\$ -	\$ 47,951	\$ 93,026
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	163,713	14,256	21,451
Charges for services	338	-	-	-
Fines and forfeits	-	-	-	-
Other receipts	37	-	-	-
Total receipts	<u>375</u>	<u>163,713</u>	<u>14,256</u>	<u>21,451</u>
Disbursements:				
Personal services	-	-	-	41,234
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	375	163,713	-	2,206
Total disbursements	<u>375</u>	<u>163,713</u>	<u>-</u>	<u>43,440</u>
Excess (deficiency) of receipts over disbursements	-	-	14,256	(21,989)
Cash and investments - ending	\$ -	\$ -	\$ 62,207	\$ 71,037

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, 2019

	93.563 Clerk Incentive IV-D	MVH Restricted	Property Tax Assessment Appeal	LOIT Special Distribution
Cash and investments - beginning	\$ 95,822	\$ -	\$ 150	\$ 194,129
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	14,256	1,588,124	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Other receipts	-	-	-	51,677
Total receipts	<u>14,256</u>	<u>1,588,124</u>	<u>-</u>	<u>51,677</u>
Disbursements:				
Personal services	-	227,740	-	-
Supplies	-	805,416	-	-
Other services and charges	5,215	100	-	67,576
Debt service - principal and interest	-	-	-	-
Capital outlay	-	554,740	-	-
Other disbursements	-	-	-	-
Total disbursements	<u>5,215</u>	<u>1,587,996</u>	<u>-</u>	<u>67,576</u>
Excess (deficiency) of receipts over disbursements	<u>9,041</u>	<u>128</u>	<u>-</u>	<u>(15,899)</u>
Cash and investments - ending	<u>\$ 104,863</u>	<u>\$ 128</u>	<u>\$ 150</u>	<u>\$ 178,230</u>

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, 2019

	Substance/Indigent Fund	County Highway Garage Fund	SR 301 Road Transfer Fund	HRA Fund
Cash and investments - beginning	\$ 4,489	\$ 79,540	\$ -	\$ -
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	1,000,000	-
Fines and forfeits	-	-	-	-
Other receipts	1,200	-	-	100,000
Total receipts	1,200	-	1,000,000	100,000
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	1,940	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	-	-	-	-
Total disbursements	1,940	-	-	-
Excess (deficiency) of receipts over disbursements	(740)	-	1,000,000	100,000
Cash and investments - ending	\$ 3,749	\$ 79,540	\$ 1,000,000	\$ 100,000

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, 2019

	BPPE Local Service Fee	LIT Property Tax Relief	LIT Certified Shares	LIT Public Safety
Cash and investments - beginning	\$ -	\$ 74,171	\$ -	\$ -
Receipts:				
Taxes	-	1,936,692	6,453,596	968,039
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	408	-	-	-
Other receipts	-	-	-	-
Total receipts	<u>408</u>	<u>1,936,692</u>	<u>6,453,596</u>	<u>968,039</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	-	1,969,384	6,453,596	968,039
Total disbursements	<u>-</u>	<u>1,969,384</u>	<u>6,453,596</u>	<u>968,039</u>
Excess (deficiency) of receipts over disbursements	<u>408</u>	<u>(32,692)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 408</u>	<u>\$ 41,479</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2019

	LIT Economic Development (EDIT)	20.509 Public Transit Fed Grnt	93.507 Accreditation Grant	97.047 Pre-Disaster Mitigation
Cash and investments - beginning	\$ -	\$ -	\$ 41,694	\$ (7,846)
Receipts:				
Taxes	1,614,165	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	426,504	-	2,690
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Other receipts	-	-	-	23,156
Total receipts	<u>1,614,165</u>	<u>426,504</u>	<u>-</u>	<u>25,846</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	5,968	-
Other services and charges	-	-	-	18,000
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	<u>1,614,165</u>	<u>426,504</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>1,614,165</u>	<u>426,504</u>	<u>5,968</u>	<u>18,000</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>(5,968)</u>	<u>7,846</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,726</u>	<u>\$ -</u>

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, 2019

	20.509 Capital Public Transit	20.205 Bridge 106	97.067 Law Enforcement Comm.	93.074 PHP Emergency Resp 2018
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	20,198	43,459	68,821	12,869
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Other receipts	-	16,476	-	-
Total receipts	<u>20,198</u>	<u>59,935</u>	<u>68,821</u>	<u>12,869</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	2,037
Other services and charges	-	-	-	7,257
Debt service - principal and interest	-	-	-	-
Capital outlay	-	56,484	68,821	4,195
Other disbursements	20,198	-	-	-
Total disbursements	<u>20,198</u>	<u>56,484</u>	<u>68,821</u>	<u>13,489</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>3,451</u>	<u>-</u>	<u>(620)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 3,451</u>	<u>\$ -</u>	<u>\$ (620)</u>

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, 2019

	ALCO Senor Grant	Court Interpreter Grant	2016 Community Crossing Grant	Court Reform Grant
Cash and investments - beginning	\$ 85	\$ 297	\$ 103,354	\$ -
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	2,000
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Other receipts	-	-	-	-
Total receipts	-	-	-	2,000
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	2,000
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	51,677	-
Other disbursements	-	-	51,677	-
Total disbursements	-	-	103,354	2,000
Excess (deficiency) of receipts over disbursements	-	-	(103,354)	-
Cash and investments - ending	\$ 85	\$ 297	\$ -	\$ -

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, 2019

	2019 Court Interpreter Grant	2018 Community Crossing Grant	2019 Community Crossing Grant	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 16,133,781
Receipts:				
Taxes	-	-	-	51,246,038
Licenses and permits	-	-	-	102,270
Intergovernmental receipts	809	777,058	817,293	9,274,116
Charges for services	-	-	-	2,126,606
Fines and forfeits	-	-	-	520,429
Other receipts	-	338,151	294,228	7,229,273
Total receipts	<u>809</u>	<u>1,115,209</u>	<u>1,111,521</u>	<u>70,498,732</u>
Disbursements:				
Personal services	-	-	-	8,694,360
Supplies	-	-	-	1,502,164
Other services and charges	1,000	-	-	4,661,290
Debt service - principal and interest	-	-	-	123,844
Capital outlay	-	1,084,191	823,455	4,591,777
Other disbursements	-	-	-	49,821,929
Total disbursements	<u>1,000</u>	<u>1,084,191</u>	<u>823,455</u>	<u>69,395,364</u>
Excess (deficiency) of receipts over disbursements	<u>(191)</u>	<u>31,018</u>	<u>288,066</u>	<u>1,103,368</u>
Cash and investments - ending	<u>\$ (191)</u>	<u>\$ 31,018</u>	<u>\$ 288,066</u>	<u>\$ 17,237,149</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.

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 by category as follows:

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

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

WELLS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

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

E. Disbursements

Disbursements are presented by category as follows:

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

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

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

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

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

F. Interfund Transfers

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

G. Fund Accounting

Separate funds are established, maintained, and reported by the County. Each fund is used to account for amounts received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the County. The amounts accounted for in a specific fund may only be available for use for certain, legally-restricted purposes. Additionally, some funds are used to account for assets held by the 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.

H. Capital Assets

Capital assets, which include land, construction in progress, buildings, improvements other than buildings, machinery, equipment, vehicles, books, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the capital asset schedule contained in the supplemental information. Items are capitalized when their value exceeds the threshold established by the County and its estimated useful life is greater than one year.

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Donated assets, donated works of art, historical treasures, and similar assets and capital assets received in a service concession arrangement are reported at acquisition value. Renovations to buildings and other improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are considered an operating expense.

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.

WELLS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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 December 31 of the year preceding the budget year or January 15 of the budget year if the County is issuing debt after December 1 or intends on filing a shortfall appeal. These rates were based upon the assessed valuations adjusted for various tax credits from the preceding year's lien date of January 1. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

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, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

The 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, if established, would be included in the financial statement. Participation in a risk pool is an arrangement by which governments pool risks and funds and share in the cost of losses.

Note 6. Leases

The County has entered into the following leases. The purpose, lease terms, and amounts due within one year as of December 31, 2019, are as follows:

WELLS COUNTY
 NOTES TO FINANCIAL STATEMENT
 (Continued)

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental Activities:				
Star Financial Bank	Rescue Truck	\$ 70,982	12-01-15	12-01-21
Star Financial Bank	Jail Security Equipment	<u>52,862</u>	07-15-18	07-15-22
Totals Governmental Activities		<u>\$ 123,844</u>		

Note 7. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

Retirement Benefits

The following table is a summary of the key information for this fund:

WELLS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Full Retirement Benefit	
Eligibility	Annual Pension Benefit
Age 65 and 10 years (eight years for certain elected officials) of creditable service, Age 60 and 15 years of creditable service, and Age 55 if age and creditable service total at least 85, Age 55 and 20 years of creditable service and active as an elected official in the PERF-covered position, and Age 70 and 20 years of creditable service and still active in the PERF-covered position.	Equals 1.1 percent X Average Annual Compensation X Years of Creditable Service. Average annual compensation uses the 20 highest calendar quarters (or only four quarters for an elected official), in groups of four consecutive calendar quarters with no quarter used more than once (includes member contributions paid for by the employer and up to \$2,000 of severance).
Early Retirement Benefit	
Age 50 and minimum of 15 years of creditable service (44 percent of full benefit at age 50, increasing 5 percent per year up to 89 percent at age 59).	
Disability Benefit	
An active member qualifying for Social Security disability with five years of creditable service may receive an unreduced retirement benefit for the duration of their disability (minimum of \$180 per month).	
Survivor Benefit	
While in Active Service	While Receiving a Benefit
Minimum of 15 years of service or member was at least age 65 with 10 to 14 years of service. A spouse or dependent beneficiary immediately receives a benefit as if the member retired the later of age 50 or the age the day before the member's death.	If the member selected one of the following forms of payment: Five Year Guaranteed, Joint with Full, Joint with Two-Thirds, Joint with One-Half, a spouse or dependent receives the benefit associated with the select form of payment.
Cost of Living Adjustment (COLA)	
No COLA, but postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the INPRS Board. Postretirement benefits were issued to members as a 13th check.	

Financial Report

INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplemental information for the plan as a whole. This report may be obtained by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs, or by writing the following:

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204

Contributions

Contributions are determined by INPRS Board of Trustees based on actuarial valuation. As of the June 30, 2019, the County contributed 11.2 percent of covered payroll.

Actuarial Assumptions

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment Rate of Return	6.75%
Future Salary Increases (including inflation)	2.50% - 4.25%
Inflation	2.25%
Cost of Living Increases	2019-2021 - 13 th check, 2022 - 0.4% compounded annually

WELLS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Mortality rates for healthy and disabled members were based on the RP-2014 Total Data Set Mortality Tables, with Social Security Administration generational improvement scale from 2006 and RP-2014 Disability Mortality Tables, with Social Security Administration generational improvement scale from 2006, respectively.

The most recent comprehensive experience study was completed in 2015 and was based on member experience between June 30, 2010, and June 30, 2014. The demographic assumptions were updated as needed for the June 30, 2018 actuarial valuation.

The long-term return expectation for the INPRS defined benefit retirement plans has been determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

<u>Asset Class</u>	<u>Geometric Basis</u>	
	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Asset Allocation</u>
Public Equity	4.4%	22.0%
Private Equity	5.4%	14.0%
Fixed Income - Ex Inflation-Linked	2.2%	20.0%
Fixed Income - Inflation-Linked	0.8%	7.0%
Commodities	2.3%	8.0%
Real Estate	6.5%	7.0%
Absolute Return	2.7%	10.0%
Risk Parity	5.2%	12.0%
Total		<u>100.0%</u>

Discount Rate

Total pension liability for each defined benefit pension plan was calculated using the discount rate of 6.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the Board, and contributions required by the State of Indiana (the nonemployer contributing entity) would be made as stipulated by state statute. Projected inflows from investment earnings were calculated using the 6.75 percent long-term assumed investment rate of return. Based on those assumptions, each defined benefit pension plan's fiduciary net position were projected to be available to make all projected future benefit payments of current plan members, therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for each plan.

WELLS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Net Pension Liability

As of June 30, 2019, the County reported \$2,954,727 as a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Public Employees Retirement Fund - Defined Contribution Account

The Indiana Public Employees' Retirement Fund Defined Contribution Account (PERF DC) is a multiple-employer defined contribution fund. It is administered through the INPRS Board in accordance with state statutes (IC 5-10.2 and IC 5-10.3) and administrative code (35 IAC 1.2), which govern most requirements of the system and give the County authority to contribute to the fund. The fund provides supplemental retirement benefits to Indiana Public Employees' Retirement Fund Defined Benefit Account (PERF Hybrid DB) members as part of the Public Employees' Hybrid Plan (PERF Hybrid).

Member contributions are set by statute at three percent of compensation, and the employer may choose to make these contributions on behalf of the member. Members are 100 percent vested in their account balance, which includes all contributions and earnings.

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. 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.

Retirement Benefits

The plan provides the following benefits to plan members and beneficiaries: Retirement Income, Death Benefits, and Disability Benefits. Plan members are considered fully vested in the plan when 10 year cliff vesting.

The following shows the current number of plan participants at December 31, 2018:

Active Employees that are Vested	7
Active Employees that are Not Vested	9
Separated Employees that are Vested	5
Current Number of Retirees	10

WELLS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Contributions

Contribution rates are established based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. For the year ended December 31, 2018, the employees' contribution was 3.00 percent calculated as a percentage of payroll; the County's contribution was 30.90 percent calculated as a percentage of payroll.

Actuarial Assumptions

The total pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment Rate of Return	6.75%
Projected Future Salary Increases	4.00%
Cost of Living Adjustments	3.00%

Mortality rates were based on the RP-2014 adjusted to 2006; if applicable, with adjustments for mortality improvements based on MP-2018.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study dated January 1, 2019.

Net Pension Liability

As of December 31, 2018, the total pension liability of the County was \$6,284,120. The net pension liability was \$2,243,044.

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 36-8-10-17) for full-time police officers. 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.

Benefits

The plan provides the following benefits to plan members and beneficiaries: Death Benefits, Life Insurance, and Disability Benefits.

WELLS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

The following shows the current number of plan participants at December 31, 2018:

Active Employees that are Vested	16
Active Employees that are not Vested	0
Separated Employees that are Vested	0
Current Number of Retirees	1

Contributions

Contribution rates are established based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. For the year ended December 31, 2018, the employees' contribution was 0.00 percent calculated as a percentage of payroll; the County's contribution was 0.70 percent calculated as a percentage of payroll.

Actuarial Assumptions

The total pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment Rate of Return	6.75%
Projected Future Salary Increases	4.00%
Cost of Living Adjustments	0.00%

Mortality rates were based on the RP-2014 adjusted to 2006; if applicable, with adjustments for mortality improvements based on MP-2018.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study dated January 1, 2019.

Net Pension Asset

As of December 31, 2018, the total pension liability of the County was \$154,958. The net pension asset was \$34,068.

Note 8. Interfund Activity

Interfund transfer activity for the year ended December 31, 2019, is as follows:

WELLS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Transfer From	Transfer To					
	Comm Correction Project Income	LOIT Special Distribution	97.047 Pre-Disaster Mitigation	20.205 Bridge 106	2018 Community Crossing Grant	2019 Community Crossing Grant
Community Transition Program	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -
2016 Community Crossings Grant	-	51,677	-	-	-	-
LIT Economic Development (EDIT)	-	-	5,156	-	4,818	-
Rainy Day	-	-	-	16,476	333,333	294,228
Totals	<u>\$ 4,000</u>	<u>\$ 51,677</u>	<u>\$ 5,156</u>	<u>\$ 16,476</u>	<u>\$ 338,151</u>	<u>\$ 294,228</u>

Transfers are used to (1) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted receipts collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 9. Deficit Fund Balances

The following funds have deficit fund balances at December 31, 2019:

Fund Name	Balance as of 12-31-19
2019 Court Interpreter Grant	\$ (191)
93.074 PHP Emergency Resp 2018	<u>(620)</u>
Total deficit fund balance	<u>\$ (811)</u>

The reason for the deficit fund balances includes reimbursable grants that have not received reimbursements by December 31, 2019.

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OTHER INFORMATION - UNAUDITED

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

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

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

WELLS COUNTY
SCHEDULE OF CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning Balance 01-01-19	Additions	Reductions	Ending Balance 12-31-19
Governmental Activities:				
Land	\$ 15,531	\$ -	\$ -	\$ 15,531
Buildings	5,045,785	-	-	5,045,785
Improvements	464,544	-	-	464,544
Infrastructure	53,777,678	6,474,808	4,606,381	55,646,105
Machinery	9,087,295	891,514	817,169	9,161,640
Total Governmental Activities	<u>\$ 68,390,833</u>	<u>\$ 7,366,322</u>	<u>\$ 5,423,550</u>	<u>\$ 70,333,605</u>

OTHER REPORTS

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