

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

FINANCIAL STATEMENT AUDIT REPORT

OF

WELLS COUNTY, INDIANA

January 1, 2020 to December 31, 2020



FILED

11/08/2021

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Lisa K. McCormick	01-01-20 to 12-31-21
County Treasurer	Kathy J. Peeper	01-01-20 to 12-31-21
Clerk of the Circuit Court	Beth J. Davis	01-01-20 to 12-31-21
County Sheriff	Scott A. Holliday	01-01-20 to 12-31-21
County Recorder	Carolyn C. Bertsch	01-01-20 to 12-31-21
President of the Board of County Commissioners	Blake C. Gerber	01-01-20 to 12-31-21
President of the County Council	Michael K. Mossburg Steven R. Huggins	01-01-20 to 12-31-20 01-01-21 to 12-31-21



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, 2020, 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, 2020.

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, 2020, 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 November 1, 2021, 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

November 1, 2021

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, 2020

	After Settlement Collections	Sheriff's Inmate Trust	Sheriff's Commissary	Clerk's Trust	General
Cash and investments - beginning	\$ 891,785	\$ 12,262	\$ 78,222	\$ 201,696	\$ 1,995,760
Receipts:					
Taxes	-	-	-	-	4,594,345
Licenses and permits	-	-	-	-	42,522
Intergovernmental receipts	-	-	-	-	4,059,330
Charges for services	-	-	-	-	329,971
Fines and forfeits	-	-	-	-	77,249
Other receipts	1,213,622	213,980	128,664	1,656,818	1,178,273
Total receipts	1,213,622	213,980	128,664	1,656,818	10,281,690
Disbursements:					
Personal services	-	-	-	-	6,924,861
Supplies	-	-	-	-	256,271
Other services and charges	-	-	-	-	2,259,553
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	90,130
Other disbursements	891,785	213,196	149,957	1,696,226	137,561
Total disbursements	891,785	213,196	149,957	1,696,226	9,668,376
Excess (deficiency) of receipts over disbursements	321,837	784	(21,293)	(39,408)	613,314
Cash and investments - ending	\$ 1,213,622	\$ 13,046	\$ 56,929	\$ 162,288	\$ 2,609,074

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, 2020

	Accident Report	Campaign Finance	LIT Economic Development	Child Advocacy	City/Town Court Cost
Cash and investments - beginning	\$ 10,283	\$ 225	\$ 1,074,239	\$ 123	\$ 39,545
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	1,020,534	-	-
Charges for services	3,641	-	-	-	-
Fines and forfeits	-	-	-	100	4,036
Other receipts	-	-	-	-	-
Total receipts	3,641	-	1,020,534	100	4,036
Disbursements:					
Personal services	-	-	6,406	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	189,900	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	282,705	-	-
Other disbursements	3,199	-	237,097	223	-
Total disbursements	3,199	-	716,108	223	-
Excess (deficiency) of receipts over disbursements	442	-	304,426	(123)	4,036
Cash and investments - ending	\$ 10,725	\$ 225	\$ 1,378,665	\$ -	\$ 43,581

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, 2020

	Clerk's Records Perpetuation	Community Correction Project Income	Community Transition Program	Sales Disclosure Fee - County	Cumulative Bridge
Cash and investments - beginning	\$ 53,026	\$ 206,365	\$ 21,275	\$ 6,820	\$ 433,349
Receipts:					
Taxes	-	-	-	-	399,297
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	209	230,733	31,675	-	43,143
Charges for services	-	-	-	4,315	-
Fines and forfeits	16,202	123,382	-	-	-
Other receipts	-	48,925	-	-	-
Total receipts	16,411	403,040	31,675	4,315	442,440
Disbursements:					
Personal services	4,174	225,109	-	-	-
Supplies	-	21,554	-	-	-
Other services and charges	4,000	73,949	-	1,454	197,873
Debt service - principal and interest	-	-	-	-	-
Capital outlay	4,110	20,140	-	-	-
Other disbursements	-	-	48,925	-	1,048
Total disbursements	12,284	340,752	48,925	1,454	198,921
Excess (deficiency) of receipts over disbursements	4,127	62,288	(17,250)	2,861	243,519
Cash and investments - ending	\$ 57,153	\$ 268,653	\$ 4,025	\$ 9,681	\$ 676,868

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, 2020

	Drug Free Community	Emergency Plan/Right to Know	Extradition & Sheriff's Assist	Firearms Training	General Drain Improvement
Cash and investments - beginning	\$ 22,083	\$ 12,704	\$ 9,569	\$ 10,740	\$ 482,939
Receipts:					
Taxes	-	-	-	-	36,775
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	726	13,690	64,821
Fines and forfeits	20,544	-	800	-	-
Other receipts	-	4,487	-	-	4,343
Total receipts	20,544	4,487	1,526	13,690	105,939
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	22,083	16	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	266	15,265	148,490
Total disbursements	22,083	16	266	15,265	148,490
Excess (deficiency) of receipts over disbursements	(1,539)	4,471	1,260	(1,575)	(42,551)
Cash and investments - ending	\$ 20,544	\$ 17,175	\$ 10,829	\$ 9,165	\$ 440,388

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, 2020

	Health	Identification Security Protection	Levy Excess	Local Health Maintenance	Local Road & Street
Cash and investments - beginning	\$ 323,246	\$ 26,451	\$ 31,618	\$ 57,101	\$ 510,168
Receipts:					
Taxes	47,916	-	-	-	-
Licenses and permits	69,528	-	-	-	-
Intergovernmental receipts	5,177	-	-	33,139	458,879
Charges for services	-	5,536	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	2,811	-	10,469	-	4,059
Total receipts	125,432	5,536	10,469	33,139	462,938
Disbursements:					
Personal services	220,805	-	-	31,887	-
Supplies	2,127	-	-	-	101,140
Other services and charges	17,808	5,350	-	789	57,750
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	382,674
Other disbursements	135	-	-	-	-
Total disbursements	240,875	5,350	-	32,676	541,564
Excess (deficiency) of receipts over disbursements	(115,443)	186	10,469	463	(78,626)
Cash and investments - ending	\$ 207,803	\$ 26,637	\$ 42,087	\$ 57,564	\$ 431,542

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, 2020

	LIT Public Safety- County Share	Medical Care for Inmates	Misdemeanant	Highway	Plat Book
Cash and investments - beginning	\$ 58,700	\$ 32,790	\$ 10,624	\$ 1,332,390	\$ 36,178
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	622,379	-	18,712	1,917,904	-
Charges for services	-	2,523	-	-	14,725
Fines and forfeits	-	-	-	-	340
Other receipts	-	-	-	118,272	-
Total receipts	622,379	2,523	18,712	2,036,176	15,065
Disbursements:					
Personal services	-	-	18,711	1,065,074	-
Supplies	-	-	-	481,819	-
Other services and charges	213,267	-	-	87,327	-
Debt service - principal and interest	123,844	-	-	-	-
Capital outlay	170,569	-	-	53,405	-
Other disbursements	-	-	-	28,173	-
Total disbursements	507,680	-	18,711	1,715,798	-
Excess (deficiency) of receipts over disbursements	114,699	2,523	1	320,378	15,065
Cash and investments - ending	\$ 173,399	\$ 35,313	\$ 10,625	\$ 1,652,768	\$ 51,243

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, 2020

	Rainy Day	Recorder's Perpetuation	Sex/Violent Offender Admin	Supp Public Defender Services	Surplus Tax
Cash and investments - beginning	\$ 1,509,728	\$ 140,029	\$ 11,879	\$ 31,371	\$ 27,950
Receipts:					
Taxes	-	-	-	-	46,843
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	102,075	4,230	-	-
Fines and forfeits	-	-	-	5,692	-
Other receipts	-	-	-	-	190
Total receipts	-	102,075	4,230	5,692	47,033
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	400,000	62,156	-	2,503	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	17,400	-	13,233	-	24,020
Total disbursements	417,400	62,156	13,233	2,503	24,020
Excess (deficiency) of receipts over disbursements	(417,400)	39,919	(9,003)	3,189	23,013
Cash and investments - ending	\$ 1,092,328	\$ 179,948	\$ 2,876	\$ 34,560	\$ 50,963

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, 2020

	Surveyor's Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus	Local Health Dept Trust Account	Vehicle Inspection
Cash and investments - beginning	\$ 89,913	\$ -	\$ 419,373	\$ 69,529	\$ 3,020
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	18,866	-
Charges for services	27,480	-	-	-	1,020
Fines and forfeits	-	-	-	-	-
Other receipts	500	62,010	599,995	-	-
Total receipts	27,980	62,010	599,995	18,866	1,020
Disbursements:					
Personal services	-	-	-	9,583	-
Supplies	-	-	-	-	-
Other services and charges	21,600	-	-	4,875	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	62,010	474,952	-	-
Total disbursements	21,600	62,010	474,952	14,458	-
Excess (deficiency) of receipts over disbursements	6,380	-	125,043	4,408	1,020
Cash and investments - ending	\$ 96,293	\$ -	\$ 544,416	\$ 73,937	\$ 4,040

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, 2020

	Auditor's Ineligible Deductions	County Elected Official Training	County Offender Transportation	Statewide 9-1-1	Abandoned Vehicle
Cash and investments - beginning	\$ 34,764	\$ 4,072	\$ 3,563	\$ 447,021	\$ 562
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	7	-	-	-
Charges for services	-	5,536	-	469,948	-
Fines and forfeits	-	-	750	-	-
Other receipts	-	-	-	9,214	-
Total receipts	-	5,543	750	479,162	-
Disbursements:					
Personal services	712	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	3,269	3,247	-	552,904	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	3,981	3,247	-	552,904	-
Excess (deficiency) of receipts over disbursements	(3,981)	2,296	750	(73,742)	-
Cash and investments - ending	\$ 30,783	\$ 6,368	\$ 4,313	\$ 373,279	\$ 562

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, 2020

	Reassessment	Supp Adult Probation Service	Supp Juvenile Probation Service	Sheriff-Law Enforcement Cont Education	Drainage Maintenance
Cash and investments - beginning	\$ 71,953	\$ 317,053	\$ 30,875	\$ 124,219	\$ 1,301,033
Receipts:					
Taxes	249,161	-	-	-	569,893
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	26,921	-	-	-	-
Charges for services	-	-	-	-	175,591
Fines and forfeits	-	83,546	4,570	21,089	-
Other receipts	188	4,106	-	-	10,663
Total receipts	276,270	87,652	4,570	21,089	756,147
Disbursements:					
Personal services	33,663	31,684	1,045	891	-
Supplies	648	470	-	308	-
Other services and charges	238,411	42,274	-	645	646,101
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	2,087	1,477	3,773	-
Other disbursements	687	-	-	1,254	133,151
Total disbursements	273,409	76,515	2,522	6,871	779,252
Excess (deficiency) of receipts over disbursements	2,861	11,137	2,048	14,218	(23,105)
Cash and investments - ending	\$ 74,814	\$ 328,190	\$ 32,923	\$ 138,437	\$ 1,277,928

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, 2020

	K-9	Sheriff's Donation	United Way	Health Insurance Pre Tax	Garnishment - Child Support
Cash and investments - beginning	\$ 713	\$ 1,747	\$ 254	\$ 20,991	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	1,389	-	1,084	321,540	5,171
Total receipts	1,389	-	1,084	321,540	5,171
Disbursements:					
Personal services	-	-	-	55,696	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	1,148	-	1,338	260,302	5,171
Total disbursements	1,148	-	1,338	315,998	5,171
Excess (deficiency) of receipts over disbursements	241	-	(254)	5,542	-
Cash and investments - ending	\$ 954	\$ 1,747	\$ -	\$ 26,533	\$ -

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, 2020

	Hoosier S.T.A.R.T	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	32,893	498,932	449,727	29,651	118,151
Total receipts	32,893	498,932	449,727	29,651	118,151
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	32,893	498,932	449,727	29,651	118,151
Total disbursements	32,893	498,932	449,727	29,651	118,151
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, 2020

	PERF	Indiana Sheriff's 401(K)Roth	State Withholding	Garnishment - Other County	Sheriff Retirement
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 27,930
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	2,617
Fines and forfeits	-	-	-	-	16,271
Other receipts	175,309	4,290	189,075	7,818	28,024
Total receipts	175,309	4,290	189,075	7,818	46,912
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	175,309	4,290	189,075	7,818	63,958
Total disbursements	175,309	4,290	189,075	7,818	63,958
Excess (deficiency) of receipts over disbursements	-	-	-	-	(17,046)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 10,884

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, 2020

	Settlement	LIT PropTax Oper Levies Replacement	LIT Stabilization	Wheel Tax	Surtax
Cash and investments - beginning	\$ -	\$ 23,626	\$ 2,531,997	\$ 554	\$ -
Receipts:					
Taxes	-	3,140,015	267,609	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	51,637	387,791
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	26,030,987	-	-	-	-
Total receipts	26,030,987	3,140,015	267,609	51,637	387,791
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	26,030,987	3,140,015	532,370	51,767	387,791
Total disbursements	26,030,987	3,140,015	532,370	51,767	387,791
Excess (deficiency) of receipts over disbursements	-	-	(264,761)	(130)	-
Cash and investments - ending	\$ -	\$ 23,626	\$ 2,267,236	\$ 424	\$ -

WELLS COUNTY
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	CVET Agency	2009 Welfare Excise Tax Allocation	Weed Lien Collections	Sewage Charge Collection	Financial Institution Tax
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	1,211,627	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	325,131	-	-	-	284,627
Charges for services	-	-	6,235	27,817	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	-	-	-
Total receipts	<u>325,131</u>	<u>1,211,627</u>	<u>6,235</u>	<u>27,817</u>	<u>284,627</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	325,131	1,211,627	6,235	27,817	284,627
Total disbursements	<u>325,131</u>	<u>1,211,627</u>	<u>6,235</u>	<u>27,817</u>	<u>284,627</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<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, 2020

	State Fines & Forfeitures	Infraction Judgments	Special Death Benefit	Sales Disclosure- State Share	Coroner's Training & Cont Education
Cash and investments - beginning	\$ 726	\$ 6,539	\$ 370	\$ 525	\$ 578
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	3,366
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	4,315	-
Fines and forfeits	5,771	19,961	1,255	-	-
Other receipts	-	-	-	-	-
Total receipts	<u>5,771</u>	<u>19,961</u>	<u>1,255</u>	<u>4,315</u>	<u>3,366</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	6,216	24,636	1,530	4,130	3,042
Total disbursements	<u>6,216</u>	<u>24,636</u>	<u>1,530</u>	<u>4,130</u>	<u>3,042</u>
Excess (deficiency) of receipts over disbursements	<u>(445)</u>	<u>(4,675)</u>	<u>(275)</u>	<u>185</u>	<u>324</u>
Cash and investments - ending	<u>\$ 281</u>	<u>\$ 1,864</u>	<u>\$ 95</u>	<u>\$ 710</u>	<u>\$ 902</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, 2020

	Interstate Compact Fees	Mortgage Recording Fee-State	Sex/Violent Offender State	Child Restraint Violations Fine	Education Plate Fee
Cash and investments - beginning	\$ 126	\$ 552	\$ 63	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	4,193	470	-	431
Fines and forfeits	625	-	-	100	-
Other receipts	-	-	-	-	-
Total receipts	625	4,193	470	100	431
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	688	3,980	402	75	431
Total disbursements	688	3,980	402	75	431
Excess (deficiency) of receipts over disbursements	(63)	213	68	25	-
Cash and investments - ending	\$ 63	\$ 765	\$ 131	\$ 25	\$ -

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, 2020

	Riverboat Revenue Sharing	93.563 County IV-D Incentive	93.563 Prosecutor IV-D Incentive	93.563 Clerk IV-D Incentive	MVH Restricted
Cash and investments - beginning	\$ -	\$ 62,207	\$ 71,037	\$ 104,863	\$ 128
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	163,713	12,730	19,158	12,730	1,526,884
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	160,000	-	-
Total receipts	163,713	12,730	179,158	12,730	1,526,884
Disbursements:					
Personal services	-	-	42,422	-	217,018
Supplies	-	-	-	-	809,695
Other services and charges	-	-	-	6,089	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	499,371
Other disbursements	163,713	60,000	10,017	100,000	-
Total disbursements	163,713	60,000	52,439	106,089	1,526,084
Excess (deficiency) of receipts over disbursements	-	(47,270)	126,719	(93,359)	800
Cash and investments - ending	\$ -	\$ 14,937	\$ 197,756	\$ 11,504	\$ 928

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, 2020

	Property Tax Assessment Appeal	LOIT Special Distribution	Substance/ Indigent	County Highway Garage	SR 301 Road Transfer
Cash and investments - beginning	\$ 150	\$ 178,230	\$ 3,749	\$ 79,540	\$ 1,000,000
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	1,000,000
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	-	-	-
Total receipts	-	-	-	-	1,000,000
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	14,600	490	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	-	14,600	490	-	-
Excess (deficiency) of receipts over disbursements	-	(14,600)	(490)	-	1,000,000
Cash and investments - ending	\$ 150	\$ 163,630	\$ 3,259	\$ 79,540	\$ 2,000,000

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, 2020

	HRA Fund	BPPE Local Service Fee	LIT Property Tax Relief	LIT Certified Shares	LIT Public Safety
Cash and investments - beginning	\$ 100,000	\$ 408	\$ 41,479	\$ -	\$ -
Receipts:					
Taxes	-	-	2,223,343	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	7,188,136	1,011,318
Charges for services	-	-	-	-	-
Fines and forfeits	-	43	-	-	-
Other receipts	200,000	-	-	-	-
Total receipts	200,000	43	2,223,343	7,188,136	1,011,318
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	111,793	408	1,957,486	7,188,136	1,011,318
Total disbursements	111,793	408	1,957,486	7,188,136	1,011,318
Excess (deficiency) of receipts over disbursements	88,207	(365)	265,857	-	-
Cash and investments - ending	\$ 188,207	\$ 43	\$ 307,336	\$ -	\$ -

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, 2020

	LIT Economic Development (EDIT)	20.509 Public Transit Fed Grant	93.507 Accreditation Grant	97.047 Pre-Disaster Mitigation	20.509 Capital Public Transit
Cash and investments - beginning	\$ -	\$ -	\$ 35,726	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	1,797,034	243,735	-	-	29,680
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	-	-	-
Total receipts	<u>1,797,034</u>	<u>243,735</u>	<u>-</u>	<u>-</u>	<u>29,680</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	610	-	-
Other services and charges	-	-	-	1,564	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	1,797,034	243,735	-	-	29,680
Total disbursements	<u>1,797,034</u>	<u>243,735</u>	<u>610</u>	<u>1,564</u>	<u>29,680</u>
Excess (deficiency) of receipts over disbursements	-	-	(610)	(1,564)	-
Cash and investments - ending	\$ -	\$ -	\$ 35,116	\$ (1,564)	\$ -

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, 2020

	20.205 Bridge 106	93.074 PHP Emergency Resp 2018	97.042 RACES/ARES Repeater	20.205 County Home Rd CR450E	93.788 Indiana State Opioid Response
Cash and investments - beginning	\$ 3,451	\$ (620)	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	53,011	-	14,118	106,926	120,000
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	17,400	620	-	76,756	-
Total receipts	70,411	620	14,118	183,682	120,000
Disbursements:					
Personal services	-	-	-	-	34,673
Supplies	-	-	-	-	-
Other services and charges	-	-	14,118	138,403	12,106
Debt service - principal and interest	-	-	-	-	-
Capital outlay	67,578	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	67,578	-	14,118	138,403	46,779
Excess (deficiency) of receipts over disbursements	2,833	620	-	45,279	73,221
Cash and investments - ending	\$ 6,284	\$ -	\$ -	\$ 45,279	\$ 73,221

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, 2020

	97.067 State Homeland Security	CARES Provider Relief	State Administered CDBG-COVID	2020 CARES Act Grant	CARES Act Infectious Disease
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	915,375	50,000	6,224	100,000
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	-	-	-
Total receipts	-	915,375	50,000	6,224	100,000
Disbursements:					
Personal services	-	516	-	-	-
Supplies	-	183,855	-	6,224	1,074
Other services and charges	174,797	-	50,000	-	5,935
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	118,683	-	-	-
Other disbursements	-	612,321	-	-	-
Total disbursements	174,797	915,375	50,000	6,224	7,009
Excess (deficiency) of receipts over disbursements	(174,797)	-	-	-	92,991
Cash and investments - ending	\$ (174,797)	\$ -	\$ -	\$ -	\$ 92,991

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, 2020

	COVID 5311 Public Transit	ALCO Senor Grant	Court Interpreter Grant	2019 Court Interpreter Grant	2018 Community Crossing Grant
Cash and investments - beginning	\$ -	\$ 85	\$ 297	\$ (191)	\$ 31,018
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	151,248	-	-	1,274	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	-	-	-
Total receipts	151,248	-	-	1,274	-
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	1,083	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	25,135
Other disbursements	151,248	-	-	-	-
Total disbursements	151,248	-	-	1,083	25,135
Excess (deficiency) of receipts over disbursements	-	-	-	191	(25,135)
Cash and investments - ending	\$ -	\$ 85	\$ 297	\$ -	\$ 5,883

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, 2020

	2019 Community Crossing Grant	Wells County CASA Grant	2020 Community Crossing Grant	Totals
Cash and investments - beginning	\$ 288,066	\$ -	\$ -	\$ 17,237,149
Receipts:				
Taxes	-	-	-	12,786,824
Licenses and permits	-	-	-	115,416
Intergovernmental receipts	-	5,000	481,024	23,546,112
Charges for services	-	-	-	2,271,906
Fines and forfeits	-	-	-	402,326
Other receipts	-	22,906	160,341	33,803,653
Total receipts	-	27,906	641,365	72,926,237
Disbursements:				
Personal services	-	8,050	-	8,932,980
Supplies	-	200	-	1,865,995
Other services and charges	-	11,556	-	5,539,845
Debt service - principal and interest	-	-	-	123,844
Capital outlay	283,231	-	356,336	2,361,404
Other disbursements	-	-	-	51,616,402
Total disbursements	283,231	19,806	356,336	70,440,470
Excess (deficiency) of receipts over disbursements	(283,231)	8,100	285,029	2,485,767
Cash and investments - ending	\$ 4,835	\$ 8,100	\$ 285,029	\$ 19,722,916

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, 2020, 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

PERF DB is a cost-sharing, multiple-employer defined benefit fund providing retirement, disability, and survivor benefits to full-time employees of the State of Indiana not covered by another plan and those political subdivisions (counties, cities, townships, and other governmental units) that elect to participate in the retirement fund. Administration of the fund is generally in accordance with IC 5-10.2, 5-10.3, IC 5-10.5, 35 IAC 1.2, and other Indiana pension law. PERF DB is a component of the Public Employees' Hybrid plan (PERF Hybrid).

PERF Hybrid consists of two components: PERF DB, the monthly employer-funded defined benefit component, along with the Public Employees' Hybrid Members Defined Contribution Account (PERF DC), a member-funded account. First time new employees hired by the state, or a participating political subdivision who offers a choice, have a one-time election to join either the PERF Hybrid plan or PERF My Choice: Retirement Savings Plan for Public Employees (PERF MC DC). Refer to the Description of Defined Contribution Funds for discussion of both the PERF DC and PERF MC DC accounts. A new hire that is an existing member of PERF Hybrid and was not given the option for the PERF MC DC plan is given the option to elect PERF MC DC or remain in PERF Hybrid.

Eligibility for Pension Benefit Payment

Full Retirement Benefit

- At age 65 with at least 10 years of creditable service (8 years for certain elected officials).
- At age 60 with at least 15 years of creditable service, and at age 55 if age and creditable service total at least 85 ("Rule of 85").
- At age 55 with 20 years of creditable service and active as an elected official in the PERF-covered position.
- At age 70 with 20 years of creditable service and still active in the PERF-covered position.

WELLS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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 5 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, a spouse or dependent beneficiary of a member with a minimum of 15 years of creditable service receives a benefit as if the member retired the later of age 50 or the age the day before the member's death.

While receiving a benefit, a spouse or dependent receives the benefit associated with the member's selected form of payment: Five Year Certain & Life, Joint with 100 percent Survivor Benefits, Joint with Two-Thirds Survivor Benefits, or Joint with One-Half Survivor Benefits.

Contribution Rates

Contributions are determined by the Board based on an actuarial valuation. Employers contribute 11.2 percent of covered payroll, with 0.43 percent funding a supplemental reserve account for postretirement benefits. Contributions from employers with PERF MC DC plan members, who either currently offer or have offered PERF Hybrid, fund PERF DB's unfunded liability at 8.2 percent of covered payroll for the state and 7.4 percent for political subdivisions. No member contributions are required.

Benefit Formula and Postretirement Benefit Adjustment

Lifetime Annual Benefit = Years of Creditable Service x Average Highest Five-Year Annual Salary x 1.1 percent (minimum of \$180 per month). Average annual compensation is outlined in IC 5-10.2-4-3 and includes compensation of not more than \$2,000 received from the employer in severance.

Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12.4 and administered by the Board. For the year ended June 30, 2020, postretirement benefits of \$29.6 million 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, by visiting www.in.gov/inprs, or by writing the following:

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

WELLS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2019 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)	2.25% - 4.25%
Inflation	2.25%
Cost of Living Increases	2020-2021 - 13th check, 2022 - 0.4% compounded annually

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, 2019 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. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range ultimately supports the long-term expected rate of return assumption of 6.75 percent selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change.

<u>Global Asset Class</u>	<u>Long-Term Expected Real Rate of Return (Geometric Basis)</u>	<u>Target Asset Allocation</u>
Public Equity	4.9 %	22.0 %
Private Markets	7.0	14.0
Fixed Income - Ex Inflation-Linked	2.5	20.0
Fixed Income - Inflation-Linked	1.3	7.0
Commodities	2.0	8.0
Real Estate	6.7	7.0
Absolute Return	2.9	10.0
Risk Parity	5.3	12.0
Total		<u>100 %</u>

WELLS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Discount Rate

The total pension liability for each defined benefit pension plan was calculated using the long-term expected rate of return of 6.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and, where applicable, from 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 non-employer contributing entity) would be made as stipulated by Indiana 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.

Net Pension Liability

As of June 30, 2020, the County reported \$2,820,746 as liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. Member census data as of June 30, 2019, was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2019 and June 30, 2020. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2019 to the June 30, 2020 measurement date.

Public Employees' Defined Contribution Account (PERF DC)

PERF DC is a multiple-employer defined contribution fund providing retirement benefits to full-time employees of the State of Indiana not covered by another plan and those political subdivisions (counties, cities, townships, and other governmental units) that elected to participate in the retirement fund. Administration of the account is generally in accordance with IC 5-10.2, IC 5-10.3, 35 IAC 1.2, and other Indiana pension law.

PERF DC fund provides supplemental defined contribution benefits under the PERF Hybrid plan. Refer to the Description of Defined Benefit Funds for discussion of the PERF Hybrid plan.

First time new employees hired by the State of Indiana or a political subdivision that offers a choice have a one-time election to join either PERF Hybrid or PERF My Choice. A state hire that is an existing member of PERF Hybrid plan and was not given the option for PERF My Choice is given the option to elect PERF My Choice or remain in PERF Hybrid.

Contribution Rates

Member contributions under PERF DC are set by statute and the Board at 3 percent of covered payroll. The employer may choose to make these contributions on behalf of the member. Under certain limitations, voluntary post-tax member contributions up to 10 percent of their compensation can be made solely by the member.

WELLS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Retirement and Termination Benefit

Members are entitled to the sum total of vested contributions plus earnings 30 days after separation from employment (retirement, termination, disability, or death). The amount may be paid in a lump sum, partial lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements). PERF DC members are 100 percent vested in their account balance.

Disability Benefit

Upon providing proof of the member's qualification for Social Security disability benefits, the member is entitled to the sum total of contributions plus earnings. The amount can be paid in a full or partial withdrawal as a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements).

Survivor Benefit

Beneficiary is entitled to the sum total of contributions plus earnings. The amount can be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements).

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 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, 2020:

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, 2020, the employees' contribution was 1.50 percent calculated as a percentage of payroll; the County's contribution was 33.50 percent calculated as a percentage of payroll.

Actuarial Assumptions

The total pension liability was measured as of December 31, 2020, 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, 2020 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-2019.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study dated January 1, 2020.

Net Pension Liability

As of December 31, 2020, the total pension liability of the County was \$6,667,456. The net pension liability was \$1,736,738.

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. Plan members are considered fully vested in the plan when terms are met.

WELLS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

The following shows the current number of plan participants at December 31, 2020:

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, 2020, the employees' contribution was 0.00 percent calculated as a percentage of payroll; the County's contribution was 1.30 percent calculated as a percentage of payroll.

Actuarial Assumptions

The total pension liability was measured as of December 31, 2020, 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, 2020 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, 2020 valuation were based on the results of an actuarial experience study dated January 1, 2020.

Net Pension Asset

As of December 31, 2020, the total pension liability of the County was \$150,300. The net pension asset was (\$72,538).

Note 8. Interfund Activity

Interfund transfer activity for the year ended December 31, 2020, is as follows:

WELLS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Transfer From	Transfer to							Totals
	Levy Excess	20.205 County Home Rd CR450E	2020 Community Crossing Grant	Community Correction Project Income	20.205 Bridge 106	93.563 Prosecutor IV-D Incentive	General	
General	\$ 8,394	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,394
LIT Economic Development	-	76,756	160,341	-	-	-	-	237,097
Community Transition Program	-	-	-	48,925	-	-	-	48,925
Cumulative Bridge	1,048	-	-	-	-	-	-	1,048
Health	135	-	-	-	-	-	-	135
Rainy Day	-	-	-	-	17,400	-	-	17,400
Surplus Tax	-	-	-	-	-	-	149	149
Reassessment	687	-	-	-	-	-	-	687
93.563 County IV-D Incentive	-	-	-	-	-	60,000	-	60,000
93.563 Clerk IV-D Incentive	-	-	-	-	-	100,000	-	100,000
CARES Provider Relief	-	-	-	-	-	-	612,055	612,055
Totals	<u>\$ 10,264</u>	<u>\$ 76,756</u>	<u>\$ 160,341</u>	<u>\$ 48,925</u>	<u>\$ 17,400</u>	<u>\$ 160,000</u>	<u>\$ 612,204</u>	<u>\$ 1,085,890</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, 2020:

Fund Name	Balance as of 12-31-20
97.047 Pre-Disaster Mitigation	\$ (1,564)
97.067 State Homeland Security	<u>(174,797)</u>
Total deficit fund balance	<u><u>\$ (176,361)</u></u>

The reason for the deficit fund balances includes reimbursable grants that have not received reimbursement by December 31, 2020.

Note 10. Subsequent Events

Approximately 200 acres of former County Home property are to be sold at an estimated \$2,000,000 value.

In 2021, the County started a jail renovation project with an estimated \$8,121,404 cost. Construction costs are to be funded with 2020 Jail Bonds not to exceed \$5,575,000. Also \$2,749,355 has been designated by County Council from the County's American Reserve Plan Coronavirus Local Fiscal Recovery Fund.

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, 2020, was as follows:

	Beginning Balance 01-01-20	Additions	Reductions	Ending Balance 12-31-20
Governmental Activities:				
Land	\$ 15,531	\$ -	\$ -	\$ 15,531
Infrastructure	55,646,105	780,869	1,463	56,425,511
Building	5,045,785	-	-	5,045,785
Improvement	464,544	-	-	464,544
Machinery	9,161,640	1,231,970	512,482	9,881,128
Total Governmental Activities	<u>\$ 70,333,605</u>	<u>\$ 2,012,839</u>	<u>\$ 513,945</u>	<u>\$ 71,832,499</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/>.