

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

EXAMINATION REPORT  
OF  
WEST WASHINGTON SCHOOL CORPORATION  
WASHINGTON COUNTY, INDIANA  
July 1, 2004 to June 30, 2006



**FILED**  
02/23/2007



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Terry L. Nesmith	07-01-04 to 06-30-07
Superintendent of Schools	Gerald W. Jackson	07-01-04 to 07-31-13
President of the School Board	Rick D. Roberts	07-01-04 to 06-30-07



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE WEST WASHINGTON SCHOOL  
CORPORATION, WASHINGTON COUNTY, INDIANA

We have examined the financial information presented herein of the West Washington School Corporation (School Corporation), for the period of July 1, 2004 to June 30, 2006. The School Corporation's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

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

In our opinion, the financial information referred to above present fairly, in all material respects, the financial information of the School Corporation for the years ended June 30, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Funding Progress, Schedule of Capital Assets, and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not a required part of the basic financial information. The Schedule of Funding Progress, Schedule of Capital Assets, and Schedule of Long-Term Debt, have not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

January 30, 2007

WEST WASHINGTON SCHOOL CORPORATION  
SCHEDULE OF CASH AND INVESTMENTS  
June 30, 2005

<u>Assets</u>	<u>Governmental Activities</u>
Current assets:	
Cash and investments	\$ 2,809,524
Restricted assets:	
Cash and investments	<u>884,886</u>
Total assets	<u>\$ 3,694,410</u>
 <u>Net Assets</u>	
Restricted for:	
Debt service	\$ 884,886
Unrestricted	<u>2,809,524</u>
Total net assets	<u>\$ 3,694,410</u>

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

WEST WASHINGTON SCHOOL CORPORATION  
SCHEDULE OF CASH AND INVESTMENTS  
June 30, 2006

<u>Assets</u>	<u>Governmental Activities</u>
Current assets:	
Cash and investments	\$ 3,840,438
Restricted assets:	
Cash and investments	<u>467,360</u>
Total assets	<u>\$ 4,307,798</u>
 <u>Net Assets</u>	
Restricted for:	
Debt service	\$ 467,360
Unrestricted	<u>3,840,438</u>
Total net assets	<u>\$ 4,307,798</u>

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

WEST WASHINGTON SCHOOL CORPORATION  
SCHEDULE OF CASH ACTIVITIES  
For the Year Ended June 30, 2005

Functions/Programs	Disbursements	Program Receipts		Net (Disbursement) Receipts
		Charges for Services	Operating Grants and Contributions	Total
Governmental activities:				
Instruction	\$ 3,418,491	\$ -	\$ 65,884	\$ (3,352,607)
Support services	4,087,411	194,577	286,481	(3,606,353)
Community services	92,794	-	-	(92,794)
Nonprogrammed charges	662,071	-	-	(662,071)
Debt service	1,661,988	-	-	(1,661,988)
<b>Total governmental activities</b>	<b>\$ 9,922,755</b>	<b>\$ 194,577</b>	<b>\$ 352,365</b>	<b>(9,375,813)</b>
General receipts:				
Property taxes				4,729,763
Other local sources				377,919
State aid				4,908,926
Grants and contributions not restricted				358,056
Bonds and loans				824,749
Sale of property, adjustments, and refunds				2,381
Investment earnings				37,414
Intergovernmental transfers				33,967
				11,273,175
				1,897,362
Net assets - beginning				1,797,048
Net assets - ending				\$ 3,694,410

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

WEST WASHINGTON SCHOOL CORPORATION  
SCHEDULE OF CASH ACTIVITIES  
For the Year Ended June 30, 2006

Functions/Programs	Disbursements	Program Receipts		Net (Disbursement) Receipts
		Charges for Services	Operating Grants and Contributions	Total
Governmental activities:				
Instruction	\$ 3,665,067	\$ -	\$ 104,563	\$ (3,560,504)
Support services	3,968,549	194,846	242,205	(3,531,498)
Community services	99,317	-	-	(99,317)
Nonprogrammed charges	911,591	-	-	(911,591)
Debt service	1,711,251	-	-	(1,711,251)
<b>Total governmental activities</b>	<b><u>\$ 10,355,775</u></b>	<b><u>\$ 194,846</u></b>	<b><u>\$ 346,768</u></b>	<b><u>(9,814,161)</u></b>
General receipts:				
Property taxes				3,336,356
Other local sources				559,646
State aid				5,469,884
Grants and contributions not restricted				437,169
Bonds and loans				151,696
Sale of property, adjustments, and refunds				62,174
Investment earnings				169,672
Intergovernmental transfers				<u>240,952</u>
				Total general receipts and intergovernmental transfers
				<u>10,427,549</u>
				Change in cash and investments
				613,388
				Net assets - beginning
				<u>3,694,410</u>
				Net assets - ending
				<u><u>\$ 4,307,798</u></u>

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

WEST WASHINGTON SCHOOL CORPORATION  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
GOVERNMENTAL FUNDS  
For The Year Ended June 30, 2005

	General	Transportation Operating	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
Receipts:							
Local sources	\$ 2,172,690	\$ 553,029	\$ 1,516,171	\$ 701,451	\$ 71,918	\$ 323,999	\$ 5,339,258
Intermediate sources	150	-	-	-	-	263	413
State sources	4,962,741	-	-	-	-	152,062	5,114,803
Federal sources	-	-	-	-	-	504,546	504,546
Bonds and loans	406,870	220,000	90,000	-	-	107,879	824,749
Sale of property, adjustments and refunds	2,381	-	-	-	-	-	2,381
Intergovernmental transfers	-	-	-	-	-	33,967	33,967
<b>Total receipts</b>	<b><u>7,544,832</u></b>	<b><u>773,029</u></b>	<b><u>1,606,171</u></b>	<b><u>701,451</u></b>	<b><u>71,918</u></b>	<b><u>1,122,716</u></b>	<b><u>11,820,117</u></b>
Disbursements:							
Current:							
Instruction	3,163,833	-	-	-	-	254,658	3,418,491
Support services	2,350,458	468,758	-	519,818	58,314	690,063	4,087,411
Community services	89,793	-	-	-	-	3,001	92,794
Nonprogrammed charges	379,785	70,981	98,723	-	-	112,582	662,071
Debt services	699,307	220,334	628,404	-	-	113,943	1,661,988
<b>Total disbursements</b>	<b><u>6,683,176</u></b>	<b><u>760,073</u></b>	<b><u>727,127</u></b>	<b><u>519,818</u></b>	<b><u>58,314</u></b>	<b><u>1,174,247</u></b>	<b><u>9,922,755</u></b>
Excess (deficiency) of total receipts over (under) total disbursements	861,656	12,956	879,044	181,633	13,604	(51,531)	1,897,362
Cash and investments - beginning	880,134	(60,018)	8,035	712,025	81,765	175,107	1,797,048
Cash and investments - ending	<b><u>\$ 1,741,790</u></b>	<b><u>\$ (47,062)</u></b>	<b><u>\$ 887,079</u></b>	<b><u>\$ 893,658</u></b>	<b><u>\$ 95,369</u></b>	<b><u>\$ 123,576</u></b>	<b><u>\$ 3,694,410</u></b>

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

WEST WASHINGTON SCHOOL CORPORATION  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
GOVERNMENTAL FUNDS  
For The Year Ended June 30, 2006

	General	Transportation Operating	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
Receipts:							
Local sources	\$ 1,773,664	\$ 443,825	\$ 1,147,820	\$ 388,478	\$ 54,939	\$ 451,193	\$ 4,259,919
Intermediate sources	-	-	-	-	-	600	600
State sources	5,557,835	-	-	-	-	115,393	5,673,228
Federal sources	-	-	-	-	-	580,594	580,594
Bonds and loans	-	42,472	-	-	-	109,224	151,696
Sale of property, adjustments and refunds	62,174	-	-	-	-	-	62,174
Intergovernmental transfers	153,779	68,824	-	-	-	18,349	240,952
<b>Total receipts</b>	<b>7,547,452</b>	<b>555,121</b>	<b>1,147,820</b>	<b>388,478</b>	<b>54,939</b>	<b>1,275,353</b>	<b>10,969,163</b>
Disbursements:							
Current:							
Instruction	3,348,857	-	-	-	-	316,210	3,665,067
Support services	2,495,525	490,830	10,102	345,645	78,868	547,579	3,968,549
Community services	95,104	-	-	-	-	4,213	99,317
Nonprogrammed charges	643,216	42,472	68,824	-	-	157,079	911,591
Debt services	-	-	1,486,531	-	-	224,720	1,711,251
<b>Total disbursements</b>	<b>6,582,702</b>	<b>533,302</b>	<b>1,565,457</b>	<b>345,645</b>	<b>78,868</b>	<b>1,249,801</b>	<b>10,355,775</b>
Excess (deficiency) of total receipts over (under) total disbursements	964,750	21,819	(417,637)	42,833	(23,929)	25,552	613,388
Cash and investments - beginning	1,741,790	(47,062)	887,079	893,658	95,369	123,576	3,694,410
Cash and investments - ending	<u>\$ 2,706,540</u>	<u>\$ (25,243)</u>	<u>\$ 469,442</u>	<u>\$ 936,491</u>	<u>\$ 71,440</u>	<u>\$ 149,128</u>	<u>\$ 4,307,798</u>

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

WEST WASHINGTON SCHOOL CORPORATION  
SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN CASH AND INVESTMENTS  
FIDUCIARY FUNDS  
For The Year Ended June 30, 2005

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>
Additions:		
Local sources	\$ 4,367	\$ 36,118
Bonds and loans	<u>2,325,000</u>	<u>-</u>
Total additions	<u>2,329,367</u>	<u>36,118</u>
Deductions:		
Instruction	-	30,318
Support services/benefits	<u>1,718,930</u>	<u>3,986</u>
Total deductions	<u>1,718,930</u>	<u>34,304</u>
Excess of total additions over total deductions	610,437	1,814
Cash and investments - beginning	<u>-</u>	<u>8,951</u>
Cash and investments - ending	<u>\$ 610,437</u>	<u>\$ 10,765</u>

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

WEST WASHINGTON SCHOOL CORPORATION  
SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN CASH AND INVESTMENTS  
FIDUCIARY FUNDS  
For The Year Ended June 30, 2006

	Pension Trust Funds	Private-Purpose Trust Funds
Additions:		
Local sources	\$ 11,885	\$ 22,201
Bonds and loans	2,976	2,084
Total additions	14,861	24,285
Deductions:		
Instruction	-	24,915
Support services/benefits	108,314	2,146
Community services	-	60
Nonprogrammed charges	-	2,084
Total deductions	108,314	29,205
Deficiency of total additions under total deductions	(93,453)	(4,920)
Cash and investments - beginning	610,437	10,765
Cash and investments - ending	\$ 516,984	\$ 5,845

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

WEST WASHINGTON SCHOOL CORPORATION  
 SCHEDULE OF CASH AND INVESTMENTS  
 FIDUCIARY FUNDS  
 June 30, 2005

<u>Assets</u>	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>
Cash and investments	\$ 610,437	\$ 10,765
<u>Net Assets</u>		
Held in trust for employee benefits and other purposes	\$ 610,437	\$ 10,765

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

WEST WASHINGTON SCHOOL CORPORATION  
 SCHEDULE OF CASH AND INVESTMENTS  
 FIDUCIARY FUNDS  
 June 30, 2006

<u>Assets</u>	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>
Cash and investments	\$ 516,984	\$ 5,845
<u>Net Assets</u>		
Held in trust for employee benefits and other purposes	\$ 516,984	\$ 5,845

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

WEST WASHINGTON SCHOOL CORPORATION  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

School Corporation, as used herein, shall include, but is not limited to, school townships, school towns, school cities, consolidated school corporations, joint schools, metropolitan school districts, township school districts, county schools, united schools, school districts, cooperatives, educational service centers, community schools, community school corporations, and charter schools.

The School Corporation was established under the laws of the State of Indiana. The School Corporation operates under a Board of School Trustees form of government and provides educational services.

Note 2. Fund Accounting

A. Government-Wide and Fund Financial Information

Government-Wide Financial Information

The Schedule of Cash Activities displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The schedule distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The School Corporation does not have any business-type activities.

Fund Financial Information

Fund financial schedules of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, receipts, and disbursements. Separate financial schedules are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial schedules. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial schedules. However, at this time, the School Corporation has not established any enterprise funds.

The School Corporation reports the following major governmental funds:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The transportation operating fund accounts for financial resources for the transportation of school children to and from school.

The debt service fund accounts for debt from funds borrowed or advanced for the purchase or lease of school buildings, school buses, judgments against the corporation, equipment or capital construction, and interest on emergency and temporary loans.

The capital projects fund accounts for planned construction, repair, replacement or remodeling; and the purchase, lease, upgrade, maintenance, or repair of computer equipment.

The school bus replacement fund is used to account for receipts and disbursements concerning the acquisition and disposal of school buses.

WEST WASHINGTON SCHOOL CORPORATION  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Additionally, the School Corporation reports the following fund types:

The pension trust funds account for the activities of the retirement severance bond, which accumulate resources for pension benefit payments.

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the students and teachers.

**B. Measurement Focus and Basis of Accounting**

The government-wide, governmental fund, and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The cash and investment 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. Investment transactions are not presented on the financial statements.

If the School Corporation utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the enterprise fund statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their enterprise funds, subject to this same limitation. The School Corporation has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

When both restricted and unrestricted resources are available for use, the School Corporation's policy is to use restricted resources first, then unrestricted resources as they are needed.

**Note 3. Budgets**

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

**Note 4. Property Taxes**

Property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates

WEST WASHINGTON SCHOOL CORPORATION  
NOTES TO FINANCIAL INFORMATION  
(Continued)v

were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the School Corporation to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 6. Interfund Transfers

Interfund transfers for the years ended June 30, 2005 and 2006, were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>2004-2005</u>	<u>2005-2006</u>
Transportation	General Fund	\$ -	\$ 42,472
Debt Service	Transportation	-	68,824
Other governmental	General Fund	-	111,307
Other governmental	Other governmental	<u>33,967</u>	<u>18,349</u>
Totals		<u>\$ 33,967</u>	<u>\$ 240,952</u>

The School Corporation typically uses transfers for Cash flow purposes as provided by various statutory provisions.

Note 7. Pension Plans

Public Employees' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity

WEST WASHINGTON SCHOOL CORPORATION  
NOTES TO FINANCIAL INFORMATION  
(Continued)v

savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Cost

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

Teacher's Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Teacher's Retirement Fund (TRF), a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate in TRF. State statute (IC 5-10.2) governs, through the TRF Board, most requirements of the system, and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

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

Teacher's Retirement Fund  
150 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 232-3860

Funding Policy and Annual Pension Cost

The School Corporation contributes the employer's share to TRF for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995, is considered to be an obligation of, and is paid by, the State of Indiana.

WEST WASHINGTON SCHOOL CORPORATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-03	\$ 708,199	\$ 669,774	\$ 38,425	106%	\$ 789,619	5%
07-01-04	726,003	818,264	(92,261)	89%	752,161	(12%)
07-01-05	761,779	1,000,398	(238,619)	76%	772,162	(31%)

WEST WASHINGTON SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS

June 30, 2006

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

General infrastructure assets completed in the current and prior years have been reported.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 157,785
Infrastructure	268,766
Buildings	15,452,621
Improvements other than buildings	210,543
Machinery and equipment	1,371,608
Construction in progress	<u>179,656</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 17,640,979</u>

WEST WASHINGTON SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT

June 30, 2006

Description of Asset	Ending Balance	Due Within One Year
Capital leases:		
QZAB No. 1	\$ 1,342,950	\$ 127,900
QZAB No. 2	1,443,531	125,524
QZAB No. 3	1,367,123	118,880
QZAB No. 4	1,023,990	68,266
Equipment lease	61,322	19,971
Notes and loans payable:		
2001 Common school loan	1,015,747	89,832
2005 Common school loan	5,957,301	248,221
Bonds payable:		
General obligation bonds:		
Pension bonds of 2004	<u>2,175,000</u>	<u>120,000</u>
Total long-term debt	<u>\$ 14,386,964</u>	<u>\$ 918,594</u>

WEST WASHINGTON SCHOOL CORPORATION  
EXAMINATION RESULT AND COMMENT

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Years</u>	<u>Excess Amount Expended</u>
Preschool	2004	\$ 2,750
Transportation Operating	2005	37,337

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

OVERDRAWN FUND BALANCES

The Transportation Operating Fund was overdrawn at June 30, 2005 and 2006, in the amounts of \$47,062 and \$25,243, respectively.

The balance of any fund may not be reduced below zero. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

WEST WASHINGTON SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on January 30, 2007, with Rick D. Roberts, President of the School Board; Gerald W. Jackson, Superintendent of Schools; Terry L. Nesmith, Treasurer; and Barbara Davis, Deputy Treasurer. The officials concurred with our finding.