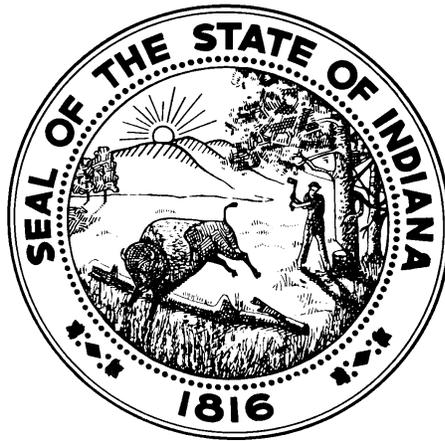


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

AUDIT REPORT
OF
METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
WABASH COUNTY, INDIANA
July 1, 2005 to June 30, 2007



FILED

03/19/2008

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Dr. Brian K. Dawson	07-01-05 to 06-30-08
Superintendent of Schools	Dr. Scott D. Hanback	07-01-05 to 06-30-08
President of the School Board	Julie Echard Paul Karst	07-01-05 to 06-30-07 07-01-07 to 06-30-08



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF WABASH COUNTY, WABASH COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Metropolitan School District of Wabash County (School Corporation), as of and for the years ended June 30, 2006 and 2007, which collectively comprise the School Corporation's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the School Corporation's management. Our responsibility is to express opinions on these financial statements 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 statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note I, the School Corporation prepares its financial statements on the prescribed 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the School Corporation as of June 30, 2006 and 2007, and the respective cash receipts and cash disbursements during the years then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated January 23, 2008, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Our report on compliance and on internal control over financial reporting should be read along with this report.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

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

The Schedule of Funding Progress, as listed in the Table of Contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The School Corporation has not presented Management's Discussion and Analysis or Budgetary Comparison Schedules that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Corporation's basic financial statements. The Combining Schedules, as listed in the Table of Contents, Schedule of Capital Assets and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules, as listed in the Table of Contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Schedule of Capital Assets and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

January 23, 2008



STATE OF INDIANA
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF WABASH COUNTY, WABASH COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Metropolitan School District of Wabash County (School Corporation), as of and for the years ended June 30, 2006 and 2007, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated January 23, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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

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

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

January 23, 2008

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2006

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursements) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 10,459,947	\$ -	\$ 92,801	\$ (10,367,146)
Support services	13,251,687	754,577	256,862	(12,240,248)
Community services	119,618	-	-	(119,618)
Nonprogrammed charges	3,111,327	-	-	(3,111,327)
Debt service	<u>4,245,214</u>	<u>-</u>	<u>-</u>	<u>(4,245,214)</u>
Total governmental activities	<u>\$ 31,187,793</u>	<u>\$ 754,577</u>	<u>\$ 349,663</u>	<u>(30,083,553)</u>
General receipts:				
Property taxes				9,073,244
Other local sources				7,972,726
State aid				9,806,439
Bonds and loans				1,968,060
Grants and contributions not restricted to specific programs				2,813,545
Sale of property, adjustments, and refunds				153,432
Investment earnings				<u>157,004</u>
Total general receipts				<u>31,944,450</u>
Change in net assets				1,860,897
Net assets - beginning				<u>6,650,348</u>
Net assets - ending				<u>\$ 8,511,245</u>
<u>Assets</u>				
Cash and investments				\$ 6,611,648
Restricted assets:				
Cash and investments				<u>1,899,597</u>
Total assets				<u>\$ 8,511,245</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 691,028
Other purposes				1,208,569
Unrestricted				<u>6,611,648</u>
Total net assets				<u>\$ 8,511,245</u>

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

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2007

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursements) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 10,589,828	\$ -	\$ 87,236	\$ (10,502,592)
Support services	14,094,781	787,132	219,955	(13,087,694)
Community services	131,521	-	-	(131,521)
Nonprogrammed charges	3,353,504	-	-	(3,353,504)
Debt service	<u>3,607,837</u>	<u>-</u>	<u>-</u>	<u>(3,607,837)</u>
Total governmental activities	<u>\$ 31,777,471</u>	<u>\$ 787,132</u>	<u>\$ 307,191</u>	<u>(30,683,148)</u>
General receipts:				
Property taxes				8,706,790
Other local sources				7,533,103
State aid				9,783,699
Bonds and loans				1,863,652
Grants and contributions not restricted to specific programs				2,296,445
Sale of property, adjustments, and refunds				186,612
Investment earnings				<u>286,247</u>
Total general receipts				<u>30,656,548</u>
Change in net assets				(26,600)
Net assets - beginning				<u>8,511,245</u>
Net assets - ending				<u>\$ 8,484,645</u>
<u>Assets</u>				
Cash and investments				\$ 6,282,794
Restricted assets:				
Cash and investments				<u>2,201,851</u>
Total assets				<u>\$ 8,484,645</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 606,137
Other purposes				1,595,714
Unrestricted				<u>6,282,794</u>
Total net assets				<u>\$ 8,484,645</u>

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

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS -
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2006

	General	Transportation Operating	Special Education Joint Service and Supply	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
Receipts:								
Local sources	\$ 6,480,092	\$ 988,468	\$ 1,837,612	\$ 1,511,531	\$ 2,448,254	\$ 250,651	\$ 1,701,218	\$ 15,217,826
Intermediate sources	568	-	-	-	15,543	-	437,022	453,133
State sources	9,883,740	-	-	-	-	-	96,258	9,979,998
Federal sources	-	-	-	-	-	-	2,989,649	2,989,649
Bonds and loans	1,558,217	409,843	-	-	-	-	-	1,968,060
Sale of property, adjustments and refunds	9,699	22,465	4,589	-	2,583	18,600	95,496	153,432
Total receipts	17,932,316	1,420,776	1,842,201	1,511,531	2,466,380	269,251	5,319,643	30,762,098
Disbursements:								
Current:								
Instruction	8,202,461	-	440,768	-	-	-	1,816,718	10,459,947
Support services	5,790,497	876,216	1,352,473	-	2,488,715	93,305	2,650,481	13,251,687
Community services	119,618	-	-	-	-	-	-	119,618
Nonprogrammed charges	1,297,310	-	-	-	-	-	62,130	1,359,440
Debt services	2,288,351	380,273	-	1,239,053	-	-	337,537	4,245,214
Total disbursements	17,698,237	1,256,489	1,793,241	1,239,053	2,488,715	93,305	4,866,866	29,435,906
Excess (deficiency) of receipts over disbursements	234,079	164,287	48,960	272,478	(22,335)	175,946	452,777	1,326,192
Other financing sources (uses):								
Transfers in	71,468	3,128	60,790	-	-	-	289,177	424,563
Transfers out	(164,548)	(14,769)	-	(26,809)	(38,422)	(5,053)	(174,962)	(424,563)
Total other financing sources (uses)	(93,080)	(11,641)	60,790	(26,809)	(38,422)	(5,053)	114,215	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	140,999	152,646	109,750	245,669	(60,757)	170,893	566,992	1,326,192
Cash and investments - beginning	2,834,340	259,419	1,080,394	247,515	1,473,806	167,532	(86,522)	5,976,484
Cash and investments - ending	\$ 2,975,339	\$ 412,065	\$ 1,190,144	\$ 493,184	\$ 1,413,049	\$ 338,425	\$ 480,470	7,302,676
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:								
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.								
								1,208,569
Net assets of governmental activities								\$ 8,511,245
Cash and Investment Assets - Ending								
Cash and investments	\$ 2,975,339	\$ 412,065	\$ 1,190,144	\$ -	\$ 1,413,049	\$ 338,425	\$ 282,626	\$ 6,611,648
Restricted assets:								
Cash and investments	-	-	-	493,184	-	-	197,844	691,028
Total cash and investment assets - ending	\$ 2,975,339	\$ 412,065	\$ 1,190,144	\$ 493,184	\$ 1,413,049	\$ 338,425	\$ 480,470	\$ 7,302,676
Cash and Investment Fund Balance - Ending								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ 493,184	\$ -	\$ -	\$ 197,844	\$ 691,028
Unrestricted	2,975,339	412,065	1,190,144	-	1,413,049	338,425	282,626	6,611,648
Total cash and investment fund balance - ending	\$ 2,975,339	\$ 412,065	\$ 1,190,144	\$ 493,184	\$ 1,413,049	\$ 338,425	\$ 480,470	\$ 7,302,676

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

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS -
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2007

	General	Transportation Operating	Special Education Joint Service and Supply	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
Receipts:								
Local sources	\$ 6,308,477	\$ 1,062,844	\$ 1,601,481	\$ 1,403,378	\$ 2,425,268	\$ 129,510	\$ 1,682,111	\$ 14,613,069
Intermediate sources	568	-	-	-	-	-	453,690	454,258
State sources	9,856,596	-	-	-	-	-	94,500	9,951,096
Federal sources	-	-	-	-	-	-	2,436,239	2,436,239
Bonds and loans	1,404,532	459,120	-	-	-	-	-	1,863,652
Sale of property, adjustments and refunds	23,366	13,845	194	-	37,301	-	111,906	186,612
Total receipts	17,593,539	1,535,809	1,601,675	1,403,378	2,462,569	129,510	4,778,446	29,504,926
Disbursements:								
Current:								
Instruction	8,205,317	-	570,338	-	-	-	1,814,173	10,589,828
Support services	6,164,301	1,074,719	1,509,102	-	2,569,368	101,004	2,676,287	14,094,781
Community services	131,521	-	-	-	-	-	-	131,521
Nonprogrammed charges	1,395,340	-	23,393	-	-	-	75,971	1,494,704
Debt services	1,561,493	459,120	-	1,245,052	-	-	342,172	3,607,837
Total disbursements	17,457,972	1,533,839	2,102,833	1,245,052	2,569,368	101,004	4,908,603	29,918,671
Excess (deficiency) of receipts over disbursements	135,567	1,970	(501,158)	158,326	(106,799)	28,506	(130,157)	(413,745)
Other financing sources (uses):								
Transfers in	258,557	56,699	60,790	-	-	-	887,045	1,263,091
Transfers out	(302,920)	(42,974)	-	(111,969)	(105,749)	(8,184)	(691,295)	(1,263,091)
Total other financing sources (uses)	(44,363)	13,725	60,790	(111,969)	(105,749)	(8,184)	195,750	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	91,204	15,695	(440,368)	46,357	(212,548)	20,322	65,593	(413,745)
Cash and investments - beginning	2,975,339	412,065	1,190,144	493,184	1,413,049	338,425	480,470	7,302,676
Cash and investments - ending	\$ 3,066,543	\$ 427,760	\$ 749,776	\$ 539,541	\$ 1,200,501	\$ 358,747	\$ 546,063	6,888,931
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:								
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.								
								1,595,714
Net assets of governmental activities								\$ 8,484,645
Cash and Investment Assets - Ending								
Cash and investments	\$ 3,066,543	\$ 427,760	\$ 749,776	\$ -	\$ 1,200,501	\$ 358,747	\$ 479,467	\$ 6,282,794
Restricted assets:								
Cash and investments	-	-	-	539,541	-	-	66,596	606,137
Total cash and investment assets - ending	\$ 3,066,543	\$ 427,760	\$ 749,776	\$ 539,541	\$ 1,200,501	\$ 358,747	\$ 546,063	\$ 6,888,931
Cash and Investment Fund Balance - Ending								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ 539,541	\$ -	\$ -	\$ 66,596	\$ 606,137
Unrestricted	3,066,543	427,760	749,776	-	1,200,501	358,747	479,467	6,282,794
Total cash and investment fund balance - ending	\$ 3,066,543	\$ 427,760	\$ 749,776	\$ 539,541	\$ 1,200,501	\$ 358,747	\$ 546,063	\$ 6,888,931

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

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,
 AND CHANGES IN FUND BALANCES - CASH AND INVESTMENTS BASIS -
 PROPRIETARY FUND
 For the Year Ended June 30, 2006

	Internal Service Fund
Operating receipts:	
Charges for services	\$ 2,265,296
Miscellaneous	21,296
Total operating receipts	2,286,592
Operating disbursements:	
Insurance claims and expense	1,751,887
Change in net assets	534,705
Cash and investment fund balance - beginning	673,864
Cash and investment fund balance - ending	\$ 1,208,569
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 1,208,569
Total cash and investment assets - ending	\$ 1,208,569
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 1,208,569
Total cash and investment fund balance - ending	\$ 1,208,569

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

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,
 AND CHANGES IN FUND BALANCES - CASH AND INVESTMENTS BASIS -
 PROPRIETARY FUND
 For the Year Ended June 30, 2007

	Internal Service Fund
Operating receipts:	
Charges for services	\$ 2,196,345
Miscellaneous	49,600
Total operating receipts	2,245,945
Operating disbursements:	
Insurance claims and expense	1,858,800
Change in net assets	387,145
Cash and investment fund balance - beginning	1,208,569
Cash and investment fund balance - ending	\$ 1,595,714
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 1,595,714
Total cash and investment assets - ending	\$ 1,595,714
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 1,595,714
Total cash and investment fund balance - ending	\$ 1,595,714

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

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES -
FIDUCIARY FUNDS
For the Year Ended June 30, 2006

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>
Additions:		
Contributions:		
Other	\$ -	\$ 38,424
Deductions:		
Administrative and general	-	51,372
Deficiency of total additions over total deductions	-	(12,948)
Cash and investment fund balance - beginning	<u>410,895</u>	<u>32,533</u>
Cash and investment fund balance - ending	<u>\$ 410,895</u>	<u>\$ 19,585</u>
Net assets:		
Cash and investments	<u>\$ 410,895</u>	<u>\$ 19,585</u>
Total net assets - cash and investment basis held in trust	<u>\$ 410,895</u>	<u>\$ 19,585</u>

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

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES -
 FIDUCIARY FUNDS
 For the Year Ended June 30, 2007

	Pension Trust Funds	Private-Purpose Trust Funds
Additions:		
Contributions:		
Other	\$ -	\$ 37,861
Deductions:		
Administrative and general	-	38,255
Deficiency of total additions over total deductions	-	(394)
Cash and investment fund balance - beginning	410,895	19,585
Cash and investment fund balance - ending	\$ 410,895	\$ 19,191
Net assets:		
Cash and investments	\$ 410,895	\$ 19,191
Total net assets - cash and investment basis held in trust	\$ 410,895	\$ 19,191

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

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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.

The School Corporation's financial reporting entity is composed of the primary government, Metropolitan School District of Wabash County.

In determining the financial reporting entity, the School Corporation complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*.

Joint Venture

The School Corporation is a participant with Manchester Community Schools, Peru Community Schools and Wabash City Schools in a joint venture to operate the Wabash-Miami Area Program for Exceptional Children which was created to operate a comprehensive program of special education for handicapped children. The School Corporation is obligated by contract to remit its proportionate share of operating costs of the program as determined each June by the program's advisory committee. The School Corporation maintains the treasury function for the Wabash-Miami Area Program and has responsibility over fiscal matters.

The School Corporation is a participant with Manchester Community Schools, North Miami Community Schools, Peru Community Schools and Wabash City Schools in a joint venture to operate the Heartland Career Center which was created to operate an area vocational educational school. The School Corporation is obligated by contract to remit its proportionate share of operating, control and maintenance costs of the program as determined by each school corporation's student participation. Complete financial statements for Heartland Career Center can be obtained from the joint venture's administrative office at 79 South County Road 200 West, Wabash, Indiana.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statements of Activities and Net Assets – Cash and Investment Basis display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

Fund financial statements 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 statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. 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 special education joint service and supply fund accounts for joint special education cooperative programs by school corporations.

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.

Additionally, the School Corporation reports the following fund types:

The internal service fund accounts for receipts and disbursements concerning employee medical health self-insurance.

The pension trust fund accounts for bonds and payments anticipated to be made to employees on or after the termination of employment or to pay postretirement or severance benefits held by the School Corporation in a trustee capacity.

The private-purpose trust funds report trust arrangements under which principal and income benefit the school corporation.

C. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, proprietary 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. Receipts are recorded when received and disbursements are recorded when paid.

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to people outside the government (enterprise funds) or other departments or agencies primarily within the government (internal service funds). The School Corporation does not have any enterprise funds.

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.

D. Assets and Cash and Investment Balances

1. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as interest receipts in the year of the sale of the investment.

2. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and in 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 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. All property taxes collected by the County Treasurer and available for distribution were distributed to the School Corporation on or prior to June 30 of the year collected.

3. Compensated Absences

a. Sick Leave

Employees earn sick leave at rates from 10 days to 12 days per year based on months of service. Unused sick leave may be accumulated to a maximum of 190 days. A portion of accumulated sick leave is paid to certain employees based upon job classification and the number of years of service to the school corporation through cash payments upon retirement.

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

b. Vacation Leave

Nonteaching or administrative and noncertified School Corporation employees earn vacation leave at rates from 5 days to 20 days per year based upon the number of years of service. Vacation leave may be accumulated to a maximum of 10 days. Accumulated vacation leave is not paid to employees upon retirement.

c. Personal Leave

School Corporation employees earn personal leave at the rate of 2 days per year. Unused personal leave may be accumulated indefinitely; however, only 1 of the accumulated days may be used in a year. Accumulated personal leave is not paid to employees upon retirement.

4. Capital Assets

Capital assets arising from cash transactions acquired for use in governmental or proprietary fund operations are accounted for as capital outlay disbursements of the fund upon acquisition.

5. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental and proprietary funds is not reported as liabilities in the basic financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as disbursements.

6. Equity Classification

Government-Wide Statements

Equity is classified as net assets and displayed in two components:

a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.

b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

It is the School Corporation's policy to first use restricted net assets prior to the use of unrestricted net assets when a disbursement is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

E. Receipts and Disbursements

1. Program Receipts

Amounts reported as program receipts include (1) charges to customers or applicants for goods, services, or privileges provided, and (2) operating grants and contributions. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general receipts include all taxes.

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds result from providing services and producing and delivering goods and/or services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

F. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Activities and Net Assets – Cash and Investment Basis, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.
2. Interfund reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are reported as reimbursements.
3. Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities and Net Assets – Cash and Investment Basis.

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

II. Stewardship, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on the cash basis, which is not consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at calendar year end.

Prior to the first required publication, the fiscal officer of the School Corporation submits to the governing board a proposed operating budget for the year commencing the following July 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. In September of each year, the governing board, through the passage of a resolution/ordinance, approves the budget for the next year. Copies of the budget resolution/ordinance and the advertisement for funds for which property taxes are levied are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the School Corporation receives approval of the Indiana Department of Local Government Finance.

The School Corporation's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the governing board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

B. Cash and Investment Balance Deficits

At June 30, 2006 and 2007, the following fund reported a deficit in cash and investments, which are violations of the Uniform Compliance Guidelines and state statute:

Fund	2006	2007
Child Development	\$ 906,062	\$ 764,395

Cash and investment deficits arose primarily from disbursements exceeding receipts due to the underestimate of current requirements; these deficits are to be repaid from future receipts.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13.

Investment Policies

Indiana Code 5-13-9 authorizes the School Corporation to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the School Corporation to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the School Corporation and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

Additionally, the School Corporation may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the School Corporation's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government sponsored enterprise. The repurchase agreement is considered to have a stated final maturity of one day. This agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The School Corporation does not have a formal investment policy for custodial credit risk for investments.

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The School Corporation must follow state statute and limit the stated final maturities of the investments to no more than two years.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The School Corporation does not have a policy in regards to concentration of credit risk. United States of America government and United States of America governmental agency securities are exempt from this policy requirement.

Foreign Currency Risk

The School Corporation does not have a formal policy in regards to foreign currency risk.

B. Interfund Transfers

Interfund transfers for the years ended June 30, 2006 and 2007, were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>2006</u>	<u>2007</u>
General Fund	Transportation Operating Fund	\$ 3,128	\$ 3,128
	Special Education Joint Service and Supply Fund	60,790	60,790
General Fund	Other governmental funds	100,630	239,002
Transportation Operating Fund	Other governmental funds	14,769	42,974
Debt Service Fund	Transportation Operating Fund	-	53,571
Debt Service Fund	Other governmental funds	26,809	58,398
Capital Projects Fund	Other governmental funds	38,422	105,749
School Bus Replacement Fund	Other governmental funds	5,053	8,184
Other governmental funds	General Fund	71,468	258,557
	Other governmental funds	103,494	432,738
Totals		<u>\$ 424,563</u>	<u>\$ 1,263,091</u>

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

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

IV. Other Information

A. Risk Management

The School Corporation is 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 (excluding postemployment benefits); and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

Medical Benefits to Employees

The School Corporation has chosen to establish a risk financing fund for risks associated with medical benefits to employees. The risk financing fund is accounted for in the Self-Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$100,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon an overall premium percentage which is applied to each affected fund and are reported as quasi-external interfund transactions.

B. Holding Corporations

The School Corporation has entered into capital leases with MSD Wabash County School Building Corporation and M.S.D. of Wabash Building Corporation (the lessors). The lessors were organized as a for profit corporations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessors have been determined to be related parties of the School Corporation. Lease payments during the year ended June 30, 2007, totaled \$1,080,905.

C. Subsequent Events

1. Energy Savings Contract

The School Corporation entered into an agreement to upgrade the heating and air conditioning systems at Northfield High School and Southwood High School. The anticipated cost is \$5,565,148. As of June 30, 2007, \$2,211,460 has been disbursed.

2. Refunding Bonds

On October 15, 2007, M.S.D. of Wabash Building Corporation refunded First Mortgage Refunding Bonds of 1997 with First Mortgage Refunding Bonds of 2007. The anticipated savings is \$469,000.

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Postemployment Benefits

In addition to the pension benefits described below, the School Corporation provides postemployment health insurance benefits, as authorized by Indiana Code 5-10-8, to all employees who retired from the School Corporation before May 24, 2003, on or after attaining age 55 with at least 15 years of service. Currently, 3 retirees meet these eligibility requirements. The School Corporation provides \$4,600 of these postemployment benefits per person. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. During the year ended June 30, 2007, disbursements of \$13,800 were recognized for postemployment benefits.

E. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

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 the 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 savings account consists of member's 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. The 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 plan members for PERF are established by the Board of Trustees of PERF. The School Corporation's annual pension cost and related information, as provided by the actuary, is presented in this note.

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 154,562
Interest on net pension obligation	(26,825)
Adjustment to annual required contribution	30,570
Annual pension cost	158,307
Contributions made	181,769
Decrease in net pension obligation	(23,462)
Net pension obligation, beginning of year	(370,006)
Net pension obligation, end of year	\$ (393,468)
Contribution rates:	
School Corporation	6.25%
Plan members	3%
Actuarial valuation date	07-01-06
Actuarial cost method	Entry age
Amortization method	Level percentage of projected payroll, closed
Amortization period	40 years
Amortization period (from date)	07-01-97
Asset valuation method	75% of expected actuarial value plus 25% of market value

Actuarial Assumptions

Investment rate of return	7.25%
Projected future salary increases:	
Total	5%
Attributed to inflation	4%
Attributed to merit/seniority	1%
Cost-of-living adjustments	2%

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-04	\$ 137,910	142%	\$ (313,752)
	06-30-05	132,881	142%	(370,006)
	06-30-06	158,307	115%	(393,468)

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

Teachers' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Teachers' 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 member's 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:

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

Funding Policy and Annual Pension Costs

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.

The School Corporation is to contribute at an actuarially determined rate. The current rate has been actuarially determined under the entry age normal cost method to be 7% of covered wages. The School Corporation's required contributions to the plan for the fiscal years ended June 30, 2007, 2006, and 2005, were \$287,940, \$267,466, and \$252,684, respectively. The School Corporation contributed 100% of the required contribution for each of the fiscal years.

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 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)
07-01-04	\$ 3,180,776	\$ 2,978,926	\$ 201,850	107%	\$ 2,885,636	7%
07-01-05	3,330,912	3,363,614	(32,702)	99%	2,868,440	(1%)
07-01-06	3,501,757	3,326,982	174,775	105%	2,983,523	6%

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS -
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2006

	Special Education Preschool	School Lunch	Textbook Rental	Levy Excess	Child Development
Receipts:					
Local sources	\$ 16,751	\$ 579,288	\$ 175,856	\$ 1,306	\$ 391,952
Intermediate sources	-	-	-	-	437,022
State sources	40,111	15,359	17,516	-	-
Federal sources	-	223,987	-	-	-
Sale of property, adjustments and refunds	-	2,445	15,053	-	761
Total receipts	<u>56,862</u>	<u>821,079</u>	<u>208,425</u>	<u>1,306</u>	<u>829,735</u>
Disbursements:					
Current:					
Instruction	-	-	-	-	327,615
Support services	-	754,415	226,979	-	447,229
Nonprogrammed charges	48,641	-	-	-	9,016
Debt services	-	-	-	-	-
Total disbursements	<u>48,641</u>	<u>754,415</u>	<u>226,979</u>	<u>-</u>	<u>783,860</u>
Excess (deficiency) of receipts over disbursements	<u>8,221</u>	<u>66,664</u>	<u>(18,554)</u>	<u>1,306</u>	<u>45,875</u>
Other financing sources (uses):					
Transfers in	-	-	-	175,416	15,494
Transfers out	(272)	-	-	(71,468)	-
Total other financing sources (uses)	<u>(272)</u>	<u>-</u>	<u>-</u>	<u>103,948</u>	<u>15,494</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,949	66,664	(18,554)	105,254	61,369
Cash and investments - beginning	<u>130,122</u>	<u>84,245</u>	<u>174,648</u>	<u>70,678</u>	<u>(967,431)</u>
Cash and investments - ending	<u>\$ 138,071</u>	<u>\$ 150,909</u>	<u>\$ 156,094</u>	<u>\$ 175,932</u>	<u>\$ (906,062)</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 138,071	\$ 150,909	\$ 156,094	\$ 175,932	\$ (906,062)
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 138,071</u>	<u>\$ 150,909</u>	<u>\$ 156,094</u>	<u>\$ 175,932</u>	<u>\$ (906,062)</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>138,071</u>	<u>150,909</u>	<u>156,094</u>	<u>175,932</u>	<u>(906,062)</u>
Total cash and investment fund balance - ending	<u>\$ 138,071</u>	<u>\$ 150,909</u>	<u>\$ 156,094</u>	<u>\$ 175,932</u>	<u>\$ (906,062)</u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS -
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2006
 (Continued)

	WMAP Preschool	Safe Haven	Early Intervention	Gifted and Talented 2004/05	Gifted and Talented 2005/06
Receipts:					
Local sources	\$ 264,204	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	5,273	2,499	-	15,010
Federal sources	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-
	<u>264,204</u>	<u>5,273</u>	<u>2,499</u>	<u>-</u>	<u>15,010</u>
Total receipts					
Disbursements:					
Current:					
Instruction	57,474	-	720	7,586	8,842
Support services	215,004	5,067	2,699	-	-
Nonprogrammed charges	3,199	-	-	-	-
Debt services	-	-	-	-	-
	<u>275,677</u>	<u>5,067</u>	<u>3,419</u>	<u>7,586</u>	<u>8,842</u>
Total disbursements					
Excess (deficiency) of receipts over disbursements					
	<u>(11,473)</u>	<u>206</u>	<u>(920)</u>	<u>(7,586)</u>	<u>6,168</u>
Other financing sources (uses):					
Transfers in	1,098	-	-	-	-
Transfers out	-	-	-	-	-
	<u>1,098</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)					
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses					
	<u>(10,375)</u>	<u>206</u>	<u>(920)</u>	<u>(7,586)</u>	<u>6,168</u>
Cash and investments - beginning					
	<u>100,540</u>	<u>9,579</u>	<u>2,040</u>	<u>7,586</u>	<u>-</u>
Cash and investments - ending					
	<u>\$ 90,165</u>	<u>\$ 9,785</u>	<u>\$ 1,120</u>	<u>\$ -</u>	<u>\$ 6,168</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments					
	\$ 90,165	\$ 9,785	\$ 1,120	\$ -	\$ 6,168
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending					
	<u>\$ 90,165</u>	<u>\$ 9,785</u>	<u>\$ 1,120</u>	<u>\$ -</u>	<u>\$ 6,168</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>90,165</u>	<u>9,785</u>	<u>1,120</u>	<u>-</u>	<u>6,168</u>
Total cash and investment fund balance - ending					
	<u>\$ 90,165</u>	<u>\$ 9,785</u>	<u>\$ 1,120</u>	<u>\$ -</u>	<u>\$ 6,168</u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS -
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2006
 (Continued)

	Non-English Speaking	E Rate Reimbursement	Title I MSD 2004/05	Title I MSD 2005/06	Title I White's 2004/05
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	490	-	-	-	-
Federal sources	-	-	15,892	179,363	-
Sale of property, adjustments and refunds	-	3,864	-	-	-
Total receipts	490	3,864	15,892	179,363	-
Disbursements:					
Current:					
Instruction	573	-	2,378	155,758	33,146
Support services	-	10,327	1,122	31,640	55,272
Nonprogrammed charges	-	-	-	-	1,274
Debt services	-	-	-	-	-
Total disbursements	573	10,327	3,500	187,398	89,692
Excess (deficiency) of receipts over disbursements	(83)	(6,463)	12,392	(8,035)	(89,692)
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(82,363)
Total other financing sources (uses)	-	-	-	-	(82,363)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(83)	(6,463)	12,392	(8,035)	(172,055)
Cash and investments - beginning	113	21,194	(12,392)	-	172,055
Cash and investments - ending	<u>\$ 30</u>	<u>\$ 14,731</u>	<u>\$ -</u>	<u>\$ (8,035)</u>	<u>\$ -</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 30	\$ 14,731	\$ -	\$ (8,035)	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	\$ 30	\$ 14,731	\$ -	\$ (8,035)	\$ -
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	30	14,731	-	(8,035)	-
Total cash and investment fund balance - ending	\$ 30	\$ 14,731	\$ -	\$ (8,035)	\$ -

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS -
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2006
 (Continued)

	Title I White's 2005/06	Title V Part A 2005/06	Title V Part A 2005	14205-058-DY01 2005/06	14205-058-PY02 2005/06
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	106,492	6,727	-	25,854	409,937
Sale of property, adjustments and refunds	-	-	-	-	-
	<u>106,492</u>	<u>6,727</u>	<u>-</u>	<u>25,854</u>	<u>409,937</u>
Disbursements:					
Current:					
Instruction	55,196	-	-	303	143,357
Support services	47,869	8,435	5,842	16,901	195,142
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
	<u>103,065</u>	<u>8,435</u>	<u>5,842</u>	<u>17,204</u>	<u>338,499</u>
Excess (deficiency) of receipts over disbursements	<u>3,427</u>	<u>(1,708)</u>	<u>(5,842)</u>	<u>8,650</u>	<u>71,438</u>
Other financing sources (uses):					
Transfers in	82,363	8,521	-	-	-
Transfers out	-	-	-	-	-
	<u>82,363</u>	<u>8,521</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	85,790	6,813	(5,842)	8,650	71,438
Cash and investments - beginning	-	8,435	10,177	-	-
Cash and investments - ending	<u>\$ 85,790</u>	<u>\$ 15,248</u>	<u>\$ 4,335</u>	<u>\$ 8,650</u>	<u>\$ 71,438</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 85,790	\$ 15,248	\$ 4,335	\$ 8,650	\$ 71,438
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 85,790</u>	<u>\$ 15,248</u>	<u>\$ 4,335</u>	<u>\$ 8,650</u>	<u>\$ 71,438</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>85,790</u>	<u>15,248</u>	<u>4,335</u>	<u>8,650</u>	<u>71,438</u>
Total cash and investment fund balance - ending	<u>\$ 85,790</u>	<u>\$ 15,248</u>	<u>\$ 4,335</u>	<u>\$ 8,650</u>	<u>\$ 71,438</u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS -
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2006
 (Continued)

	14205-058-SN01 2004/05	14206-058-PN01 2005/06	14204-058-PN01 2003/04	14204-058-PY02 2004/05	14205-058-PN01 2004/05
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	1,560,021	-	-	300,001
Sale of property, adjustments and refunds	-	-	-	-	-
	<u>-</u>	<u>1,560,021</u>	<u>-</u>	<u>-</u>	<u>300,001</u>
Total receipts					
Disbursements:					
Current:					
Instruction	-	836,451	(171)	8,480	74,388
Support services	700	523,325	-	30,966	30,691
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>700</u>	<u>1,359,776</u>	<u>(171)</u>	<u>39,446</u>	<u>105,079</u>
Excess (deficiency) of receipts over disbursements	<u>(700)</u>	<u>200,245</u>	<u>171</u>	<u>(39,446)</u>	<u>194,922</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(700)</u>	<u>200,245</u>	<u>171</u>	<u>(39,446)</u>	<u>194,922</u>
Cash and investments - beginning	<u>700</u>	<u>-</u>	<u>(171)</u>	<u>39,446</u>	<u>(194,922)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 200,245</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ 200,245	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 200,245</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	200,245	-	-	-
	<u>-</u>	<u>200,245</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 200,245</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS -
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2006
 (Continued)

	45705-058-PN01 2005/06	45704-058-PY02 2004/05	45705-058-PN01 2004/05	45705-058-PY02	Drug Free 2004/05
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	73,640	-	-	-	9,283
Sale of property, adjustments and refunds	-	-	-	-	-
	<u>73,640</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,283</u>
Total receipts					
Disbursements:					
Current:					
Instruction	48,761	-	6,718	5,175	-
Support services	10,522	150	1,902	1,110	8,681
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
	<u>59,283</u>	<u>150</u>	<u>8,620</u>	<u>6,285</u>	<u>8,681</u>
Total disbursements					
Excess (deficiency) of receipts over disbursements	<u>14,357</u>	<u>(150)</u>	<u>(8,620)</u>	<u>(6,285)</u>	<u>602</u>
Other financing sources (uses):					
Transfers in	-	-	-	6,285	-
Transfers out	-	-	(6,285)	-	-
	<u>-</u>	<u>-</u>	<u>(6,285)</u>	<u>6,285</u>	<u>-</u>
Total other financing sources (uses)					
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	14,357	(150)	(14,905)	-	602
Cash and investments - beginning	<u>-</u>	<u>150</u>	<u>14,905</u>	<u>-</u>	<u>15,042</u>
Cash and investments - ending	<u>\$ 14,357</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,644</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 14,357	\$ -	\$ -	\$ -	\$ 15,644
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 14,357</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,644</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>14,357</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,644</u>
Total cash and investment fund balance - ending	<u>\$ 14,357</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,644</u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS -
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2006
 (Continued)

	Project Peace	Title II, Part A 2005/06	Title II Part D	Retirement Severance Bonds	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ 271,861	\$ 1,701,218
Intermediate sources	-	-	-	-	437,022
State sources	-	-	-	-	96,258
Federal sources	-	74,700	3,752	-	2,989,649
Sale of property, adjustments and refunds	-	-	-	73,373	95,496
Total receipts	-	74,700	3,752	345,234	5,319,643
Disbursements:					
Current:					
Instruction	-	43,968	-	-	1,816,718
Support services	35	10,382	8,074	-	2,650,481
Nonprogrammed charges	-	-	-	-	62,130
Debt services	-	-	-	337,537	337,537
Total disbursements	35	54,350	8,074	337,537	4,866,866
Excess (deficiency) of receipts over disbursements	(35)	20,350	(4,322)	7,697	452,777
Other financing sources (uses):					
Transfers in	-	-	-	-	289,177
Transfers out	-	(8,521)	-	(6,053)	(174,962)
Total other financing sources (uses)	-	(8,521)	-	(6,053)	114,215
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(35)	11,829	(4,322)	1,644	566,992
Cash and investments - beginning	35	22,175	8,329	196,200	(86,522)
Cash and investments - ending	<u>\$ -</u>	<u>\$ 34,004</u>	<u>\$ 4,007</u>	<u>\$ 197,844</u>	<u>\$ 480,470</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ 34,004	\$ 4,007	\$ -	\$ 282,626
Restricted assets:					
Cash and investments	-	-	-	197,844	197,844
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 34,004</u>	<u>\$ 4,007</u>	<u>\$ 197,844</u>	<u>\$ 480,470</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ 197,844	\$ 197,844
Unrestricted	-	34,004	4,007	-	282,626
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 34,004</u>	<u>\$ 4,007</u>	<u>\$ 197,844</u>	<u>\$ 480,470</u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2007

	Special Education Preschool	School Lunch	Textbook Rental	Levy Excess	Child Development	WMAP Preschool
Receipts:						
Local sources	\$ 15,590	\$ 561,852	\$ 225,682	\$ 3,492	\$ 494,022	\$ 235,488
Intermediate sources	-	-	-	-	453,690	-
State sources	42,350	15,384	15,833	-	-	-
Federal sources	-	188,738	-	-	-	-
Sale of property, adjustments and refunds	-	3,370	20,075	-	220	-
Total receipts	<u>57,940</u>	<u>769,344</u>	<u>261,590</u>	<u>3,492</u>	<u>947,932</u>	<u>235,488</u>
Disbursements:						
Current:						
Instruction	-	-	-	-	324,407	62,668
Support services	-	748,433	188,315	-	409,568	227,761
Nonprogrammed charges	62,620	-	-	-	8,510	2,841
Debt services	-	-	-	-	-	-
Total disbursements	<u>62,620</u>	<u>748,433</u>	<u>188,315</u>	<u>-</u>	<u>742,485</u>	<u>293,270</u>
Excess (deficiency) of receipts over disbursements	<u>(4,680)</u>	<u>20,911</u>	<u>73,275</u>	<u>3,492</u>	<u>205,447</u>	<u>(57,782)</u>
Other financing sources (uses):						
Transfers in	-	-	-	446,572	15,494	1,098
Transfers out	(707)	-	-	(179,283)	(79,274)	-
Total other financing sources (uses)	<u>(707)</u>	<u>-</u>	<u>-</u>	<u>267,289</u>	<u>(63,780)</u>	<u>1,098</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(5,387)</u>	<u>20,911</u>	<u>73,275</u>	<u>270,781</u>	<u>141,667</u>	<u>(56,684)</u>
Cash and investments - beginning	<u>138,071</u>	<u>150,909</u>	<u>156,094</u>	<u>175,932</u>	<u>(906,062)</u>	<u>90,165</u>
Cash and investments - ending	<u>\$ 132,684</u>	<u>\$ 171,820</u>	<u>\$ 229,369</u>	<u>\$ 446,713</u>	<u>\$ (764,395)</u>	<u>\$ 33,481</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 132,684	\$ 171,820	\$ 229,369	\$ 446,713	\$ (764,395)	\$ 33,481
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 132,684</u>	<u>\$ 171,820</u>	<u>\$ 229,369</u>	<u>\$ 446,713</u>	<u>\$ (764,395)</u>	<u>\$ 33,481</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	132,684	171,820	229,369	446,713	(764,395)	33,481
Total cash and investment fund balance - ending	<u>\$ 132,684</u>	<u>\$ 171,820</u>	<u>\$ 229,369</u>	<u>\$ 446,713</u>	<u>\$ (764,395)</u>	<u>\$ 33,481</u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2007
 (Continued)

	Safe Haven	Early Intervention	Gifted and Talented 2006/07	Gifted and Talented 2005/06	Non-English Speaking
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	3,344	2,500	15,011	-	78
Federal sources	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	<u>3,344</u>	<u>2,500</u>	<u>15,011</u>	<u>-</u>	<u>78</u>
Disbursements:					
Current:					
Instruction	-	-	11,592	6,168	108
Support services	6,473	3,620	-	-	-
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	<u>6,473</u>	<u>3,620</u>	<u>11,592</u>	<u>6,168</u>	<u>108</u>
Excess (deficiency) of receipts over disbursements	<u>(3,129)</u>	<u>(1,120)</u>	<u>3,419</u>	<u>(6,168)</u>	<u>(30)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(3,129)</u>	<u>(1,120)</u>	<u>3,419</u>	<u>(6,168)</u>	<u>(30)</u>
Cash and investments - beginning	<u>9,785</u>	<u>1,120</u>	<u>-</u>	<u>6,168</u>	<u>30</u>
Cash and investments - ending	<u><u>\$ 6,656</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,419</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 6,656	\$ -	\$ 3,419	\$ -	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u><u>\$ 6,656</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,419</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>6,656</u>	<u>-</u>	<u>3,419</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - ending	<u><u>\$ 6,656</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,419</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2007
 (Continued)

	E Rate Reimbursement	Title I MSD 2005/06	Title I MSD 2006/07	Title I White's 2005/06	Title I White's 2006/07
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	22,000	177,834	-	196,464
Sale of property, adjustments and refunds	15,152	-	-	-	-
	<u>15,152</u>	<u>22,000</u>	<u>177,834</u>	<u>-</u>	<u>196,464</u>
Total receipts					
	<u>15,152</u>	<u>22,000</u>	<u>177,834</u>	<u>-</u>	<u>196,464</u>
Disbursements:					
Current:					
Instruction	-	7,455	149,689	23,944	91,921
Support services	4,266	6,510	41,881	30,636	68,905
Nonprogrammed charges	-	-	-	-	2,000
Debt services	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements					
	<u>4,266</u>	<u>13,965</u>	<u>191,570</u>	<u>54,580</u>	<u>162,826</u>
Excess (deficiency) of receipts over disbursements					
	<u>10,886</u>	<u>8,035</u>	<u>(13,736)</u>	<u>(54,580)</u>	<u>33,638</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	31,210
Transfers out	-	-	-	(31,210)	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31,210)</u>	<u>31,210</u>
Total other financing sources (uses)					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31,210)</u>	<u>31,210</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses					
	<u>10,886</u>	<u>8,035</u>	<u>(13,736)</u>	<u>(85,790)</u>	<u>64,848</u>
Cash and investments - beginning					
	<u>14,731</u>	<u>(8,035)</u>	<u>-</u>	<u>85,790</u>	<u>-</u>
Cash and investments - ending					
	<u>\$ 25,617</u>	<u>\$ -</u>	<u>\$ (13,736)</u>	<u>\$ -</u>	<u>\$ 64,848</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 25,617	\$ -	\$ (13,736)	\$ -	\$ 64,848
Restricted assets:					
Cash and investments	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment assets - ending					
	<u>\$ 25,617</u>	<u>\$ -</u>	<u>\$ (13,736)</u>	<u>\$ -</u>	<u>\$ 64,848</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	25,617	-	(13,736)	-	64,848
	<u>25,617</u>	<u>-</u>	<u>(13,736)</u>	<u>-</u>	<u>64,848</u>
Total cash and investment fund balance - ending					
	<u>\$ 25,617</u>	<u>\$ -</u>	<u>\$ (13,736)</u>	<u>\$ -</u>	<u>\$ 64,848</u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2007
 (Continued)

	Title V Part A 2005/06	Title V Part A 2005	14207-058-PN01 2006/07	14205-058-DY01 2005/06	14205-058-PY02 2005/06
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	1,395,452	-	48,565
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	<u>-</u>	<u>-</u>	<u>1,395,452</u>	<u>-</u>	<u>48,565</u>
Disbursements:					
Current:					
Instruction	-	-	814,759	1,945	30,633
Support services	9,959	4,335	581,340	6,705	89,370
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	<u>9,959</u>	<u>4,335</u>	<u>1,396,099</u>	<u>8,650</u>	<u>120,003</u>
Excess (deficiency) of receipts over disbursements	<u>(9,959)</u>	<u>(4,335)</u>	<u>(647)</u>	<u>(8,650)</u>	<u>(71,438)</u>
Other financing sources (uses):					
Transfers in	7,175	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>7,175</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(2,784)</u>	<u>(4,335)</u>	<u>(647)</u>	<u>(8,650)</u>	<u>(71,438)</u>
Cash and investments - beginning	<u>15,248</u>	<u>4,335</u>	<u>-</u>	<u>8,650</u>	<u>71,438</u>
Cash and investments - ending	<u>\$ 12,464</u>	<u>\$ -</u>	<u>\$ (647)</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 12,464	\$ -	\$ (647)	\$ -	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 12,464</u>	<u>\$ -</u>	<u>\$ (647)</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>12,464</u>	<u>-</u>	<u>(647)</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 12,464</u>	<u>\$ -</u>	<u>\$ (647)</u>	<u>\$ -</u>	<u>\$ -</u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2007
 (Continued)

	14206-058-PN01 2005/06	14206-058-PY02 Carryover	45705-058-PN01 2005/06	45707-058-PN01 2006/07	Preschool Carryover 2006/07
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	315,005	-	-	74,793	-
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	<u>315,005</u>	<u>-</u>	<u>-</u>	<u>74,793</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	75,237	152,599	6,947	50,248	3,853
Support services	58,370	130,052	3,557	13,523	-
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	<u>133,607</u>	<u>282,651</u>	<u>10,504</u>	<u>63,771</u>	<u>3,853</u>
Excess (deficiency) of receipts over disbursements	<u>181,398</u>	<u>(282,651)</u>	<u>(10,504)</u>	<u>11,022</u>	<u>(3,853)</u>
Other financing sources (uses):					
Transfers in	-	381,643	-	-	3,853
Transfers out	<u>(381,643)</u>	<u>-</u>	<u>(3,853)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(381,643)</u>	<u>381,643</u>	<u>(3,853)</u>	<u>-</u>	<u>3,853</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(200,245)	98,992	(14,357)	11,022	-
Cash and investments - beginning	<u>200,245</u>	<u>-</u>	<u>14,357</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 98,992</u>	<u>\$ -</u>	<u>\$ 11,022</u>	<u>\$ -</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ 98,992	\$ -	\$ 11,022	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 98,992</u>	<u>\$ -</u>	<u>\$ 11,022</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>-</u>	<u>98,992</u>	<u>-</u>	<u>11,022</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 98,992</u>	<u>\$ -</u>	<u>\$ 11,022</u>	<u>\$ -</u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2007
 (Continued)

	Drug Free 2004/05	Title II, Part A 2005/06	Title II Part D	Retirement Severance Bonds	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ 145,985	\$ 1,682,111
Intermediate sources	-	-	-	-	453,690
State sources	-	-	-	-	94,500
Federal sources	7,388	10,000	-	-	2,436,239
Sale of property, adjustments and refunds	-	-	-	73,089	111,906
Total receipts	7,388	10,000	-	219,074	4,778,446
Disbursements:					
Current:					
Instruction	-	-	-	-	1,814,173
Support services	9,810	29,238	3,660	-	2,676,287
Nonprogrammed charges	-	-	-	-	75,971
Debt services	-	-	-	342,172	342,172
Total disbursements	9,810	29,238	3,660	342,172	4,908,603
Excess (deficiency) of receipts over disbursements	(2,422)	(19,238)	(3,660)	(123,098)	(130,157)
Other financing sources (uses):					
Transfers in	-	-	-	-	887,045
Transfers out	-	(7,175)	-	(8,150)	(691,295)
Total other financing sources (uses)	-	(7,175)	-	(8,150)	195,750
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,422)	(26,413)	(3,660)	(131,248)	65,593
Cash and investments - beginning	15,644	34,004	4,007	197,844	480,470
Cash and investments - ending	<u>13,222</u>	<u>7,591</u>	<u>347</u>	<u>66,596</u>	<u>546,063</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 13,222	\$ 7,591	\$ 347	\$ -	\$ 479,467
Restricted assets:					
Cash and investments	-	-	-	66,596	66,596
Total cash and investment assets - ending	<u>13,222</u>	<u>7,591</u>	<u>347</u>	<u>66,596</u>	<u>546,063</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ 66,596	\$ 66,596
Unrestricted	13,222	7,591	347	-	479,467
Total cash and investment fund balance - ending	<u>13,222</u>	<u>7,591</u>	<u>347</u>	<u>66,596</u>	<u>546,063</u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For the Year Ended June 30, 2006

	Scholarships and Awards	Awards Students and Employees	Awards Employees	Sundheimer Foundation	Ford Meter Box Grant	Wells Fargo Grant	Cape Professional Development	Miscellaneous Donations	Totals
Additions:									
Contributions:									
Other	\$ 200	\$ 3,860	\$ 964	\$ -	\$ 12,000	\$ 16,400	\$ -	\$ 5,000	\$ 38,424
Deductions:									
Administrative and general	500	6,770	964	17,020	12,000	12,454	664	1,000	51,372
Excess (deficiency) of total additions over total deductions	(300)	(2,910)	-	(17,020)	-	3,946	(664)	4,000	(12,948)
Cash and investment fund balance - beginning	(100)	6,503	-	20,000	-	5,257	873	-	32,533
Cash and Investments - June 30	<u>\$ (400)</u>	<u>\$ 3,593</u>	<u>\$ -</u>	<u>\$ 2,980</u>	<u>\$ -</u>	<u>\$ 9,203</u>	<u>\$ 209</u>	<u>\$ 4,000</u>	<u>\$ 19,585</u>
Net assets:									
Cash and investments	\$ (400)	\$ 3,593	\$ -	\$ 2,980	\$ -	\$ 9,203	\$ 209	\$ 4,000	\$ 19,585
Total net assets - cash and investment basis held in trust	<u>\$ (400)</u>	<u>\$ 3,593</u>	<u>\$ -</u>	<u>\$ 2,980</u>	<u>\$ -</u>	<u>\$ 9,203</u>	<u>\$ 209</u>	<u>\$ 4,000</u>	<u>\$ 19,585</u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For the Year Ended June 30, 2007

	Scholarships and Awards	Awards Students and Employees	Awards Employees	Sundheimer Foundation	Ford Meter Box Grant	Wells Fargo Grant	Cape Professional Development	Miscellaneous Donations	Totals
Additions:									
Contributions:									
Other	\$ 800	\$ 3,929	\$ 2,012	\$ -	\$ 12,000	\$ 12,166	\$ -	\$ 6,954	\$ 37,861
Deductions:									
Administrative and general	500	3,266	1,998	-	12,000	11,639	209	8,643	38,255
Excess (deficiency) of total additions over total deductions	300	663	14	-	-	527	(209)	(1,689)	(394)
Cash and investment fund balance - beginning	(400)	3,593	-	2,980	-	9,203	209	4,000	19,585
Cash and Investments - June 30	<u>\$ (100)</u>	<u>\$ 4,256</u>	<u>\$ 14</u>	<u>\$ 2,980</u>	<u>\$ -</u>	<u>\$ 9,730</u>	<u>\$ -</u>	<u>\$ 2,311</u>	<u>\$ 19,191</u>
Net assets:									
Cash and investments	\$ (100)	\$ 4,256	\$ 14	\$ 2,980	\$ -	\$ 9,730	\$ -	\$ 2,311	\$ 19,191
Total net assets - cash and investment basis held in trust	<u>\$ (100)</u>	<u>\$ 4,256</u>	<u>\$ 14</u>	<u>\$ 2,980</u>	<u>\$ -</u>	<u>\$ 9,730</u>	<u>\$ -</u>	<u>\$ 2,311</u>	<u>\$ 19,191</u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS

June 30, 2007

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.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 185,000
Buildings	14,921,999
Improvements other than buildings	521,463
Machinery and equipment	6,088,464
Construction in progress	<u>2,211,461</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 23,928,387</u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 June 30, 2007

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
1997 School Building Corporation	\$ 6,305,000	\$ 225,000
2001 School Building Corporation	800,000	315,143
Building Improvements (energy savings)	400,133	212,374
Notes and loans payable		
Common School Loan A0282	231,250	104,688
Bonds payable:		
General obligation bonds:		
Pension Bonds	<u>2,870,000</u>	<u>168,647</u>
Total governmental activities debt	<u>\$ 10,606,383</u>	<u>\$ 1,025,852</u>

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
AUDIT RESULT AND COMMENT

OVERDRAWN CASH BALANCES

The cash balance of the Child Development Fund was overdrawn in fiscal years 2005-2006 and 2006-2007. A similar comment appeared in prior Report B26383.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF WABASH COUNTY, WABASH COUNTY, INDIANA

Compliance

We have audited the compliance of the Metropolitan School District of Wabash County (School Corporation) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the years ended June 30, 2006 and 2007. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on the School Corporation's compliance based on our audit.

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

In our opinion, the School Corporation complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the years ended June 30, 2006 and 2007.

Internal Control Over Compliance

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

A control deficiency in a School Corporation's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

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

STATE BOARD OF ACCOUNTS

January 23, 2008

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For The Years Ended June 30, 2006 and 2007

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-06	Total Federal Awards Expended 06-30-07
U.S. DEPARTMENT OF AGRICULTURE				
Pass-Through Indiana Department of Education Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 34,374	\$ 27,633
National School Lunch Program	10.555		<u>233,776</u>	<u>240,194</u>
Total for federal grantor agency			<u>268,150</u>	<u>267,827</u>
U.S. DEPARTMENT OF EDUCATION				
Pass-Through Indiana Department of Education Special Education Cluster				
Special Education - Grants to States	84.027	14204-058-PY02	28,242	-
		14205-058-DY01	17,205	8,650
		14205-058-PY02	345,950	112,552
		14205-058-SN01	700	-
		14205-058-PN01	39,182	-
		14206-058-PN01	1,389,936	103,446
		14206-058-PY02	-	288,465
		14207-058-PN01	<u>-</u>	<u>1,464,692</u>
Total for program			<u>1,821,215</u>	<u>1,977,805</u>
Special Education - Preschool Grants	84.173	45704-058-PY02	150	-
		45705-058-PN01	3,802	-
		45705-058-PY02	6,285	-
		45706-058-PY02	-	3,853
		45706-058-PN01	61,769	8,018
		45707-058-PN01	<u>-</u>	<u>68,517</u>
Total for program			<u>72,006</u>	<u>80,388</u>
Total for cluster			<u>1,893,221</u>	<u>2,058,193</u>
Title I Grants to Local Educational Agencies	84.010	05-8050	107	-
		06-8050	195,744	6,509
		07-8050	-	191,570
		Part D, 05-8050	77,371	-
		Part D, SY 05-06	116,183	41,461
		Part D, SY 06-07	<u>-</u>	<u>177,462</u>
Total for program			<u>389,405</u>	<u>417,002</u>
Safe and Drug Free Schools and Communities - State Grants	84.186	03-241	35	-
		04-095	2,692	6,361
		05-121	<u>5,789</u>	<u>3,449</u>
Total for program			<u>8,516</u>	<u>9,810</u>
State Grants for Innovative Programs	84.298	04-065	5,842	4,335
		05-126	<u>8,435</u>	<u>10,451</u>
Total for program			<u>14,277</u>	<u>14,786</u>
Education Technology State Grants	84.318	FY 2003	3,423	-
		FY 2004	4,651	255
		FY 2005	<u>-</u>	<u>3,405</u>
Total for program			<u>8,074</u>	<u>3,660</u>
Improving Teacher Quality State Grants	84.367	03-063	6,632	-
		04-066	4,960	7,937
		05-085	40,288	20,562
		06-8050	<u>-</u>	<u>564</u>
Total for program			<u>51,880</u>	<u>29,063</u>
Total for federal grantor agency			<u>2,365,373</u>	<u>2,532,514</u>
U.S. DEPARTMENT OF HOMELAND SECURITY				
Pass-Through Indiana Department of Homeland Security Disaster Grants - Public Assistance	97.036	3274-EM	<u>-</u>	<u>3,531</u>
Total federal awards expended			<u>\$ 2,633,523</u>	<u>\$ 2,803,872</u>

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

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Metropolitan School District of Wabash County (School Corporation) and is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Accordingly, the amount of federal awards expended is based on when the activity related to the award occurs. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with the Indiana Code (IC 5-11-1 et seq.), audits of School Corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

II. Noncash Assistance

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2006 and 2007. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	For the Year Ended June 30, 2006	For the Year Ended June 30, 2007
Child Nutrition Cluster:			
Food Commodities			
School Breakfast Program	10.553	\$ 6,230	\$ 5,442
National School Lunch Program	10.555	39,374	48,131
Total for cluster		\$ 45,604	\$ 53,573

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified?	no
Significant deficiencies identified that are not considered to be material weaknesses?	none reported

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
Significant deficiencies identified that are not considered to be material weaknesses?	none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? no

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
	Child Nutrition Cluster
	Special Education Cluster
84.010	Title I Grants to Local Educational Agencies

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

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on January 23, 2008, with Dr. Scott D. Hanback, Superintendent of Schools; Dr. Brian K. Dawson, Treasurer; and Laura Baer, Deputy Treasurer. The officials concurred with our audit finding.