



**Auditor of State
Betty Montgomery**

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Schedule of Federal Awards Receipts and Expenditures.....	1
Notes to the Schedule of Federal Awards Receipts and Expenditures.....	4
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	5
Independent Accounts' Report on Compliance with Requirements Applicable To Major Federal Programs and Internal Control Over Compliance in Accordance with <i>OMB Circular A-133</i>	7
Schedule of Findings.....	9
Schedule of Prior Audit Findings	11

This page intentionally left blank.

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2003**

Federal Grantor/ Pass Through Grantor Program Title	Federal CFDA Number	Pass Through Entity Number	Receipts	Non Cash Receipts	Disbursements	Non Cash Disbursements
UNITED STATES DEPARTMENT OF AGRICULTURE						
Nutrition Cluster:						
Direct						
Food Distribution Program - Cash in Lieu of Commodities	10.550	N/A	\$285,893		\$285,893	
Passed Through Ohio Department of Education						
Food Distribution Program - Commodities		N/A		\$527,036		\$527,036
Total Food Distribution Program			285,893	527,036	285,893	527,036
National School Breakfast	10.553	05-PU 02 05-PU 03	306,165 1,320,497		306,165 1,320,497	
Total National School Breakfast			1,626,662		1,626,662	
National School Lunch	10.555	LLP4 02 LLP4 03	736,663 3,130,109		736,663 3,130,109	
Total National School Breakfast			3,866,772		3,866,772	
Summer Food Service Program	10.559	23-PU 02 23-PU 03 24-PU 02 24-PU 03	32,704 135,928 25,831 7,254		32,704 135,928 25,831 7,254	
Total Summer Food Service Program			201,717		201,717	
Total United States Department of Agriculture - Nutrition Cluster			5,981,044	527,036	5,981,044	527,036
UNITED STATES DEPARTMENT OF EDUCATION						
Direct						
Magnet School Grant	84.165	N/A N/A N/A	99,150 268,358 367,508		68 37,292 269,447 306,807	
Total Magnet School Grant						
Passed Through Ohio Department of Education						
Adult Basic Education	84.002	Carryover AB-S1-02 AB-SL-03 AB-SL-02 Carryover N/A	98,275 (5,982) 596,760 (1,584) (12) 163		98,275 20,167 610,499 12 1,442 163	
Total Adult Basic Education			687,457		730,558	
Title 1 Grant to Local Educational Agencies	84.010	C1-S1-02 C1-S1-03 C1-SD-01 C1-SD-02 C1-SS-01 C1-S1-03 C1-SK-03 N/A C1-S1-03	558,923 22,671 (18) 402 22,002 7,819,387 750,193 1,269,002		2,134,528 17,681 11,454 32,502 6,513,881 674,715 6,659 1,372,716	
Total Title 1 Grant to Local Educational Agencies			10,442,562		10,764,136	
Title II - Part D Education Technology	84.318	TJ-S1-03	269,976		239,278	
Title I - Accountability Grant	84.348	AK-S1-01 AK-S1-02	(10,531) (168,093)		66,449 74,693	
Total Title I Accountability Grant			(178,624)		141,142	

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)**

Federal Grantor/ Pass Through Grantor Program Title	Federal CFDA Number	Pass Through Entity Number	Receipts	Non Cash Receipts	Disbursements	Non Cash Disbursements
Special Education Cluster:						
Special Education Grants to States (IDEA Part B)	84.027	6B-SF-00 6B-SF-99P	2,608,144 183,237		2,189,659 574,251	
Total Special Education Grants to States (IDEA Part B)			<u>2,791,381</u>		<u>2,763,910</u>	
Special Education - Preschool Grants	84.173	PG-S1-01 PG-S1-02	14,310 144,390		25,701 139,296	
Total Special Education - Preschool Grants			<u>158,700</u>		<u>164,997</u>	
Total Special Education Cluster			<u>2,950,081</u>		<u>2,928,907</u>	
Vocational Education Basic Grant	84.048	N/A 20-A0-02 20-C1-02 20A0 01	10,413 129,390 594,127		409 252,160 740,914	
Total Vocational Education Basic Grant			<u>733,930</u>		<u>993,483</u>	
Emergency Immigrant Education Assistance	84.162	EISI-02 N/A	12,300 (1,701)		10,599	
Total Emergency Immigrant Education Assistance			<u>10,599</u>		<u>10,599</u>	
Safe and Drug Free Schools and Communities - State Grants	84.186	DR-S1-01 DR-S1-00 DR-S1-02 DR-S1-03	(1,983) (264) 22,184 251,412		28,394 58,464 245,263	
Total Drug Free Education - Title IV			<u>271,349</u>		<u>332,121</u>	
Safe and Drug Free Schools and Communities - National Program	84.184	S184L01068 S184L01068-02	1,095,314 958,916		1,152,590 1,012,072	
Total Safe and Drug Free Environment			<u>2,054,230</u>		<u>2,164,662</u>	
Education for Homeless Children and Youth	84.196	HC-S1-01 HC-S1-02 HC-S1-03	5,803 (16,747) 89,984		5,803 12,625 95,552	
Total Education for Homeless Children and Youth			<u>73,237</u>		<u>113,980</u>	
Even Start Family Literacy	84.213	EV-S3-02 EV-S4-03	15,702 214,571		6,134 160,765	
Total Even Start Family Literacy			<u>230,273</u>		<u>166,899</u>	
Fund for the Improvement of Education	84.215	CX-X1-00 N/A	18,450		7,212 18,443	
Total Fund for the Improvement of Education			<u>18,450</u>		<u>25,655</u>	
State Post Secondary Review (Goals 2000-America Reads)	84.276	G2-S5-01 G2-S2-01 G2-S1-00			33,000 11,065 22,855	
Total State Post Secondary Review (Goals 2000-America Reads)			<u>(14)</u>		<u>66,920</u>	
Eisenhower Professional Development	84.281	MS-S1-01 MS-S1-02	6,905 64,853		33,423 95,366	
Total Eisenhower Professional Development			<u>71,758</u>		<u>128,789</u>	
21st Century Community Learning Centers	84.287	TI-SI-03	55,310 222,545		78,147 303,022	
Total 21st Century Community Learning Centers			<u>277,855</u>		<u>381,169</u>	
Innovative Education Program Strategies	84.298	C2-S1-01 C2-S1-02 C2-S1-00 N/A	6,049 19,097 36,265 54,490		18,937 41,407 210,883 292,608	
Total Innovative Education Program Strategies			<u>115,901</u>		<u>563,835</u>	

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY

SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Federal Grantor/ Pass Through Grantor Program Title	Federal CFDA Number	Pass Through Entity Number	Receipts	Non Cash Receipts	Disbursements	Non Cash Disbursements
Comprehensive School Reform	84.332	RF-S1-02	60,000		57,435	
Class Size Reduction	84.340	CR-S1-02	(286,110)		171,794	
Title II - Part A Improving Teacher Quality	84.367	TR-S1-03	2,691,292		2,174,544	
Title III-Part A (ESEA) English Language Acquisition Grant	84.365	T3-S1-03	20,496		16,070	
School Renovation Grant	84.352A	N/A	8,417			
		N/A	73,422		454	
		N/A			44,140	
		N/A	58,628		54,896	
Total School Renovation Grant			<u>140,467</u>		<u>99,490</u>	
Total United States Department of Education			<u>21,022,673</u>		<u>22,578,273</u>	
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Passed Through Miami Valley Child Development Centers						
Head Start	93.600	05CH54444	947,734		852,981	
		N/A	630,002		721,016	
Total Head Start			<u>1,577,736</u>		<u>1,573,997</u>	
Pass Through Ohio Department of Mental Retardation and Developmental Disabilities						
Community Alternative Funding System (CAFS)	93.778	N/A	391,445		391,445	
Total United States Department of Health and Human Services			<u>1,969,181</u>		<u>1,965,442</u>	
NATIONAL SCIENCE FOUNDATION						
Direct						
DPS Math and Science Reform Project	47.076	ESR9801630			7,925	
		N/A	475,000		447,884	
		N/A	225,000		289,251	
Total DPS Math and Science Reform Project - National Science Foundation			<u>700,000</u>		<u>745,060</u>	
FEDERAL EMERGENCY MANAGEMENT AGENCY						
Passed Through Ohio Emergency Management Agency						
Public Assistance Program	83.544	DR-1453-OH	6,411		6,411	
Total Federal Assistance			<u>\$29,679,309</u>	<u>\$527,036</u>	<u>\$31,276,230</u>	<u>\$527,036</u>

The notes to this schedule are an integral part of this schedule.

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 2003**

NOTE A--SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) summarizes activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B--FOOD DISTRIBUTION

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This nonmonetary assistance (expenditures) is reported in the Schedule at the fair market value of the commodities received. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

NOTE C -- MATCHING REQUIREMENTS

Certain Federal programs require that the District contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Dayton City School District
Montgomery County
115 South Ludlow Street
Dayton, Ohio 45402

To the Board of Education:

We have audited the financial statements of the Dayton City School District, Montgomery County (the District), as of and for the year ended June 30, 2003, and have issued our report thereon dated December 23, 2003. 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.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2003-001 and 2003-002. We also noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated December 23, 2003.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 23, 2003.

Dayton City School District
Montgomery County
Independent Accountants' Report of on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of the audit committee, management, Board of Education, 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.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

December 23, 2003



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO MAJOR FEDERAL PROGRAMS AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Dayton City School District
Montgomery County
115 South Ludlow Street
Dayton, Ohio 45402

To the Board of Education:

Compliance

We have audited the compliance of the Dayton City School District, Montgomery County (the District), 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 year ended June 30, 2003. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District'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 noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the District'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 on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2003.

Internal Control Over Compliance

The management of the District 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 District'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 and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Federal Awards Expenditures

We have audited the basic financial statements of the District as of and for the year ended June 30, 2003, and have issued our report thereon dated December 23, 2003. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 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.

This report is intended for the information and use of the audit committee, management, Board of Education, 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.



Betty Montgomery
Auditor of State

December 23, 2003

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 §.505
JUNE 30, 2003**

1. SUMMARY OF AUDITOR'S RESULTS
--

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Improving Teacher Quality – CFDA # 84.367: Nutrition Cluster – CFDA #'s 10.550, 10.553, 10.555, 10.559
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 954,098 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2003-001

Finding For Recovery

Victoria Long was employed as payroll clerk for the District Transportation Department between June 28, 1999 and June 19, 2003. Examination of District payroll records revealed that Ms. Long routinely added overtime hours to her previously approved Time and Attendance Records. Adding unapproved hours to her Time and Attendance Records resulted in Ms. Long being overpaid \$7,288 during her employment with the District.

In accordance with the foregoing facts, and according to **Ohio Rev. Code Section 117.28**, a Finding for Recovery for public property which has been converted or misappropriated is hereby issued against Victoria Long, Payroll Clerk, in the amount of \$7,288, and in favor of Dayton City School District. Victoria Long has plead guilty to a charge of theft in office of more than \$5,000. She is scheduled to be sentenced on March 3, 2004, by the Montgomery County Common Pleas Court.

Additionally, the District should review payroll policies and procedures and identify control weaknesses that exist, in order to prevent further control failures.

FINDING NUMBER 2003-002

Ohio Rev. Code Section 5705.41 (D), states in part, fiscal officers may prepare so-called "blanket" certificates not exceeding \$5,000 against any specific line item account over a period not exceeding 3 months or running beyond the current fiscal year. (HB 95, effective 9-25-03, eliminated the \$5,000 and 3 month restrictions.) The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

In addition to regular blanket certificates, a subdivision's fiscal officer may also issue so-called "super blanket" certificates for any amount for expenditures and contracts from a specific line-item appropriation account in a specified fund for most professional services, fuel, oil, food items and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the fiscal year end.

The district had 174 purchase orders that extended beyond the fiscal year and 7.7% of blanket certificates tested exceeded the \$5,000 threshold. The District should limit regular blanket certificates to \$5,000 and close all blanket certificates at fiscal year end.

3. FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS

None

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 §.315 (b)
JUNE 30, 2003**

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2002-10357-001	ORC 5705.39-Appropriations exceeded estimated revenue	Yes	Corrected
2002-10357-002	ORC 5704.412 -Certificate of adequate revenue not executed	Yes	Corrected
2002-10357-003	ORC 149.351-Maintaining public records	Yes	Corrected
2002-10357-004	Capital asset accounting	No	Partially Corrected – Repeated in Management Letter
2002-10357-005	ORC 5705.41D Certification of Expenditures pertaining to Federal Head Start grant	No	Partially Corrected – Repeated in Management Letter
2002-10357-006	Purchasing procedures related to Federal Head Start grant	Yes	Corrected
2002-10357-007	45 CFR Sec. 1305.4 Verification of income for Federal Head Start grant	Yes	Corrected
2002-10357-008	45 CFR 74.34 Maintaining equipment records for Federal Head Start grant	Yes	Corrected

DAYTON CITY SCHOOL DISTRICT

COMPREHENSIVE

ANNUAL FINANCIAL REPORT

for the

FISCAL YEAR ENDED JUNE 30, 2003



Dayton, Ohio

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
of the
DAYTON CITY SCHOOL DISTRICT
for the
FISCAL YEAR ENDED JUNE 30, 2003

Prepared by

TREASURER'S OFFICE

Stanley E. Lucas
Treasurer and Chief Financial Officer

C. Dale Miller
Assistant Treasurer



348 W. First Street
Dayton, Ohio 45402

DAYTON BOARD OF EDUCATION
JUNE 30, 2003



Gail A.
Littlejohn, J.D.
President



L. Anthony
Hill
Vice President



Ann Marie
Gallin



E. Doniece
Gatliff



Yvonne V.
Isaacs



Clayton R.
Luckie II



Tracy L.
Rusch, Ph. D.



Percy A.
Mack, Ph.D.
Superintendent



Stanley E.
Lucas
Treasurer

INTRODUCTORY SECTION

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2003**

TABLE OF CONTENTS

INTRODUCTORY SECTION

Table of Contents	i
Letter of Transmittal.....	v
GFOA Certificate of Achievement.....	xxi
ASBO Certificate of Excellence.....	xxii
Board Members – Elected Officials	xxiii
Executive Cabinet Members.....	xxiv
Organizational Chart	xxv

FINANCIAL SECTION

Independent Accountants’ Report	1
Management’s Discussion and Analysis	3
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets	15
Statement of Activities	17
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	18
Reconciliation of Total Governmental Fund Balance to Net Assets of Governmental Activities	19
Statement of Revenue, Expenditures and Changes in Fund Balances – Governmental Funds.....	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	21
Statement of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis) – General Fund	22
Statement of Fund Net Assets – Internal Service Funds	23
Statement of Revenues, Expenses and Changes in Fund Net Assets – Internal Service Funds.....	24
Statement of Cash Flows – Internal Service Funds.....	25

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2003**

TABLE OF CONTENTS

Statement of Fiduciary Net Assets – Agency Funds	26
Notes to the Basic Financial Statements	27
<i>Supplementary Information</i>	
Combining Statements and Individual Fund Schedules:	
Combining Statements – Nonmajor Governmental Funds:	
Fund Descriptions.....	54
Combining Balance Sheet – Nonmajor Governmental Funds.....	59
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	60
Combining Balance Sheet – Nonmajor Capital Projects Funds	68
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	71
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	72
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	80
Combining Statements – Internal Service Funds:	
Fund Descriptions.....	83
Combining Statement of Fund Net Assets – All Internal Service Funds	84
Combining Statement of Revenues, Expenses and Changes in Net Assets – All Internal Service Funds.....	85
Combining Statement of Cash Flows – All Internal Service Funds.....	86
Combining Statement – Fiduciary Funds	
Fund Descriptions.....	87
Combining Statement of Changes in Assets and Liabilities.....	88
Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in Fund Balance/Fund Equity – Budget to Actual (Budget Basis):	
Bond Retirement Fund	90

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2003**

TABLE OF CONTENTS

Classroom Facilities Fund.....	91
Other Grant Rotary Fund.....	92
Public School Support Fund.....	93
Other Grant Fund.....	94
Computer Networks Fund.....	95
School Improvement Model Fund.....	96
Classroom Maintenance Fund.....	97
District Managed Student Activities Fund.....	98
Auxiliary Services Fund.....	99
Career Development Fund.....	100
Teacher Development Fund.....	101
Management Information Systems Fund.....	102
Public School Preschool Fund.....	103
Disadvantaged Pupil Impact Aid Fund.....	104
Data Communications Fund.....	105
SchoolNet Professional Development Fund.....	106
Textbooks/Instructional Material Subsidy Fund.....	107
Ohio Reads Fund.....	108
Vocational Education Enhancement.....	109
Alternative Schools Fund.....	110
Miscellaneous State Grants Fund.....	111
Adult Basic Education Fund.....	112
National Defense Education Act Fund.....	113
Title VI-B Fund.....	114
Vocational Education Fund.....	115
Headstart Fund.....	116
Dropout Prevention and Intervention Fund.....	117
Title I Fund.....	118
Title VI Fund.....	119
Emergency Immigrant Education Fund.....	120
Drug Free School Grant Fund.....	121
EHA Preschool Grant for the Handicapped Fund.....	122
E-Rate Grant Fund.....	123
Continuous Improvement Fund.....	124
Title VI-R Classroom Size Reduction Fund.....	125
Miscellaneous Federal Grants Fund.....	126
Miscellaneous Trust Fund.....	127
Food Service Fund.....	128
Uniform School Supplies Fund.....	129
Permanent Improvement Fund.....	130
Building Fund.....	131
Replacement Fund.....	132
SchoolNet Fund.....	133
Interactive Video Distance Learning Fund.....	134
School Building Assistance Limited Fund.....	135
Warehouse Fund.....	136
Self-Insurance Fund.....	137

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2003**

TABLE OF CONTENTS

STATISTICAL SECTION

Statistical Section Description.....	S1
District-Wide Governmental Activities Expenses – Last Two Fiscal Years.....	S2
District-Wide Governmental Activities Revenues – Last Two Fiscal Years.....	S3
Governmental Funds Expenditures by Function – Last Ten Fiscal Years.....	S4
Governmental Funds Revenues by Source – Last Ten Fiscal Years.....	S6
Property Tax Levies and Collections – Last Ten Calendar Years.....	S8
Assessed and Estimated Actual Value of Taxable Property – Last Ten Calendar Years.....	S10
Property Tax Rates – Direct and Overlapping Governments – Last Ten Calendar Years.....	S12
Computation of Legal Debt Margin – June 30, 2003.....	S14
Computation of Direct and Overlapping Debt – June 30, 2003.....	S15
Ratio of Net General Obligation Bonded Debt to Assessed Value And Net General Obligation Debt per Capita – Fiscal Year 2003.....	S16
Demographic Statistics – Last Ten Years.....	S17
Property Value, Construction Permits and Bank Deposits – Last Ten Years.....	S18
Principal Taxpayers – Real Estate Tax – December 31, 2002.....	S19
Principal Taxpayers – Tangible Personal Property Tax – December 31, 2002.....	S20
Principal Taxpayers – Public Utility Tax – December 31, 2002.....	S21
Cost per Student – Last Ten Years.....	S22
Teacher Education and Experience – June 30, 2003.....	S23

This Page is Intentionally Left Blank.

**DAYTON BOARD OF
EDUCATION**

Gail Littlejohn, President
L. Anthony Hill, Vice President
Ann Marie (Mario) Gallin
E. Doniece Gatliff
Yvonne Isaacs
Clayton R. Luckie, II
Tracy Rusch
Ex-Officio Member: Courtney Rutledge



115 S. Ludow Street • Dayton, Ohio 45402-1812

Percy A. Mack, Ph.D.
Superintendent of Schools
(937) 542-3002
Fax: (937) 542-3188

Stanley E. Lucas
Treasurer
(937) 542-3018
Fax: (937) 542-3179

December 23, 2003

Board of Education
Dayton City School District
348 W. First Street
Dayton, Ohio 45402

Dear Board Members:

The Comprehensive Annual Financial Report of the Dayton City School District (the "district") for the fiscal year ended June 30, 2003, is hereby submitted. This report was prepared by the Treasurer's Office, and includes the Independent Accountants' Report. The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, remains with the district. To the best of our knowledge and belief, the data presented is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and results of operations of the district as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain the maximum understanding of the district's financial affairs have been included.

The Comprehensive Annual Financial Report ("CAFR") is presented in three sections: introductory, financial and statistical.

--The introductory section includes the table of contents, this letter of transmittal, a list of board members - elected officials, the district's organizational chart, a list of the Superintendent's executive cabinet, the Government Finance Officers Association (GFOA) Certificate of Achievement, and the ASBO Certificate of Excellence.

--The financial section includes the Independent Accountants' Report, the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the district's financial position and operating results, the Combining Statements by Fund Type, and other schedules providing detailed information relative to the Basic Financial Statements.

--The statistical section includes social and economic data, financial trends and the fiscal capacity of Dayton City School District.

The district's reporting entity has been defined in accordance with principles established by the Governmental Accounting Standards Board (GASB) Statement Number 14, *The Financial Reporting Entity*. A reporting entity is comprised of the primary government and its component units. The primary government consists of all funds, departments, agencies, institutions, commissions, and organizations that are not legally separate from the district. Component units are legally separate organizations that are fiscally dependent on the district or for which the district is financially accountable. The district currently does not include any component units in the financial statements.

The following entities, which conduct their activities near or within the district's boundaries or for the benefit of the district or its students, are excluded from the accompanying financial statements because they are autonomous and are not controlled or funded by the district:

City of Dayton
Dayton Metro Library
Montgomery County Government

GENERAL INFORMATION CONCERNING THE BOARD AND THE SCHOOL DISTRICT

The Board of Education and the Administration

The Board of Education (the "Board") of the Dayton City School District is a political and corporate body charged with the responsibility of managing and controlling affairs of the district, and the district is also governed by the general laws of the State of Ohio as set forth in the Ohio Revised Code. The Board is comprised of seven members who are elected for overlapping four-year terms. Gail Littlejohn has served the Board as President for two years. Her term expires December 31, 2005. L. Anthony Hill has served on the Board for four years, including two years as the current Vice President. His current term expires December 31, 2003. Mr Hill was recently re-elected to the Board and will serve until December 31, 2007. Ann Marie "Mario" Gallin has served on the Board for four years, and her current term expires December 31, 2003. Ms. Gallin was recently re-elected and will serve until December 31, 2007. E. Doniece Gatliff has served two years on the Board. Her term expires December 31, 2005. Yvonne V. Isaacs has served two years on the Board. Her term expires December 31, 2005. Clayton R. Luckie II has served on the Board for seven years. His current term expires on December 31, 2003. Mr. Luckie was recently re-elected and will serve until December 31, 2007. Tracy L. Rusch, Ph.D. serves as the Board Parliamentarian and has served two years on the Board. Her term expires December 31, 2005.

The Superintendent of Schools (the "Superintendent"), appointed by the Board for a term not longer than five years, is the chief executive officer of the district and has the responsibility for directing and assigning teachers and other employees, assigning the pupils to the proper schools and grades, and performing such other duties as determined by the Board. The current Superintendent, Dr. Percy A. Mack, was appointed permanent Superintendent effective July 23, 2002. Dr. Percy Mack was the Superintendent of record for this reporting period.

The Treasurer is the chief financial officer of the Board and of the district and is, pursuant to statutory requirements, appointed by the Board for a four-year term (following a probationary two-year term) and reports directly to the Board. Stanley E. Lucas has served the district as the district's treasurer since July 1, 2002, and, therefore, was the Treasurer of record for this reporting period.

The School District and Its Facilities

In 2002-2003, 18,163 students were enrolled compared to 20,144 students the previous year in the district's 32 elementary schools, 5 middle schools, 1 combination school enrolling grades 7 through 12, 1 alternative center and 5 high schools. The district has adopted magnet themes for most of its schools, which provide special curriculum and skills programs.

Employee Relations and Benefits

The district currently has 2,029 certificated employees (1,868 teachers, 161 administrators) and 1,114 classified employees (secretarial, clerical, custodial, and cafeteria workers, as well as bus drivers and other non-teaching, non-administrative personnel). Therefore, the district currently has approximately 3,143 full and part-time employees. In the fiscal year ended June 30, 2003, the district paid out from its general fund (disadvantaged pupil impact aid (DPIA) fund included) \$106,619,479 in salaries and \$32,644,718 in fringe benefits and other labor related costs such as employer retirement contributions, workers' compensation insurance coverage, unemployment compensation, life insurance, medical and dental insurance premiums.

The Dayton Education Association represents the district's teachers and educational specialists. The non-professional employees of the district are represented for collective bargaining purposes by a variety of unions.

The clerical employees are represented by the Ohio Association of Public School Employees, Clerical Chapter 158. The paraprofessional employees are represented by the Ohio Association of Public School Employees, Paraprofessional Chapter 643. The transportation employees are represented by the Ohio Association of Public School Employees, Transportation Chapter 627. The building trades employees are represented by the Dayton Building and Construction Trades Council, AFL-CIO. The custodial and food service employees are represented by the Dayton Public Service Union, Local #101, Ohio Council #8, AFSCME, AFL-CIO. The security resource officers are represented by the Dayton Public Service Union, Local #101, Ohio Council #8, AFSCME, AFL-CIO. Reserve teachers are represented by the Dayton Education Association. Educational interpreters are represented by the Ohio Association of Public School Employees Chapter 766. Psychologists are represented by Psychologists Local 766B, OAPSE AFSCME AFL-CIO. Lead child care teachers, mental health technicians, occupational therapists, and physical therapists are represented by OAPSE Local 191.

A collective bargaining agreement with the Dayton Education Association expires June 30, 2004. Collective bargaining agreements with the other bargaining units expire September 30, 2004 or later.

The district provides life insurance and accidental death and dismemberment insurance to employees through the Standard Insurance Company. The district provides health insurance coverage through the United Health Care of Ohio, Inc. The employee share of the total health care premium ranges from fifteen percent to thirty percent of the monthly premium depending upon plan option and single/family contract selected. Dental insurance is provided to eligible employees through a self-insurance plan administered by Mutual Health Services or a premium based policy issued by Fortis or Ameritas.

All district employees participate in either the State Teachers Retirement System or the School Employees Retirement System. The current employer obligation for contributions is 14 percent of the employee's salary. Both retirement systems were created by and operate under Ohio law. The General Assembly could amend the format of either system and could revise rates or methods of contribution to be made by the district in the future. The State Teachers Retirement System is applicable to all teachers, principals, supervisors and administrators who are required to hold a certificate issued by the State Department of Education. Other eligible employees are covered by the School Employees Retirement System. Pursuant to federal law, all district employees hired after March 31, 1986, are required to participate in the federal Medicare program, which currently requires employer and employee contributions each equal to 1.45 percent of the employee's wages subject to the FICA limit. Otherwise, district employees are not presently covered by the federal Social Security Act. The district's required contributions for pension obligations to the two retirement systems on behalf of its employees amounted to \$15,918,673 for the 2003 fiscal year.

ECONOMIC CONDITION AND OUTLOOK

Taxes

Property taxes are a major source of revenue for the district. For property taxation purposes, assessment of real property is performed on a calendar year basis by the elected County Auditor subject to supervision by the State Tax Commissioner. Assessment of public utility property and tangible personal property is performed by the State Tax Commissioner. Property taxes are billed by the County Auditor and collected by the County Treasurer.

Taxes collected from real property (other than public utilities) in one calendar year are levied in the prior calendar year on assessed values as of January 1 of that prior year. Taxes collected from tangible personal property (other than public utilities) in one calendar year are levied in the same calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before December 31 of that calendar year, and at the tax rates determined in the preceding year. Public utility real and tangible personal property taxes collected in one calendar year are levied in the prior calendar year on assessed values determined as of December 31 of that second year preceding the tax collection year.

The assessed valuation of real property is fixed at 35 percent of true value and is determined pursuant to rules of the State Tax Commissioner, except real property devoted exclusively to agricultural use which is assessed at not more than 35 percent of its current agricultural use value. Real property devoted exclusively to forestry or timber growing is taxed at 50 percent of the local tax rate upon its true value.

Generally, tangible personal property used in business (except for public utility) is currently assessed for taxation purposes at 25 percent of its true value. Beginning January 1, 2002, the assessment percentage applicable to inventory is reduced by one percentage point per year until it reaches zero (for tax years 2002 through 2006, the reduction will be made only if state-wide property tax collections increase over the prior year). Railroad operating property, inter exchange telecommunications property acquired by telephone companies after 1994, all property owned by rural electric and electric companies, except transmission and distribution

property, and all property owned by natural gas companies is assessed at 25 percent of true value. Transmission and distribution property of electric companies (other than rural electric companies) and all other public utility tangible personal property is assessed at 88 percent of true value. To replace the money lost due to the lower assessment percentages, new state consumption taxes have been enacted.

The first \$10,000 of taxable value of tangible personal property is exempted from taxation. Partial reimbursement of reduced collections resulting from the partial exemption is paid from State sources.

The General Assembly has periodically exercised its power to revise the laws applicable to the determination of assessed valuation of taxable property and the amount of receipts to be produced by taxes levied on that property, and may continue to make similar revisions.

Ohio law has a mechanism that is intended to negate increases in taxes resulting from increases in the true value of real property due solely to inflation. The law grants tax reduction factors to offset increases in taxes resulting from increases in the true value of real property. Legislation implementing a 1980 constitutional amendment classifies real property between (i) residential and agricultural and (ii) all other real property, and provides for tax reduction factors to be separately computed for and applied to each class. These reduction factors apply to certain voted levies on real property and do not apply to unvoted tax levies or voted tax levies to pay debt service on general obligation debt.

School Foundation

The State's School Foundation Program is another major source of revenue for the district's general fund. The State assists public school districts under a statutory program, which includes direct payments to districts based upon a statutory formula. Such payments are made through the School Foundation Program established by the Ohio Revised Code (the "Code"). School Foundation Program funds distributed to a school district are required to be used for current operating expenses, unless specifically allocated by the State for some other purposes.

Basic eligibility for School Foundation Program payments is based on a school district's compliance with State-mandated minimum standards. The district is compliance with those standards and believes it will remain in compliance for the foreseeable future.

Last fiscal year the majority of the district's intergovernmental revenue came from the State of Ohio from the State Foundation Program, including DPIA. State Foundation monies will probably decrease due to lower public school enrollment and higher charter school enrollment.

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State of Ohio's funding plan. It had been argued that the dependence on property taxes puts school districts with low property values at a disadvantage, because tax rates must be higher than in districts with higher property values to raise a similar amount of money. The Supreme Court ruled once again that the State's school funding plan is unconstitutional, but ended its control without prescribing a solution or ordering state officials back to the court. The Court did direct the Ohio General Assembly to enact a school-funding plan that is thorough and efficient.

This was the fourth time the Ohio Supreme Court majority has found the school funding unconstitutional. This was an ambiguous finish in an eleven-year legal battle about how the state should pay to educate its 1.8 million schoolchildren. The Court did not indicate any enforcement measures to ensure that the state administration overhauls the current system. Therefore, as of the date of these financial statements, the district is unable to determine the future impact of this decision on State funding and on its financial operations. See Note Number 17 of the Notes to the Basic Financial Statements for additional information.

Local Economy

The historic first flight of Dayton residents Orville and Wilbur Wright, the development of the cash register into the current NCR Corporation, the invention of the electric automobile starter, and other advances in automotive design provide the historic basis for the Dayton area economy.

Economic Development

The City of Dayton moved closer to the top 100 cities ranked in *Forbes* magazine's Best Places for Business and Careers in the United States with a ranking of 117. Last year the City of Dayton ranked 173. *Forbes'* ranking of the 150 largest metropolitan areas, in its fifth year, takes into account employee income, job growth, and costs of doing business, including process of labor, energy, taxes and office space. The magazine also factors in regional crime rates, qualifications of the available labor pool and housing costs. Economy.com, a West Chester, Pennsylvania based economic and financial research firm, helped *Forbes* compile the results.

Automotive Manufacturing

Dayton's long history of automotive manufacturing and its location at the intersection of interstates 70 and 75 make this region a very attractive location for the automotive industry.

Delphi Automotive Systems, with about 8,700 employees in the area, is now a separate company spun off from General Motors in early 1999. Delphi Automotive Systems designs and builds high-tech products in Dayton such as air bags, anti-lock disc brakes, and suspension systems. General Motors employs about 4,200 people in the Dayton area assembling sport utility vehicles and engines. DMAX, a General Motors-Isuzu joint venture has operations for a new truck diesel engine plant in Dayton. Honda of America has two automotive assembly plants and an engine plant all less than one hour's drive from Dayton.

Tooling & Machining

The Dayton region is one of North America's largest centers for tooling and machining technology. More than 800 companies employing 26,000 people provide service to a diverse client base – from automotive to aerospace, from the computer industry to the growing medical industry.

The Dayton region is home to a vital and active Tooling and Machining Association. The Dayton Tooling and Machining Association is one of the oldest of its type in the United States and works actively to improve the competitiveness of its membership.

Local universities, colleges and trade schools work closely with the tooling and machining industry, developing world-class training programs in first-class facilities, utilizing a framework of national skill standards (NIMS). Sinclair Community College's Step II program has been widely recognized as an exceptional source for new talent in the field.

In a parallel effort, the City of Dayton is implementing a segment of the Citiplan 20/20 Vision for the City's future. The plan calls for training, technology transfer, marketing and other value-added services to be located in a campus environment along with producing tooling and machining companies in a downtown redevelopment area.

Aerospace Industry and Wright-Patterson Air Force Base

A major catalyst for growth in the Dayton area has been and continues to be Wright-Patterson Air Force Base – an important and unique U.S. Air Force Base. The largest single-site employer in Ohio with 22,000 military and civilian employees, the Base is headquarters for the Aeronautical Systems Center (ASC) – the foremost aeronautical acquisition center in the U.S. Air Force

Technology Transfer

A number of organizations work to provide an environment for technology transfer, taking institutional ideas and products to the market. These include the Wright Technology Network (WTN) that facilitates technology transfer from Wright-Patterson Air Force Base to partners in the private sector. The National Center for Industrial Competitiveness (NCIC) works to improve regional industrial competitiveness by leveraging federal and state funds to encourage long-term economic growth. The Edison Materials Technology Center (EMTEC), a consortium of business, industrial, academic, government and civic members links Ohio's top materials research institutions with the industrial sector to transfer technological advances in materials processing into commercial products and processes.

Information Technology

The information technology industry has a long history in Dayton. National Cash Register, now known as NCR is a worldwide leader in computer technology and applications. In addition, Reynolds and Reynolds, Lexis-Nexis and a host of other IT companies call the Dayton region home.

Distribution and Warehousing

The worldwide transportation hub for Emery Worldwide shipping 4 million pounds of cargo daily makes the Dayton airport one of the nation's busiest cargo and freight airports. Airborne Express has a major hub in Wilmington (40 miles southeast of Dayton).

Higher Education Opportunities

There are twenty-six institutions of higher education located within a ninety-mile radius of Dayton, providing not only a ready resource of highly qualified professional employees, but also educational programs and interdisciplinary research programs to support area businesses.

Dayton Area Economy

The Dayton business community experienced some local contractions in 2002. Companies such as McCauley Propeller Systems, Delphi, BWXT, International Truck and Engine, and Wright Patterson Air Force Base had large reductions in their work force. The business sector also experienced contractions as firms focused on core business and profitability.

The unemployment rate hit a seasonal high of 6.0% in the summer of 2002. This high of a rate of employment had not been seen in this region since June of 1998. Most of the job losses were in the goods manufacturing area, which saw a reduction of 5,000 jobs.

Some improvements have been made in 2003. The local Chamber of Commerce is expecting a year end average of about 5.7% for 2003 with a more robust business recovery anticipated in late 2003 and early 2004.

MAJOR INITIATIVES

Strategic Plan

The district has adopted a Strategic Plan that guides its efforts for continuous improvement. Contained in this Strategic Plan is the official Mission Statement of the district. The Mission Statement of the district currently states that:

"The mission of the Dayton Public Schools is to guarantee a quality education for every student, every day."

School District Initiatives

Early in the 2001 calendar year, the district's Board and the Superintendent announced four districtwide strategic initiatives to position district students and staff for greater success. The initiatives provide a clear and consistent focus on student achievement, set high expectations for students and staff, and serve as the basis for future district decision-making over the next five years. The district's four strategic initiatives are literacy and mathematics, professional development, student behavior, and accountability. The district has adopted a literacy program to improve the level of reading and writing skills. Over the next five years with this program in place, the district plans to achieve an annual increase of five percent in the number of students who read on grade level by the end of the fourth grade and by the end of the eighth grade. Training in the district's mathematics program has been implemented and will continue. With student achievement as a central focus, professional development will be provided to all district personnel. The Student Code of Conduct has been revised to ensure uniform and consistent enforcement districtwide. The district has implemented alternative learning approaches that meet the needs of students with chronic behavior problems. A primary goal in the area of district accountability is to move out of academic emergency by the 2004-2005 school year. To achieve this, accountability measures will be developed to tie staff performance, in part, to student achievement.

Four new initiatives will be implemented for the next school year. The Equity initiative will ensure all that all students have the resources they need. This initiative calls for tracking

concerns about racial and economic equity. The goal is to flow resources to schools that have particular obstacles such as high poverty rates that hinder efforts to provide instruction of equal quality compared to other district schools. The Parent and Family Involvement initiative is designed to strengthen partnerships between home and school by training volunteers and instituting more parent-school contacts. The Civic Capacity initiative goal is to nurture mutually beneficial school-community relationships. This concept aims to build partnerships with business, civic groups, non-profit organizations, colleges, churches and others in the community to support the district's academic goals. Initial tasks will be to devise a profile for a "successful Dayton Public Schools graduate" and a "strong neighborhood school" that school officials can use to shape future programs. The Organizational Design and Development initiative plans to ensure effective and efficient operations that support district goals. This initiative formalizes efforts to upgrade the district's management approach, promising revised job descriptions, new program manuals and improved accountability. These new measures are meant to enhance the original reform initiatives, rather than replace them.

Comprehensive Improvement Plan

In order to measure against the strategic plan the district has adopted a Comprehensive Improvement Plan (C.I.P.). This C.I.P. helps fulfill the expectation of our community that we continue to provide objective data about student achievement to support school-community planning and decision-making. The leadership of the district is committed to the academic achievement of all students in general and to closing the achievement gap between African American and European American students in particular. To achieve these student achievement goals requires a real commitment to establish a vital curriculum and to structure the resources of the district in ways that maximize the impact of the proposed instructional practices.

The district has been designated as a district in "Academic Emergency" according to the State of Ohio Report Card data. Last year, the district achieved none of the twenty-seven state indicators. However, the district's students made significant improvements in test scores on the Ohio Proficiency Test over the 2002 school year. With the district's current strong focus on reading, writing, mathematics and improving attendance, there is the expectation of additional improvements in 2004.

Many positive initiatives are being infused into the district's focus for improving academic achievement. A major underlying thrust for these initiatives will be the alignment of the curriculum to the State Academic Content Standards. Each content area supervisor, along with key district stakeholders, will engage in curriculum development and design to ensure alignment to state and national standards. In an effort to solidify and broaden the comprehensiveness of the district's focus on improvement, the district's Deputy Superintendent spearheads a Continuous Improvement Planning Committee designed to develop and implement action plans for addressing state aligned district goals and district initiatives.

The district's C.I.P. complies with Ohio's accountability law. It is a public statement of what is important for students in our district to learn. This plan also describes what evidence we are willing to accept to determine that students are learning.

The C.I.P provides a format that enables the district to address significant teaching, learning, and accountability issues facing us. The heart of the plan is composed of "gain targets" that reflect what students are expected to achieve on the 27 performance indicators. Each school has developed a school development plan that outlines areas of concentrated improvement efforts. School plans must address all indicators on the state report card document.

The school improvement planning process has been an annual requirement in the Dayton Public School District since 1993. This process has been aligned with the district's strategic plan. Student test results are disaggregated and analyzed to identify areas of and strategies for improvement. Several types of assessments are used to monitor individual student progress and to assure provision of appropriate instructional strategies.

Results of both district and school improvement plans, supported by administrative work plans of instructional support staff, will be publicly reported.

This financial report is a contribution to the satisfaction of a goal of the Strategic Plan, which is to ensure that the financial resources are aligned with the district objectives

Information Technology Outsourcing and Systems Integration Agreement

The district is in its fourth year of a five-year agreement (three-year base with two one-year options to renew) with Broadwing Information Technology Solutions, dba Cincinnati Bell Technology Systems CBTS, for information technology outsourcing and Systems integration. Broadwing was chosen as the prime vendor to manage the district's entire computing and technology operations.

The scope of work to be delivered to the district is presented in five broad categories including systems management, integration consulting, systems integration options, operations, telecommunications, additional service and technology solutions. The scope of administrative systems support includes core financial applications, human resources, student information systems and network systems. The administrative system consists of a core set of integrated financial application modules including general ledger, budgeting, purchasing, accounts payable, accounts receivable, warehouse management and fixed assets. The administrative system also consists of a set of highly integrated personnel and payroll related application modules such as applicant tracking, personnel records, time and leave accounting, payroll, substitute (reserve) teacher management and position control. Functional components of the student information system include student demographics, enrollment and registration, scheduling, grade reporting, achievement history and transcripts, daily and period attendance, discipline and central database. The network system has replaced the data distribution methods (multi-drop leased lines) employed by the IBM 4381/System 36 configuration with an AS/400 host. The local area network (LAN) infrastructure provides connectivity within administrative offices of each facility on the wide area network (WAN).

The Education Foundation Fund

Ohio Revised Code Section 3315.40 grants to boards of education the authority to establish an education foundation fund. It was the recommendation of the Dayton Board of Education at their December 2, 1992, meeting to establish "The Dayton Public School Fund" to provide significant, long-term financial resources to accelerate and sustain continuous improvement

toward fulfilling the district's mission and vision of excellence. It was also recommended that the Dayton Board of Education, pursuant to Ohio Revised Code Section 3315.41, appoint the Dayton Foundation as fiscal agent.

The education foundation fund has the authority to receive gifts and bequests from private citizens, corporations, estates, the district and other sources, to the extent permitted by law. In June 1999, the district requested and received a release of approximately \$3 million in funds from the Dayton Public School Fund. The district has stated their intent to repay this amount, which is reported as a liability in the accompanying balance sheet.

FINANCIAL INFORMATION

Pursuant to accounting procedures prescribed by the Ohio Revised Code and the Auditor of State, revenues and expenditures are recorded on a budgetary (cash) basis during the fiscal year. The accounting procedures prescribed by the Code are generally applicable to all school districts in Ohio and differ from generally acceptable accounting practices (GAAP) as promulgated by the Governmental Accounting Standards Board pronouncements and the Financial Accounting Standards Board pronouncements. GAAP requires a modified accrual basis of accounting for the governmental funds and a full accrual basis of accounting for proprietary funds, and for each major and aggregated non-major fiduciary funds. GAAP further requires balance sheets for each major and non-major fund, and statements of revenues and expenditures, and changes in fund balances (major and aggregated non-major governmental funds) or statements of revenues, expenses and changes in retained earnings (major and aggregated non-major proprietary funds) and statement of cash flows. GAAP also requires the preparation of a statement of net assets and a statement of activities for the entity's business type and government type activities on the full accrual basis of accounting, and management discussion and analysis of major events and transactions during the year.

Annual financial reports on a budgetary (cash) basis are prepared by the Treasurer and filed with the State Department of Education as required by State statute. The Ohio Auditor of State also requires that the district prepare and publish an annual financial report using generally accepted accounting principles (GAAP). This report is published to fulfill the requirements of the Ohio Auditor of State and therefore includes financial statements prepared using generally accepted accounting principles.

All state and local governments are in the process of changing their financial reporting. The focus is changing from straightforward stewardship reports that include only accountability information to a more corporate-style analysis of the long-term impact of management decisions. This change is mandated by the Governmental Accounting Standards Board Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. The new model calls for financial statements to be integrated with government-wide reporting, enhanced fund reporting and management's discussion and analysis.

This is the second year the district has prepared financial statements following GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. GASB 34 requires new basic financial statements for reporting on the district's financial activities as follows:

Government-wide Financial Statements

These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those activities of the district that are governmental and those that are considered business-type activities.

Fund Financial Statements

These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

Statement of Budgetary Comparisons

These statements present comparisons of actual information to, both the original and final amended, budget legally adopted by the district. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the district. This discussion follows this letter of transmittal, providing an assessment of the district's finances for the 2003 fiscal year and the outlook for the future.

Financial Management System

The Comprehensive Information Management for Schools III, known by the acronym CIMS III, includes the following applications: Financial Management System (FMS); Employee Management System (EMS); Fixed Asset Inventory System (FAS); and Human Resource Management System (HMS).

The FMS and FAS applications were implemented in July 1997 and May 1998, respectively. Due to the specific requirements of the warehouse operation, Gateway warehouse software was chosen and is interfaced with the Financial Management System.

The Financial Management System is a modified double-entry accrual accounting system designed for governmental accounting organizations. The FMS application consists of six integrated modules that share information. These modules include: (1). general ledger, (2). purchasing, (3). receiving, (4). accounts payable, (5). cash disbursements, and (6). cash receipts. This system improved our ability to meet Uniform School Accounting System account code format without the use of conversion tables. It also allows for electronic entry of purchase orders from all buildings district-wide. The addition of the cash receipts module has enhanced our internal controls by providing an electronic cash receipts journal that is integrated with the general ledger.

Fiscal Management

The Treasurer, as chief financial officer of the Dayton Board of Education and the district, is responsible for receiving, maintaining custody, disbursing and properly reporting all funds of the Board.

Budgeting and Appropriations Procedures

If a permanent appropriation measure is not ready for adoption at the beginning of each fiscal year, the Board adopts a temporary appropriation measure to begin that new fiscal year and then by October 1st adopts a permanent appropriation measure for that fiscal year. Permanent appropriation measures may be, and generally are, amended or supplemented during the fiscal year. Annual appropriations may not exceed the County Budget Commission's official estimates of resources. The County Auditor must certify that the Board's appropriation measures, including any supplements or amendments, do not appropriate monies in excess of the amounts set forth in the latest of those official estimates. Certain exceptions are allowed as detailed in the Auditor of State Bulletin 97-012. Therefore, when an agency makes a grant to the district, the amount of the grant is deemed appropriated by the district even though the funds may not be collected or reflected in the estimate of resources during the fiscal year.

Budgetary Controls

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. However, individual cost centers are budgeted at the beginning of the fiscal year and are monitored during the year to ensure budgetary compliance. The district maintains an encumbrance accounting system as one technique of accomplishing budgetary control at the account level. Unencumbered appropriation balances are reviewed prior to the release of purchase orders to ensure funds are available to meet the obligation created by the purchase order. Encumbered amounts at year-end are carried forward to succeeding years and are not reappropriated.

Internal Controls

The management of the district is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the district are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely derived from its implementation; and, (2) the valuation of cost and benefits requires estimates and judgments by management.

Cash Management/Investment Policy

The district has revised its investment policy to update the district's investment options to correspond to changes in state law, including a provision for investment of inactive funds. Fifth Third Bank is serving as master custodian for some deposits. The district has also entered into Investment Management Agreements with the following four major financial institutions: National City Bank, Victory Capital Management, Bank One and Fifth Third Bank.

The district invests in various government securities, certificates of deposit, mutual funds and Star Ohio (State Treasury Investment Pool). The district interprets the limits on Federal guaranteed investments, bankers acceptances, commercial paper and all other legal investments very conservatively. No money of the district has ever been invested in interest-only obligations, reverse-purchase obligations, inverse floater obligations, or other investment vehicles commonly referred to as derivative investments. No moneys of the district are invested in obligations which mature later than the time at which it reasonably expected that the district will need access to the money in order to meet current financial commitments. The Treasurer/CFO has attended special training in all of the investment areas to assure compliance with the conservative investment philosophy of the district. All investments are transacted with banks or other financial institutions operating in the state. The amount of investment income received in fiscal year 2003 for all district funds was \$2,279,370. A more detailed description of the district's investment functions is described in Note 6 to the financial statements.

Risk Management

The district is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2002, the district contracted with Coregis Insurance Company for general liability insurance with a \$2,000,000 single occurrence limit and a \$2,000,000 aggregate. Buildings and contents were covered under Allianz Insurance Company with a \$250,000 deductible.

Electronic data processing equipment was covered under Fireman's Fund Insurance Company with a \$1,000 deductible.

The district's vehicles were covered under a business policy with Coregis Insurance Company for primary coverage. This policy carried deductibles that vary with the type of vehicle, however the physical damage to school buses were self-insured. This policy carries a \$1,000,000 limit for bodily injury and property damage. The district has excess automotive coverage with AGI Midwest Risk Specialists, Inc.) with a \$4,000,000 limit per occurrence. Settled claims have not exceeded this commercial coverage in any of the past seven years. There have not been any significant reductions in insurance coverage from the previous year.

Pursuant to statutes enacted in 1985 and 2003, the liability of political subdivisions, including school districts in Ohio, has been significantly reduced. As a general rule, Ohio law provides that political subdivisions have immunity from liability in damages for injury, death, or loss to persons or property allegedly caused by an act or omission of such political subdivision or its employees in connection with governmental and proprietary functions. However, there are

five areas in which a political subdivision may be held liable for loss. These include the negligent operation of a motor vehicle, negligent performance of proprietary functions, negligent failure to keep public roads in repair, and negligence of employees due to physical defects upon the grounds of the political subdivision. There is a two-year statute of limitations and limits on the damages that can be collected from a political subdivision. Also, no punitive or exemplary damages can be recovered.

The district participated in a retrospective rating plan for workers' compensation for calendar years 1992 and 1993. This plan allowed the district to pay a fraction of the premium it would otherwise pay as an experience related risk. To achieve the reduction in premium, the district agreed to assume a portion of the risk. In prior years, the district established an internal service fund to account for and finance its uninsured risk of loss. In fiscal year 1999, the district decided to merge the internal service fund with the general fund for financial reporting purposes. The liability for this is included within the governmental activities on the Statement of Net Assets.

For calendar years 1994 through 2003, the district returned to the workers' compensation experience based rating program and is charged a rate per \$100 of salaries.

The district is self-insured for dental claims for its employees. During fiscal year 1999, an internal service fund was created for this purpose. Mutual Health Insurance Company is the third party administrator that provides claims administration and payment services for the majority of the district's employees. The district hired an actuary this year to review the reserves in this fund to ensure that sufficient reserves are being maintained to cover future claims as required by Ohio Revised Code, Section 9.833.

OTHER INFORMATION

Independent Audit

The district elected to have Betty Montgomery, the Auditor of State, as the district's independent auditor for fiscal year 2003. The Independent Accountants' Report is included in the Financial Section of this report.

AWARDS

GFOA Certificate of Achievement

The Governmental Finance Officers Association of the United States and Canada is a nonprofit association serving approximately 14,000 governmental finance professionals. For the eleventh consecutive year, Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the district for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2002. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. This honor is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such a CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid only for a period of one year. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

ASBO Certificate of Excellence

The Association of School Business Officials International, a professional organization founded in 1910, also presented the district with a Certificate of Excellence in Financial Reporting Award for the preparation and issuance of the fiscal year 2002 school system comprehensive annual financial report. This award is granted only after an intensive review of the financial report by an expert ASBO Panel of Review consisting of certified public accountants and practicing school business officials. Receiving this award is recognition that a school system has met the highest standards of excellence in school finance reporting.

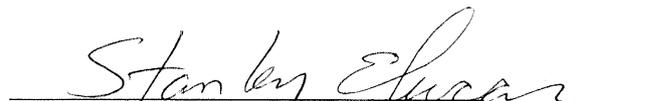
A certificate of excellence is valid for one year only. We believe our current report continues to conform to the standards set by the ASBO Panel of Review, and we are submitting it to ASBO to determine its eligibility for another award.

ACKNOWLEDGMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated services of the staff of the Treasurer's Office. We want to express our appreciation to all that assisted and contributed to its preparation. A special note of appreciation is extended to the employees of Clark, Schaefer, Hackett & Co. for their consultant services. We would like to acknowledge all members of the Board who have expressed their interest and support in planning and conducting the financial operations of the district in a fiscally responsible, professional and progressive manner.



Percy A. Mack Ph.D.
Superintendent



Stanley E. Lucas
Treasurer and Chief Financial Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Dayton City
School District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2002

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

The logo of the Association of School Business Officials International (ASBO International) is a circular emblem. It features the letters "ASBO" in a stylized, bold font in the center. The words "ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL" are written around the perimeter of the circle, with a small registered trademark symbol (®) at the bottom.

This Certificate of Excellence in Financial Reporting is presented to

DAYTON CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2002

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

A handwritten signature in black ink, appearing to read "B. Anaya", written in a cursive style.

President

A handwritten signature in black ink, appearing to read "C. Miller", written in a cursive style.

Executive Director

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO

BOARD MEMBERS-ELECTED OFFICIALS
June 30, 2003

<u>Name</u>	Began Service as a Board Member <u>January 1</u>	Term Expires <u>December 31</u>
Gail A. Littlejohn J.D., President	2002	2005
L. Anthony Hill, Vice President	2000	2007
Ann Marie Gallin	2000	2007
E. Doniece Gatliff	2002	2005
Yvonne V. Isaacs	2002	2005
Clayton Luckie II	1996	2007
Tracy L. Rusch Ph.D	2002	2005

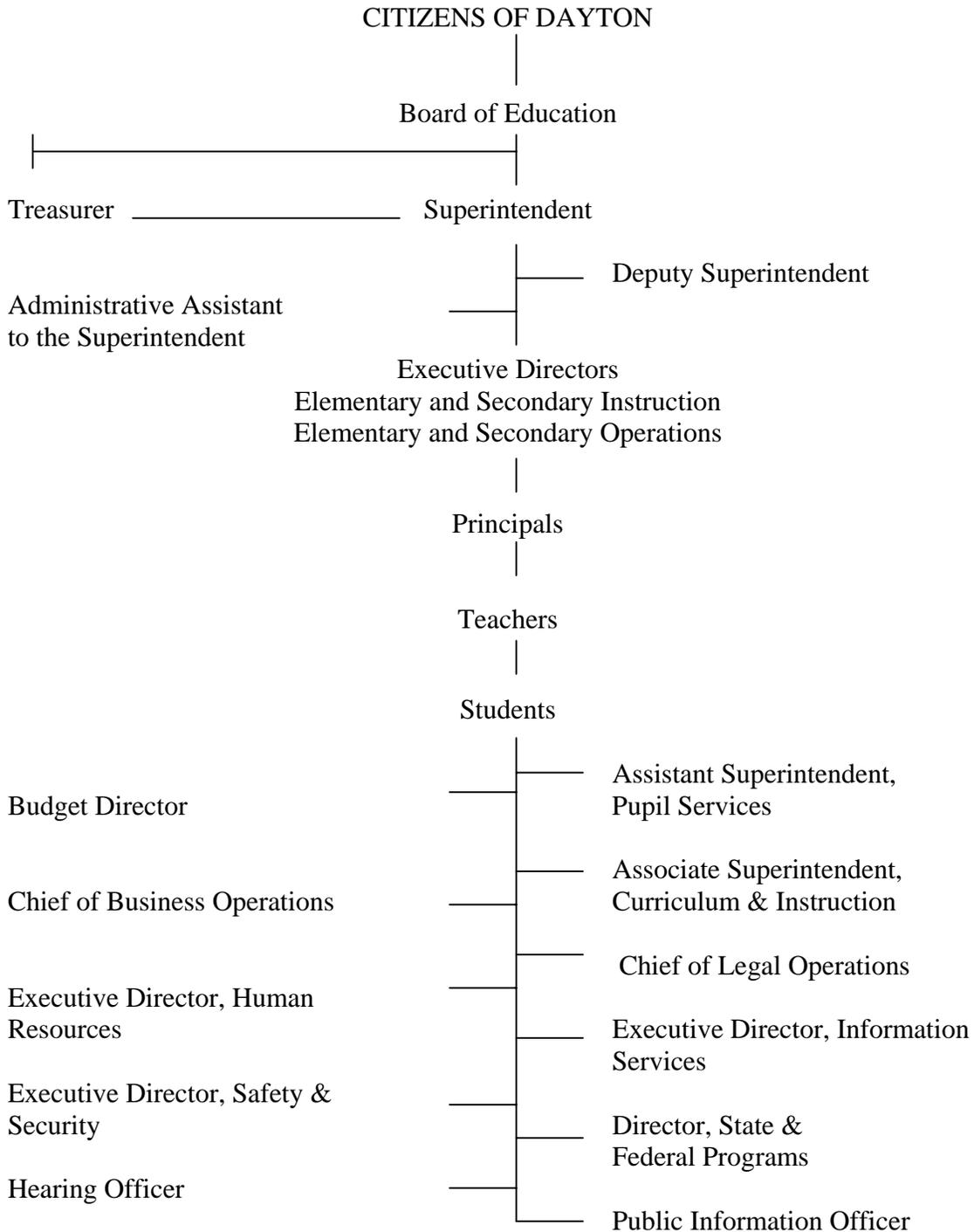
DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO

EXECUTIVE CABINET MEMBERS
June 30, 2003

Percy A. Mack, Ph.D.	Superintendent
Stanley E. Lucas	Treasurer
Debra A. Brathwaite	Deputy Superintendent
Deborah Bergeron	Executive Director, Elementary Operations
Michal Gray	Director, State & Federal Programs
Lloyd D. Martin, Ph.D.	Executive Principal, Region 1
Robyn Essman	Budget Director
E. Jean Hutson	Hearing Officer
Cheryl S. Johnson	Executive Director, Elementary Instruction
Marlea J. Jordan Gaskins, Ed.D.	Executive Director, Secondary Instruction
C. Benjamin Kirby	Executive Director, Safety & Security
John F. Lenehan	Chief of Legal Operations
Jill Moberley	Public Information Officer
Stacia A. Smith, Ph.D.	Associate Supt., Curriculum & Instruction
Michael A. Sullivan	Chief of Business Operations
M. Edward Sweetnich	Executive Director, Human Resources
Lori Ward	Executive Director, Information Services
Colleen S. Wells	Administrative Assistant to the Superintendent
Janice M. West	Assistant Superintendent, Pupil Services

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO

ORGANIZATIONAL CHART
June 30, 2003



DAYTON  N

PUBLIC SCHOOLS

FINANCIAL SECTION

This Page is Intentionally Left Blank.



**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Dayton City School District
Montgomery County
115 South Ludlow Street
Dayton, Ohio 45402-1812

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Dayton City School, Montgomery County, Ohio (the District), as of and for the year ended June 30, 2003, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District'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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Dayton City School District, Montgomery County, Ohio, as of June 30, 2003, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2003, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. 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.

We conducted our audit to form opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables are presented for additional analysis and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

December 23, 2003

DAYTON CITY SCHOOL DISTRICT
Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

The discussion and analysis of the Dayton City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2003. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2003 are as follows:

Overall:

- Total net assets increased \$17.0 million, which represents 15.4 percent increase from fiscal year 2002. The increase is attributable to the School District receiving additional tax and intergovernmental revenues, however the amount is offset by reductions in the State Fund system for the School District.
- Total assets of governmental activities increased by \$389.1 million, attributed almost exclusively to the to the issuance of several debt instruments during fiscal year 2003 to provide financing for capital projects. The increase in total assets is offset by the increase in liabilities of \$372.1 million for the same period.
- General revenues accounted for \$228.4 million or 84 percent of total revenue. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions account for \$42.9 million or 16 percent of total revenues of \$271.3 million.
- The \$29.7 million unreserved, undesignated ending fund balance reported in the General Fund represents 16 percent of the total General Fund expenditures reported for fiscal year 2003.
- Total ending fund balance reported for governmental funds at June 30, 2003 was \$353.1 million, an increase of \$274.9 million in comparison with the prior year. Of this total approximately \$23.4 million is reported as reservation of fund balance to indicate that it has already been committed and an additional \$300 million is reported in special revenue, debt service and capital projects funds and must be used for those specific purposes. The remaining fund balance of \$29.7 million is unreserved and available for spending at the discretion of the School District.
- During fiscal year 2003, the School District issued several various debt instruments to provide financing for the school facilities construction project including, \$99.5 million of general obligation bonds, \$10 million of Qualified Zone Academy Bonds, \$93.5 million of bond anticipation notes and \$151.6 million of bond anticipation bonds. All of these issues were outstanding at year-end.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Dayton City School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregated view of the School District's finances and a longer-term view of those statements. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds, major funds, with all other nonmajor funds presented in total in one column. In the case of Dayton City School District, the General, Bond Retirement and Classroom Facilities Funds are reported as major funds.

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains a large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2003?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, the School District reports governmental activities. Governmental activities are the activities where most of the School District's programs and services are including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities. The School District does not have any business-type activities; the internal service fund type is reported within the governmental activities of the School District.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 18. Fund financial reports provide detailed information about each major fund. The major funds of the School District include the General Fund, Bond Retirement Debt Service Fund and Classroom Facilities Capital Projects Fund. The School District uses many funds to account for a multitude of financial transactions. However, these funds financial statements focus on the School District's most significant funds, and therefore only the major funds are presented separate from the other governmental funds.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the School District as a whole. In the case of the Dayton City School District, assets exceeded liabilities by \$127.1 million at June 30, 2003.

Table 1 provides a summary of the School District's net assets for 2003 compared to 2002:

TABLE 1
Net Assets (in 000's)

	<u>2003</u>	<u>2002</u>
<i>Assets</i>		
Current and Other Assets	\$ 578,749	\$ 192,523
Capital Assets	<u>22,750</u>	<u>19,898</u>
Total Assets	<u>601,499</u>	<u>212,421</u>
<i>Liabilities</i>		
Long-Term Liabilities	277,682	9,425
Other Liabilities	<u>196,747</u>	<u>92,902</u>
Total Liabilities	<u>474,429</u>	<u>102,327</u>
<i>Net Assets</i>		
Invested in Capital Assets, Net of Debt	17,935	18,343
Restricted	64,510	46,277
Unrestricted	<u>44,625</u>	<u>45,474</u>
Total Net Assets	\$ <u>127,070</u>	\$ <u>110,094</u>

Total assets reported at June 30, 2003 are \$389.1 million higher than the total assets reported at the end of fiscal year 2002. However, essentially all of the increase is attributed to the issuance of several debt instruments during fiscal year 2003 to provide financing for capital projects. The School District issued \$354.6 million of bonds and notes in conjunction with the school facilities construction project. This project includes the construction of 34 new school buildings and the renovation of certain current facilities. As of June 30, 2003 only a little over \$3.5 million of construction expenditures had been incurred, therefore, unspent debt proceeds account for approximately \$350 million of the increase in total assets.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

Additional revenues in conjunction with the project, such as local taxes and intergovernmental grants, were received during, and remained unspent at the end of, fiscal year 2003 significantly contributed to the increase in total assets as well as accounting for virtually all of the increase in net assets restricted at year end.

Unrestricted net assets, those that are available for future use as directed by the Board of Education and the School District's management, decreased by approximately \$849,000 from the amount reported at the end of the previous fiscal year. The decrease was caused by recognizing additional restrictions on net assets.

Table 2 shows the key components in the changes in net assets for fiscal year ended June 30, 2003.

TABLE 2
Change in Net Assets (in 000's)

	<u>2003</u>	<u>2002</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 5,390	\$ 5,358
Operating Grants and Contributions	36,363	36,466
Capital Grants and Contributions	1,105	3,127
General Revenues:		
Property Taxes	89,557	76,990
Grants and Entitlements	130,643	144,182
Other	<u>8,175</u>	<u>4,447</u>
Total Revenues	<u>271,233</u>	<u>270,570</u>
Program Expenses		
Instruction	104,714	103,238
Support Services:		
Pupils and Instructional Staff	25,586	22,534
Board of Education, Administration, Fiscal and Business	24,468	20,560
Plant Operation and Maintenance	21,879	20,656
Pupil Transportation	14,803	14,701
Central	14,064	11,867
Operation of Non-Instructional Services	13,578	13,625
Extracurricular Activities	1,737	1,621
Intergovernmental	31,108	19,319
Unallocated Depreciation	1,143	410
Interest and Fiscal Charges	<u>1,178</u>	<u>146</u>
Total Expenses	<u>254,258</u>	<u>228,677</u>
Increase in Net Assets	\$ <u>16,975</u>	\$ <u>41,893</u>

During fiscal year 2003, total net assets increased by \$17 million or \$24.9 million less than the increase in net assets realized in fiscal year 2002. The significant difference between the changes in net assets realized in the two years can be attributed to the School District receiving \$32 million one-time payment in fiscal year 2002 to settle a long-standing desegregation suit. These one-time payments from the State of Ohio also help explain the decrease in the intergovernmental component of general revenues realized in fiscal year 2003 when compared to fiscal year 2002. Additional State grants related to the school facilities construction project received during fiscal year 2003 partially offset the decrease.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

Property tax revenue recognized in fiscal year 2003 increased by \$12.5 million over the prior year. Collection of property taxes generated by levies approved by voters in November 2002 began in calendar year 2003. Therefore, approximately \$8.6 million of the additional tax revenue is associated with these additional levies that were not collected during fiscal year 2002. The additional tax levies are being collected for debt service, capital projects and future maintenance of the new school facilities being constructed. Additional tax levies for general operations were realized as the underlying appraised value of property in the School District increased.

Despite the increase realized in property tax revenue, the School District remains extremely dependent upon intergovernmental revenues provided by the State of Ohio and the federal government. Approximately 62 percent of the School District's total revenue was received from intergovernmental sources during fiscal year 2003.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services for fiscal year 2003 as compared to those recorded in fiscal year 2002. Net cost of services provided identifies the cost of these services supported by general revenues, including tax revenue and unrestricted state entitlements.

TABLE 3
Total and Cost of Program Services
Governmental Activities (in 000's)

	2003		2002	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 104,714	\$ 89,904	\$ 103,238	\$ 90,572
Support Services:				
Pupils and Instructional Staff	25,586	17,634	22,534	12,471
Board of Education, Administration, Fiscal and Business	24,468	19,946	20,560	17,401
Plant Operation and Maintenance	21,879	21,753	20,656	18,291
Pupil Transportation	14,803	14,120	14,701	14,189
Central	14,064	12,581	11,867	10,578
Operation of Non-Instructional Services	13,578	801	13,625	(393)
Extracurricular Activities	1,737	1,232	1,621	742
Intergovernmental	31,108	31,108	19,319	19,319
Unallocated Depreciation	1,143	1,143	410	410
Interest and Fiscal Charges	<u>1,178</u>	<u>1,178</u>	<u>146</u>	<u>146</u>
Total Expenses	\$ <u>254,258</u>	\$ <u>211,400</u>	\$ <u>228,677</u>	\$ <u>183,726</u>

Negotiated wage increases and significantly higher cost associated with providing employees health insurance benefits account for the increases reported for the majority of the functions. Additional increases in expenses include:

- Additional pupil and instructional support cost associated with providing additional special education programs, as well as using support staff to supplement teaching personnel throughout the School District.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

- Additional administrative and fiscal expenses were recorded in fiscal year 2003 associated with the supervision of the school facilities construction project, including additional personnel, consulting services, and non-capitalized debt issuance costs. In addition, in fiscal year 2002 workers' compensation rates were reduced by the State of Ohio, however, there were no such reductions for rates in fiscal year 2003. As a result, the expense for workers' compensation is approximately \$1.9 million higher in fiscal year 2003 as compared to fiscal year 2002.
- Increased expenses recorded in the central support services function is attributed increase spending in the Disadvantage Pupil Impact Aid program related to the central planning and supervision activities for special education programs.
- There was a significant increase in the amount of funding the School District must pay out to community charter schools. This amount is reported within the intergovernmental function reported in the Statement of Activities. For each pupil, who is eligible to attend Dayton City School District, that attends a community charter school, the School District must pay the State determined per pupil funding amount. This not only includes the State funding portion, but a portion of local revenues as well.
- Increased depreciation expense was realized in fiscal year 2003 due to expensive additions and renovations made to facilities during fiscal year 2002. Accrued interest payable related to bond anticipation notes accounts for the significant increase in interest and fiscal charges.

The percentage of functional expenses covered by program revenues was relatively consistent from fiscal year 2002 to fiscal year 2003.

The School District's Funds

The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Total ending fund balance reported for governmental funds at June 30, 2003 was \$353.1 million, an increase of \$274.9 million in comparison with the prior year. Approximately \$192.1 million of the ending fund balance is reported in funds associated with the school facilities construction project. Another \$108.7 million is reported in the debt service fund to be used to pay debt obligations as they become due. There was \$23.4 million reported as reservation of fund balance to indicate that it is already committed and not available for spending. The remaining fund balance is unreserved and available for spending at the discretion of the School District.

The General Fund is the operating fund of the School District. At June 30, 2003, the ending fund balance of the General Fund was approximately \$41 million of which, \$29.7 million was unreserved and undesignated. The \$29.7 million unreserved, undesignated ending fund balance represents 16 percent of the total General Fund expenditures reported for fiscal year 2003. The \$4.5 million increase in the General Fund balance from fiscal year 2002 can be attributed primarily to the \$3.0 million capital lease entered into during the year, which is reported as an other financing source in governmental funds.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

The increase in fund balances for the other two major funds of the School District are directly related to the school facilities construction project. The Bond Retirement Fund received property taxes and proceeds from the sale of bonds and notes to accumulate resources to pay debt service requirements as they come due. The Classroom Facilities Fund's increase was the result of intergovernmental grant revenue as well as proceeds from the sale of bonds to finance the construction project. At June 30, 2003 there had been minimal expenditures made in conjunction with the construction project.

General Fund Budgeting Highlights

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2003, the School District amended its general fund budget numerous times, none significant. As the School District received the unexpected cash receipts from the State of Ohio, it was necessary to adjust estimated resources and appropriations. Other revenue and expenditure line items were also reviewed.

For the General Fund, budget basis revenue was \$188.2 million as compared to the original budget estimates of \$183.4 million. This difference included tax revenues initially budgeted at \$81.6 million with budget basis revenues coming in at \$78.2 million. Increase delinquencies in paying property taxes attributes for the majority of the difference. Intergovernmental revenue was significantly higher than the original budget amount however projecting revenue to be received under the current State formula is difficult and subject to many changes throughout the year.

Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$157.6 million, just \$1.1 million below original and final budget estimates, respectively.

Capital Assets

At the end of fiscal year 2003, the School District had \$52.4 million invested in land, buildings, furniture and equipment, and vehicles in governmental activities.

The State of Ohio has determined that most of our school buildings are in need of remodeling or replacement based on the age and condition of the structures. A statewide revitalization program, which operates under the direction of the Ohio Schools Facilities Commission (established through Senate Bill 272) uses resources from state bond funds and the tobacco settlement funds to match local dollars so that eligible districts can remodel or rebuild their capital assets. The project is currently in the planning phase, however, certain costs including architectural and engineering services totaling \$4.0 million was capitalized as construction in progress at June 30, 2003. The overall cost of the construction project is estimated at \$625 million with construction over the next ten years.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

Table 4 shows fiscal year 2003 balances compared to those of fiscal year 2002:

Table 4
Capital Assets at June 30 (in millions)

	<u>2003</u>	<u>2002</u>
Land and Improvements	3.3	3.3
Building and Improvements	28.2	28.2
Equipment	7.6	7.2
Vehicles	9.3	10.1
Construction in Progress	4.0	-
Less: Accumulated Depreciation	<u>(29.7)</u>	<u>(28.9)</u>
Totals	<u>22.7</u>	<u>19.9</u>

Overall capital assets increased approximately \$2.8 million from fiscal year 2002. Increases in capital assets (primarily construction in progress associated with the school facilities program and equipment) were offset by depreciation expense for the year.

Additional capital asset purchase in fiscal year 2003 includes equipment totaling \$1.1 million consisting primarily of computer equipment at various school buildings.

Additional information on the School District's capital assets can be found in Note 9 to the basic financial statements.

Debt Administration

At the beginning of fiscal year 2003, the School District did not have any bond debt, however, during the course of the fiscal year, the School District issued several debt obligations associated with the construction project including:

- \$99.5 million in general obligations school facilities construction and improvement bonds.
- \$10.0 million in Qualified Zone Academy Bonds for renovations to Stivers Middle School and the creation of an Arts program in Dayton. These bonds bear no interest and payment of the entire principal is due at the maturity date of December 30, 2016.
- Approximately \$245.1 million of bond anticipation notes and bonds issued in anticipation of the sale of long-term bonds. These bonds have subsequently been issued and the anticipation notes and bonds have been settled.

DAYTON CITY SCHOOL DISTRICT
Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

The School District maintains a "Aaa" rating from Moody's, "AAA" rating from Standards and Poor's and Fitch for general obligation debt.

At June 30, 2003, the School District's overall legal debt margin was \$95.0 million and the unvoted debt margin was \$2.2 million.

Additional information on the School District's long-term obligations can be found in Note 14 to the basic financial statements.

For the Future

Funding for the District's educational programs continue to be an issue. The State of Ohio, like most state and local governments, has been in a fiscal crisis due to the downturn of our nation's economy over the past few years. In order to help balance their budget the State of Ohio has cut funding across the board including education. In fiscal year 2003, the State of Ohio cut our basic aid by \$1.1 million dollars. The announcement of the cut in funding was made late in the fiscal year, therefore there was not sufficient time to make any significant changes in programs to reduce our operating costs for the year.

The State of Ohio also has made funding changes for fiscal year 2004 and beyond that will result in less state aid per the provisions of Am.Sub. HB95. The following are some of the major funding reductions made by the 125th Ohio General Assembly: (1) For FY04 the scheduled 2.8% increase in the per pupil foundation level was reduced to 2.2% to give a level of \$5,058 per student. This was increased by 2.2% to \$5,169 per student for FY05 instead of the scheduled \$5,230, (2) Parity Aid continued its phase in with the percentage of the calculated amount going from 40% of full funding in FY03 to 58% in FY04 and 76% in FY05. It was originally scheduled for 60% in FY04 and 80% in FY05, (3) The district's per pupil parity aid amount times the number of community school pupils will be transferred to the community school that the resident pupil attends.

A reduction in tangible tax revenues has also been a problem for the District. One reason has been the decline in personal property tax values reported on personal property tax returns. No doubt these declining values are reflective of the reduced business activity. In times of economic downturn, inventories are reduced and facilities are closed. Also a factor impacting tangible tax revenue has been the reduction of the inventory assessment rate. The assessment for inventories used in business was 25%. Beginning in January 2002, the assessment percentage applicable to inventory is reduced by one or two percentage points per year until it reaches zero. Also, starting in December 2003, the State of Ohio will be phasing out the tangible personal property \$10,000 exemption reimbursement over the next ten years.

To help offset some of these lost revenues the District's Board on April 1, 2003 approved the closing of five elementary schools effective the end of the school year in fiscal year 2003. The Board also approved the consolidation of the administrative offices, which lead to the purchase of an established office building located downtown in Dayton, Ohio. In order to finance the purchase of the administration building, the District issued Certificates of Participation in the amount of \$16.3 million dollars on August 12, 2003. The Certificates mature at various times over the next twenty-six years. The annualized savings including both personnel and operating costs from the school building closings are approximately six million. The savings from the consolidation of the administration buildings in operating costs is estimated at \$1.3 million in fiscal year 2004 and \$2.3 million a year thereafter. The District plans to sell two of the former administration buildings and the school buildings that will not be rebuilt.

DAYTON CITY SCHOOL DISTRICT
Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

As a result of these major financial initiatives the District plans to end fiscal year 2007 with an unreserved cash balance of \$13.3 million and \$4.2 million in fiscal year 2008 for the General Fund and the D.P.I.A. fund combined. The projected operating savings are an integral part of the District's long-term financial plan in that it provides cash necessary to fund fiscal years 2004 through 2006 even though expenditures continue to exceed revenues in every year of our five year forecast.

At the end of fiscal year 2007 it will have been 15 years since the District requested an operating levy from the community. Given our projected cash balances for fiscal years 2007 and 2008, a determination will have to be made for the necessary of an operating levy sometime around fiscal year 2007.

Therefore, there are no immediate plans to ask the voters for an operating levy. There was outstanding support from the local citizens and business community for the bond and maintenance levy in November 2002. While long-range financial projections indicate a need for an operating levy in the near future, there is also a realization that an additional tax levy would place a financial strain on our local citizenry given the current economic conditions and income levels of the local community. Therefore, the School District will try to maintain financial stability through additional operating efficiencies as long as possible.

On a positive note, as a result of the Ohio Supreme Court's decision regarding the State's funding plan for schools to be unconstitutional, the State has increased funding through their Parity Aid Program. The School District received \$4.5 million in FY03 as a result of the new Parity Aid Program, and is projecting to receive \$7.1 million in FY04. Under the current plan the Parity Aid will approximately double each year until fully funded in FY06.

On December 11, 2002 the Ohio Supreme Court issued its latest opinion regarding the State of Ohio's funding plan. The Supreme Court ruled once again that the State's school funding plan is unconstitutional, but ended its control without prescribing a solution or ordering state officials back to the court. The Court did direct the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient. The Court did not indicate any enforcement measures to insure that the state administration overhauls the current system. Therefore, as of the date of these financial statements, the District is unable to determine the future impact of this decision on State funding and on its financial operations

The ever-increasing enrollment in community schools has proven challenging for the School District. From the meager \$298,935 cost in FY1999, the obligation grew to 93 times that in FY2003, reaching just under \$28 million, with an estimated growth in FY2004 to over \$32 million. Based on historical enrollment trends the District expects enrollment to begin to stabilize during fiscal year 2005. The loss of these dollars coupled with the mandate to provide transportation at the School District's expense has had a tremendous impact on the financial picture. The School District's responsibility is to make the necessary adjustments to work within the confines of the projected financial picture. The ability to react to the community school impact is hindered by the lack of solid enrollment data until after the new school year has begun which is several months away for next year.

To react strongly, as in closing facilities during the school year, would negatively impact the educational process further exacerbating academic achievement. It is hoped that the new academic programs in mathematics and literacy, better enforcement of student behavior including alternative learning choices and new and remodeled buildings, that the District will attract more students. With the return to neighborhood schools and the new school buildings, there is also an expectation that neighborhoods will recover and more

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

people will choose to live in the School District. No doubt these changes will take time to be effective, therefore the short-term prospects for additional enrollment remains remote. Until then, the School District will continue to make spending reductions to offset the increases in the community school obligation.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Treasurer's Office at Dayton City School District, 115 South Ludlow Street, Dayton, Ohio 45402 or call (937) 542-3018.

DAYTON  N

PUBLIC SCHOOLS

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

STATEMENT OF NET ASSETS
JUNE 30, 2003

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 444,035,148
Receivables:	
Property and other taxes	102,234,709
Accounts	154,197
Intergovernmental	11,981,802
Accrued Interest	623,954
Inventory of supplies and materials	278,595
Inventory held for resale	1,072,760
Prepaid items	568,592
Cash and cash equivalents with fiscal agents	3,597,225
Deferred Charges	1,149,672
Restricted Assets:	
Equity in pooled cash and cash equivalents	13,051,818
Depreciable capital assets, net	15,430,514
Non-depreciable capital assets	7,319,722
 Total Assets	 601,498,708
Liabilities:	
Accounts payable	4,716,553
Accrued wages and benefits payable	7,099,371
Intergovernmental payable	7,171,482
Accrued interest payable	1,044,083
Bond anticipation notes payable	93,500,000
Matured compensated absences	508,634
Claims payable	328,358
Deferred revenue	82,378,409
Long Term Liabilities:	
Due within one year	152,578,895
Due in more than one year	125,102,810
 Total Liabilities	 474,428,595
Net Assets:	
Invested in capital assets, net of related debt	17,935,291
Restricted for:	
Special revenue	9,774,662
Capital projects	37,743,479
Debt service	9,039,504
Other purpose	7,951,818
Unrestricted	44,625,359
 Total Net Assets	 127,070,113

See accompanying notes to the basic financial statements.

DAYTON  N

PUBLIC SCHOOLS

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2003

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for services & sales	Operating grants and contributions	Capital grants and contributions	Total Governmental Activities
Governmental Activities:					
Instruction:					
Regular	64,776,618	635,993	530,926	-	(63,609,699)
Special	31,652,841	277,781	11,555,925	-	(19,819,135)
Vocational	6,436,224	-	723,518	-	(5,712,706)
Adult/Continuing	1,026,475	331,971	752,845	-	58,341
Other	821,378	-	-	-	(821,378)
Support Services:					
Pupils	11,475,516	1,700	2,964,742	-	(8,509,074)
Instructional staff	14,111,108	-	4,985,776	-	(9,125,332)
Board of education	331,687	-	-	-	(331,687)
Administration	16,318,592	-	4,521,434	-	(11,797,158)
Fiscal	5,258,782	-	-	-	(5,258,782)
Business	2,558,549	-	-	-	(2,558,549)
Operation and maintenance of plant	21,879,322	-	126,391	-	(21,752,931)
Pupil transportation	14,803,426	344,802	-	338,300	(14,120,324)
Central	14,063,768	-	716,866	766,340	(12,580,562)
Operation of non-instructional services	13,577,536	3,292,153	9,484,512	-	(800,871)
Extracurricular activities	1,737,120	505,541	-	-	(1,231,579)
Intergovernmental	31,107,656	-	-	-	(31,107,656)
Interest and fiscal charges	1,178,038	-	-	-	(1,178,038)
Unallocated depreciation *	1,142,910	-	-	-	(1,142,910)
Total Governmental Activities	254,257,546	5,389,941	36,362,935	1,104,640	(211,400,030)
General Revenues:					
Property taxes levied for:					
General purposes					
80,978,470					
Debt service					
7,662,684					
Capital projects					
457,970					
Other purposes					
457,970					
Grants and entitlements not restricted to specific programs					
130,643,396					
Investment earnings					
3,193,064					
Miscellaneous					
4,982,301					
Total General Revenues					
228,375,855					
Changes in net assets					
16,975,825					
Net assets at beginning of year (see note 3)					
110,094,288					
Net assets at end of year					
127,070,113					

* - This amount excludes the depreciation that is included in the direct expense of the various functions.

See accompanying notes to the basic financial statements.

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMBINED BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2003

	General Fund	Bond Retirement	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 40,161,844	\$ 108,714,223	\$ 241,599,125	\$ 51,854,186	\$ 442,329,378
Cash and Cash Equivalents:					
With Fiscal Agent	3,000,000	-	-	597,225	3,597,225
Receivables:					
Taxes - Current	75,750,275	6,698,897	-	1,118,881	83,568,053
Taxes - Delinquent	17,165,269	1,341,791	-	159,596	18,666,656
Accounts	126,022	-	-	28,175	154,197
Intergovernmental	106,384	-	-	11,875,418	11,981,802
Interest	-	-	-	5,103	5,103
Interfund	-	-	-	3,000,000	3,000,000
Accrued Interest	54,311	25,783	538,757	-	618,851
Due from Other Funds	1,455,967	-	-	12,861	1,468,828
Prepaid Items	565,786	-	-	2,806	568,592
Inventory of Supplies and Materials	278,595	-	-	-	278,595
Inventory Held for Resale	-	-	-	131,638	131,638
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	7,951,818	-	5,100,000	-	13,051,818
Total Assets	<u>\$ 146,616,271</u>	<u>\$ 116,780,694</u>	<u>\$ 247,237,882</u>	<u>\$ 68,785,889</u>	<u>\$ 579,420,736</u>
<u>Liabilities and Fund Balances:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$ 2,264,466	\$ -	\$ 3,120	\$ 2,378,001	\$ 4,645,587
Accrued Wages and Benefits	5,599,185	-	-	1,500,186	7,099,371
Accrued Interest Payable	-	-	783,062	261,021	1,044,083
Intergovernmental Payable	2,343,006	-	-	451,790	2,794,796
Interfund Payable	3,000,000	-	-	-	3,000,000
Due to Other Funds	4,783	-	-	1,464,045	1,468,828
Deferred Revenue	92,038,300	7,808,759	538,757	11,889,920	112,275,736
Compensated Absences Payable	399,896	-	-	108,738	508,634
Bond Anticipation Notes Payable	-	-	69,686,361	23,813,639	93,500,000
Total Liabilities	<u>105,649,636</u>	<u>7,808,759</u>	<u>71,011,300</u>	<u>41,867,340</u>	<u>226,337,035</u>
<u>Fund Balances:</u>					
<u>Reserved for:</u>					
Encumbrances	2,145,323	-	3,230,166	5,517,696	10,893,185
Supplies Inventory	278,595	-	-	131,638	410,233
Property Taxes	931,555	231,929	-	26,160	1,189,644
Long Term Receivable	-	-	-	3,000,000	3,000,000
Textbook and Instructional Material	651,818	-	-	-	651,818
Contingencies	7,300,000	-	-	-	7,300,000
<u>Unreserved, Undesignated:</u>					
General Fund	29,659,344	-	-	-	29,659,344
Special Revenue Funds	-	-	-	900,566	900,566
Debt Service Fund	-	108,740,006	-	-	108,740,006
Capital Projects Funds	-	-	172,996,416	17,342,489	190,338,905
Total Fund Balances	<u>40,966,635</u>	<u>108,971,935</u>	<u>176,226,582</u>	<u>26,918,549</u>	<u>353,083,701</u>
Total Liabilities and Fund Balances	<u>\$ 146,616,271</u>	<u>\$ 116,780,694</u>	<u>\$ 247,237,882</u>	<u>\$ 68,785,889</u>	<u>\$ 579,420,736</u>

See accompanying notes to the basic financial statements

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2003

Total Governmental Fund Balances:		\$ 353,083,701
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		22,686,727
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		29,897,327
Bond issuance costs associated with bonds payable, are recorded as a deferred charged on the accrual basis but are not reported in the funds.		1,149,672
Internal service funds are used by management to charge the costs of operating the central warehouse and providing dental insurance to the individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets.		2,461,149
Long-term liabilities which are not due and payable in the current period and therefore are not reported in the funds.		
Long-term notes payable	(151,555,000)	
General obligation bonds	(109,500,000)	
Premium on G.O. bonds	(4,426,561)	
Compensated absences	(8,445,080)	
Intergovernmental payable	(4,376,686)	
Capital leases payable	(3,755,064)	
Claims payable	(150,072)	
Total		<u>(282,208,463)</u>
Net Assets of Governmental Activities		<u>\$ 127,070,113</u>

See accompanying notes to the basic financial statements

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	General Fund	Bond Retirement	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 77,547,817	\$ 6,320,893	\$ -	\$ 756,344	\$ 84,625,054
Intergovernmental	103,500,755	799,498	8,500,000	52,808,408	165,608,661
Interest	1,180,666	952,827	232,876	228,524	2,594,893
Tuition and Fees	961,774	-	-	47,406	1,009,180
Rentals	515,497	-	-	-	515,497
Charges for Services	238,482	-	-	3,332,611	3,571,093
Gifts and Donations	34,601	-	-	2,785	37,386
Extracurricular Activities	-	-	-	809,668	809,668
Miscellaneous	3,255,545	-	-	1,211,259	4,466,804
Total Revenues	187,235,137	8,073,218	8,732,876	59,197,005	263,238,236
Expenditures:					
Current:					
Instruction:					
Regular	52,629,511	-	-	12,238,355	64,867,866
Special	19,033,371	-	-	12,507,820	31,541,191
Vocational	5,768,475	-	-	715,489	6,483,964
Adult/Continuing	422,710	-	-	589,196	1,011,906
Other Instruction	821,378	-	-	-	821,378
Support Services:					
Pupils	7,093,859	-	-	4,377,510	11,471,369
Instructional Staff	8,264,524	-	-	5,662,301	13,926,825
Board of Education	333,427	-	-	-	333,427
Administration	11,408,845	-	-	4,705,285	16,114,130
Fiscal	2,805,324	1,491,833	296,272	235,916	4,829,345
Business	1,710,707	-	-	-	1,710,707
Plant Operation and Maintenance	20,327,085	-	-	1,577,770	21,904,855
Pupil Transportation	14,291,139	-	-	31,903	14,323,042
Central	6,972,331	-	-	6,932,735	13,905,066
Non-Instructional Services	-	-	-	13,429,431	13,429,431
Extracurricular Activities	860,820	-	-	849,290	1,710,110
Capital Outlay	286,565	-	3,266,870	1,249,334	4,802,769
Intergovernmental	31,107,656	-	-	-	31,107,656
Debt Service:					
Principal Retirement	429,842	-	-	370,529	800,371
Interest and Fiscal Charges	113,791	-	783,062	281,185	1,178,038
Total Expenditures	184,681,360	1,491,833	4,346,204	65,754,049	256,273,446
Excess of Revenues Over(Under) Expenditures	2,553,777	6,581,385	4,386,672	(6,557,044)	6,964,790
Other Financing Sources (Uses):					
Inception of Capital Lease	3,000,000	-	-	-	3,000,000
Proceeds from Sale of Capital Assets	101,323	-	-	-	101,323
Proceeds from Sale of Bonds	-	93,500,000	146,878,338	16,250,101	256,628,439
Proceeds from Sale of Notes	-	4,463,989	-	-	4,463,989
Premium on Issuance of Bond	-	4,426,561	-	-	4,426,561
Discount on Issuance of Bond	-	-	(37,428)	-	(37,428)
Transfers-In	1,694	-	-	463,331	465,025
Transfers-Out	(1,148,781)	-	-	(1,693)	(1,150,474)
Total Other Financing Sources (Uses)	1,954,236	102,390,550	146,840,910	16,711,739	267,897,435
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	4,508,013	108,971,935	151,227,582	10,154,695	274,862,225
Fund Balance at Beginning of Year	36,458,622	-	24,999,000	16,763,854	78,221,476
Fund Balance at End of Year	\$ 40,966,635	\$ 108,971,935	\$ 176,226,582	\$ 26,918,549	\$ 353,083,701

See accompanying notes to the basic financial statements

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

Net Change in Fund Balances - Total Governmental Funds \$ 274,862,225

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

Capital asset additions	5,062,291	
Current year depreciation	<u>(2,029,435)</u>	
Total		3,032,856

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on disposal.

Proceeds from sale of capital assets	(101,323)	
Loss on disposal of capital assets	<u>(69,476)</u>	
Total		(170,799)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Taxes	4,932,040	
Intergovernmental	2,464,924	
Interest	<u>598,171</u>	
Total		7,995,135

Some capital additions were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net assets, the lease obligation is reported as a liability.

(3,000,000)

In governmental funds, proceeds from sale of debt is considered a source of financing, but in the statement of net assets, the debt obligations are reported as a liability. These are the amounts of debt issued during the year.

Long-term notes	(4,426,561)	
General obligations bonds	<u>(256,628,439)</u>	
Total		(261,055,000)

In the statement of activities, certain costs and proceeds associated with long-term debt obligations issued during the year are accrued and amortized over the life of the debt obligation. In governmental funds these costs and proceeds are recognized as financing sources and uses.

Bond issuance costs	1,149,672	
Premium on bonds issued	(4,463,989)	
Discount on bonds issued	<u>37,428</u>	
Total		(3,276,889)

Repayment of long-term debt obligation principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

800,371

Some expenses reported in the statement of activities, such as compensated absences and intergovernmental payable which represents contractually required pension contributions, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Intergovernmental payable	(1,963,426)	
Compensated absences payable	(403,929)	
Claims payable	<u>191,856</u>	
Total		(2,175,499)

Internal service funds are used by management to charge the costs of operating the central warehouse and providing dental insurance to the individual funds are not reported in the statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net expense of the internal service fund is allocated among the governmental activities.

(36,575)

Change in Net Assets of Governmental Activities \$ 16,975,825

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Taxes	\$ 81,568,094	\$ 83,772,226	\$ 78,180,235	\$ (5,591,991)
Intergovernmental	95,880,599	98,471,483	103,453,746	4,982,263
Interest	1,412,995	1,193,025	1,390,572	197,547
Tuition and Fees	919,250	944,090	991,858	47,768
Charges for Services	221,024	490,669	515,497	24,828
Rentals	477,759	226,997	238,482	11,485
Miscellaneous	2,929,767	3,008,934	3,132,535	123,601
Total Revenues	183,409,488	188,107,424	187,902,925	(204,499)
Expenditures:				
Current:				
Instruction:				
Regular	52,827,822	52,827,822	53,153,101	(325,279)
Special	18,857,660	18,857,660	18,973,773	(116,113)
Vocational	5,755,810	5,755,810	5,791,251	(35,441)
Adult/Continuing	418,094	418,094	420,668	(2,574)
Other Instruction	1,007,629	1,007,629	1,013,833	(6,204)
Support Services:				
Pupils	7,187,629	7,187,629	7,231,886	(44,257)
Instructional Staff	8,265,562	8,265,562	8,316,456	(50,894)
Board of Education	334,609	334,609	336,669	(2,060)
Administration	11,558,870	11,558,870	11,630,042	(71,172)
Fiscal	2,812,691	2,812,691	2,830,010	(17,319)
Business	2,632,918	2,632,918	2,649,130	(16,212)
Operation and Maintenance of Plant	20,838,927	20,838,927	20,967,240	(128,313)
Pupil Transportation	14,384,253	14,384,253	14,472,822	(88,569)
Central	8,511,135	8,511,135	8,563,541	(52,406)
Extracurricular Activities	866,132	866,132	871,465	(5,333)
Capital Outlay	348,229	348,229	350,373	(2,144)
Total Expenditures	156,607,970	156,607,970	157,572,260	(964,290)
Excess of Revenues Over(Under)				
Expenditures	26,801,518	31,499,454	30,330,665	(1,168,789)
Other Financing Sources (Uses):				
Proceeds from Sale of Bonds	-	2,640,279	-	(2,640,279)
Inception of Capital Lease	-	2,855,522	3,000,000	144,478
Proceeds from Sale of Capital Assets	-	96,443	101,323	4,880
Pass Through Payments	(30,917,287)	(30,917,287)	(31,107,656)	(190,369)
Advances-In	-	901,012	946,599	45,587
Advances-Out	(1,475,190)	(1,475,190)	(1,484,273)	(9,083)
Transfers-In	-	1,612	1,694	82
Transfers-Out	(480,374)	(480,374)	(483,332)	(2,958)
Total Other Financing Sources (Uses)	(32,872,851)	(26,377,983)	(29,025,645)	(2,647,662)
Excess of Revenues and Other				
Financing Sources Over(Under)				
Expenditures and Other Financing Uses	(6,071,333)	5,121,471	1,305,020	(3,816,451)
Fund Balance at Beginning of Year	41,835,800	41,835,800	41,835,800	-
Prior Year Encumbrances Appropriated	3,557,363	3,557,363	3,557,363	-
Fund Balance at End of Year	\$ 39,321,830	\$ 50,514,634	\$ 46,698,183	\$ (3,816,451)

See accompanying notes to the basic financial statements

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
STATEMENT OF FUND NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2003

	Governmental Activities
	Internal Service Funds
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$ 1,705,770
Inventory Held for Resale	941,122
Total Current Assets	2,646,892
Capital Assets, Net	63,509
Total Assets	2,710,401
<u>Liabilities:</u>	
Accounts Payable	70,966
Claims Payable	178,286
Total Current Liabilities	249,252
Total Liabilities	249,252
<u>Net Assets:</u>	
Invested in Capital Assets	63,509
Unrestricted	2,397,640
Total Net Assets	\$ 2,461,149

See accompanying notes to the basic financial statements

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Governmental Activities
	Internal Service Funds
Operating Revenues:	
Charges for Services	1,294,653
Materials and Supplies	1,068,142
Total Operating Revenue	2,362,795
Operating Expenses:	
Salaries and Wages	493,922
Fringe Benefits	180,091
Purchased Services	62,402
Claims	1,213,934
Cost of Sales	1,124,545
Depreciation	9,925
Total Operating Expenses	3,084,819
Loss Before Transfer-In	(722,024)
Transfer-In	685,449
Change in Net Assets	(36,575)
Net Assets - Beginning of Year	2,497,724
Net Assets - End of Year	\$ 2,461,149

See accompanying notes to the basic financial statements

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Governmental Activities
	Internal Service Funds
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities:	
Cash Received from Quasi-External Transactions with other funds	\$ 2,362,795
Cash Payments to Suppliers for Goods and Services	(875,036)
Cash Payments to Employees for Services	(493,922)
Cash Payments for Employee Benefits	(164,641)
Cash Payments for Claims	(1,219,505)
	(390,309)
Net Cash Provided by (Used in) Operating Activities	(390,309)
Cash Flows from Noncapital Financing Activities:	
Transfers-In	685,449
Net Increase in Cash and Cash Equivalents	295,140
Cash and Cash Equivalents Beginning of Year	1,410,630
Cash and Cash Equivalents End of Year	\$ 1,705,770
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:	
Operating Income (Loss)	\$ (722,024)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used In) Operating Activities:	
Depreciation	9,925
Changes in Assets and Liabilities	
Decrease in Inventory Held for Resale	310,621
Increase in Accounts Payable	16,740
Decrease in Claims Payable	(5,571)
	(390,309)
Net Cash Provided by (Used in) Operating Activities	\$ (390,309)

See accompanying notes to the basic financial statements

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2003

	<u>Agency Funds</u>
Assets:	
Equity in Pooled Cash	\$ 8,332,814
Intergovernmental Receivable	<u>35,349</u>
Total Assets	<u><u>\$ 8,368,163</u></u>
Liabilities:	
Accounts Payable	\$ 5,517
Due to Students	113,243
Undistributed Monies	<u>8,249,403</u>
Total Liabilities	<u><u>\$ 8,368,163</u></u>

See accompanying notes to the basic financial statements

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

Dayton City School District (the "School District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution of the State of Ohio. The School District operates under a locally elected seven-member Board form of government and provides educational services as mandated by State and/or federal agencies.

The School District is the 6th largest in the State of Ohio (among 612 school districts) in terms of enrollment. It is staffed by 2,029 certificated employees (1,868 teaching personnel and 161 administrative personnel) and 1,114 classified employees who provide services to student enrollment totaling 18,163.

Reporting Entity A reporting entity is comprised of the primary government, component units and other organizations that are included to insure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For Dayton City School District, this includes general operations, food service, student guidance, extracurricular activities, educational media, care and upkeep of grounds and buildings, preschool and student related activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes for the organization. The School District does not have any component units.

The following activities are included within the reporting entity:

Parochial Schools Within the School District boundaries are sixteen parochial schools, which are operated as private schools. Current State legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the School District, as directed by the parochial schools. The activity of these State monies is reflected in a special revenue fund for financial reporting purposes.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Dayton City School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its government-wide and proprietary activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

A. Basis Of Presentation

The School District's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service funds was eliminated to avoid "doubling up" revenues and expenses.

The statement of net assets presents the financial condition of the governmental activities of the School District at year-end. The government-wide statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities.

Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements

During the year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

B. Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into the categories governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The School District has three major governmental funds; the General Fund, Bond Retirement Debt Service Fund, and Classroom Facilities Capital Project Fund.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

General Fund

The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The general fund is available to the School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Bond Retirement Fund

The Bond Retirement Fund is used to accumulate financial resources, including local property taxes, for the repayment of principal, interest and related costs of general long-term obligations, specifically the general obligation bonds and notes issued in conjunction with the School District's school facilities projects.

Classroom Facilities Fund

The Classroom Facilities Fund is used to account for all financial resources, including intergovernmental capital grants and proceeds from the sale of debt obligations, and construction costs associated with the School District's school facilities projects.

The other governmental funds of the School District account for grants and other resources and capital projects of the School District whose uses are restricted to a particular purpose.

Proprietary Fund

The proprietary fund focuses on the determination of the changes in net assets, financial position, and cash flows. Proprietary funds are classified as enterprise or internal service; the School District has no enterprise funds.

Internal Service Funds

Internal service funds account for the financing of services provided by one department or agency to other department or agencies of the School District on a cost reimbursement basis. The School District has two internal service funds; one accounts for the operations of the central warehouse and distribution facility and the other accounts for the self-insurance program which provides dental benefits to employees.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District has no funds which are classified as trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

C. Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the Statement of Net Assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. On the fund level, governmental funds use the modified accrual basis of accounting and the internal service funds use the accrual basis of accounting. Differences in the accrual and modified accrual bases of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes available as an advance, grants, investment earnings, tuition, and student fees.

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2003, but which were levied to finance fiscal year 2004 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported on the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

E. Budget Data

All funds, other than agency funds and the Educational Foundation special revenue fund, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The Board has established the legal level of control at fund level for each fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue, are identified by the School District. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2003.

The appropriation resolution is subject to amendment by the Board throughout the school year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the year.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

F. Cash and Cash Equivalents

To improve cash management, cash received by the School District is pooled in a central bank account. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the School District records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the balance sheet. The School District utilizes a fiscal agent to handle money set aside in the education foundation special revenue fund. In addition, the School District has deposited money in a trust account for the future repayment of bond obligations as they become due. The balances in these accounts are presented on the combined balance sheet as "Cash and Cash Equivalents with Fiscal Agents" and represents deposits and short-term investments.

During fiscal year 2003, investments were limited to various government securities, certificates of deposit, mutual funds, repurchase agreements and STAR Ohio.

STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2003.

The Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2003 amounted to \$1,180,666, which includes \$323,680 assigned from other School District funds. Interest was also recorded in the Bond Retirement, Classroom Facilities, and non-major funds in the amounts of \$952,827, \$232,876 and \$228,524, respectively. On the accrual basis of accounting, the School District reported investment earnings of \$3,193,064 on the Statement of Activities.

For purposes of the statement of cash flows and for presentation on the financial statement, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents.

G. Inventory

On government-wide financial statements, inventories are presented at the lower cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption, donated food, and purchased food. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Reported material and supplies inventory is equally offset by a fund balance reserve in the governmental funds, which indicates that it does not constitute available expendable resources even though it is a component of net current assets. Inventories of internal service funds consist primarily of supplies held for resale and are expensed when used.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2003, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which services are consumed.

I. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents whose use is limited by legal requirements. Restricted assets include amounts required by statute to be set-aside by the School District for the purchase of textbooks and instructional materials as well as a contingency reserve required to be established per the desegregation lawsuit settlement agreement. See Note 19 for additional information regarding set-sides.

J. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

K. Capital Assets and Depreciation

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported within the governmental activities on the government-wide statement of net assets but are not reported in the fund statements. Internal service fund's capital assets reported in the fund statements are combined with the governmental activities on the government-wide statement of net assets.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements throughout the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of five thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also not capitalized.

All reported capital assets except for land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives.

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	50 years
Buildings and Improvements	50 years
Furniture and Equipment	3 – 10 years
Vehicles	10 years

L. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures or expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources and uses in governmental funds. Repayments from funds responsible for particular expenditures or expenses to the funds that initially paid for them are not presented on the financial statement.

M. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method which states that the School District will estimate its liability based on sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as specified by the retirement system as well as other employees who are expected to become eligible in the future to receive such payments. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated sick leave for all employees after fifteen years of current service with the School District.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is due to for payment during the current year for employees who have applied for severance payment during the fiscal year, but have not received payment at year-end. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The non-current portion of the liability is not reported in the fund financial statements.

N. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Long-term notes, general obligation bonds, and capital leases are recognized as a liability on the governmental fund financial statements when due.

O. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

P. Fund Balance Reserves

The School District reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves have been established for property taxes, loans, supplies inventory, textbooks and instructional materials, contingencies and encumbrances.

The reserve for property taxes represents taxes recognized as revenue under accounting principles generally accepted in the United States of America but not available for appropriation under State statute. The reserve for instructional material represents monies required to be set aside by State statute to provide necessary textbooks and instructional materials, respectively. The reserve for contingencies was established pursuant to the desegregation lawsuit settlement agreement that required \$7.3 million of the funds received through the settlement to be placed into a contingency reserve account to fund future academic improvement strategies.

NOTE 3 – RESTATEMENT OF NET ASSETS

Delinquent property taxes receivable for which was levied during or prior to fiscal year 2002, was not recognized as property tax revenue on the Statement of Activities. Correction of this error results in an increase in the governmental net assets in the amount of \$13,734,616 for the year ended June 30, 2002. Therefore, the ending net assets of governmental activities reported at June 30, 2002 have been restated from the amount previously reported, \$96,359,672, to \$110,094,288.

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE

A. Accountability

The following funds have fund equity deficits as of June 30, 2003:

	Deficit Fund <u>Equity</u>
Special Revenue:	
School Improvement Model	\$ 1,510
Career Development	1,856
Teacher Development	686
Disadvantaged Pupil Impact Aid	778,690
Vocational Education Enhancement	3,031
Alternative Schools	292
Adult Basic Education	48,268
Vocational Education	274,624
Headstart	51,210
Title VI	187,710
Drug Free Schools	246,937
EHA Preschool Grant	3,066

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

Miscellaneous Federal Grants		2,653
Capital Project:		
SchoolNet	\$	1,864
Internal Service:		
Self-Insurance	\$	7,335

The deficits in the special revenue and capital project funds resulted from adjustments for accrued liabilities. Management expects the deficits in these funds to be corrected in early fiscal year 2004. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur. The deficit in the internal service fund is due to revenues not covering operating costs. The School District will examine the need to increase its charges for services to the other funds or the general fund will provide transfers to eliminate the deficits.

B. Legal Compliance

During the fiscal year ended June 30, 2003, the School District was not in compliance with Ohio Rev Code § 5705.41 by having expenditures plus encumbrances exceeding appropriations.

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

While the School District is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual - General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the fund liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

Net Change in Fund Balance
General Fund

GAAP Basis	\$ 4,508,013
Revenue Accruals	667,788
Expenditure Accruals	411,231
Transfers	665,449
Advances	(537,674)
Encumbrances	<u>(4,409,787)</u>
Budget Basis	<u>\$ 1,305,020</u>

NOTE 6 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the School District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the School District Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts. Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies, which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings accounts including passbook accounts.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, debt interest rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements."

Deposits: At year-end, the carrying amount of the School District's deposits was \$124,114,240 and the bank balance was \$126,443,237. \$207,462 of the bank balance was covered by federal depository insurance and remaining balance was uninsured and uncollateralized. Although all state statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

Investments: The School District's investments are required to be categorized to give an indication of the level of risk assumed by the School District at fiscal year end. Category 1 includes investments that are insured or registered or for which the securities are held by the School District or its agent in the School District's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the School District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the School District's name. The School District's investments in mutual funds and STAR Ohio, an investment pool operated by the Ohio State Treasurer, are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

	<u>Category 2</u>	<u>Category 3</u>	<u>Carrying/ Fair Value</u>
U.S. Government Securities	\$174,118,297	\$ -	\$ 174,118,297
Repurchase Agreement	-	18,264,110	18,264,110
Star Ohio			151,923,133
Mutual Funds – KeyTrust			597,225
Total	<u>\$174,118,297</u>	<u>\$18,264,110</u>	<u>\$ 344,902,765</u>

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

The classification of cash and cash equivalents, and investments on the financial statements is based on criteria set forth in GASB Statement No. 9 entitled "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting." A reconciliation between the classifications of cash and cash equivalents and investments on the basic financial statements and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

	<u>Cash and Cash Equivalents/Deposits</u>	<u>Investments</u>
GASB Statement 9	\$ 469,017,005	\$ -
Investments:		
U.S. Government Securities	(174,118,297)	174,118,297
Repurchase Agreement	(18,264,110)	18,264,110
Mutual Funds - KeyTrust	(597,225)	597,225
STAR Ohio	(151,923,133)	151,923,133
GASB Statement 3	<u>\$ 124,114,240</u>	<u>\$ 344,902,765</u>

NOTE 7 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis while the School District fiscal year runs from July through June. First half tax collections are received by the School District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Property tax revenue received during calendar 2003 for real and public utility property taxes represents collections of calendar 2002 taxes. Property tax payments received during calendar 2003 for tangible personal property (other than public utility property) is for calendar 2003 taxes.

2003 real property taxes are levied after April 1, 2003, on the assessed value as of January 1, 2003, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at thirty-five percent of true value. 2003 public utility property taxes became a lien December 31, 2002, are levied after April 1, 2003, and are collected in 2004 with real property taxes.

2003 tangible personal property taxes are levied after April 1, 2003, on the value as of December 31, 2002. Collections are made in 2003. Tangible personal property assessments are twenty-five percent of true value.

Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20. The assessed values upon which fiscal year 2003 taxes were collected are:

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

	<u>2003 First Half Collections</u>		<u>2002 Second Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$1,699,403,530	78.63%	\$1,441,598,740	74.55%
Public Utility	108,173,280	5.01%	102,552,730	5.30%
Tangible Personal Property	<u>353,726,646</u>	<u>16.36%</u>	<u>389,681,365</u>	<u>20.15%</u>
Total Assessed Value	<u>\$2,161,303,456</u>	<u>100.00%</u>	<u>\$1,933,832,835</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$70.85		\$62.65	

The School District receives property taxes from Montgomery County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2003, are available to finance fiscal year 2003 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property, and public utility taxes that became measurable as of June 30, 2003. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. For the governmental fund financial statements, the receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance was recognized as revenue. On the Statement of Activities, the delinquent taxes that were levied in previous years are recognized as revenue.

The amount available as an advance at June 30, 2003, was \$931,555, \$231,929 and \$26,160 in the General, Bond Retirement and non-major funds, respectively.

NOTE 8 - RECEIVABLES

Receivables at June 30, 2003, consisted of current and delinquent property taxes, accounts (rent and student fees), intergovernmental grants and interfund transactions. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
<u>Governmental Activities:</u>	
General Fund miscellaneous receivables	\$ 106,384
SchoolNet Grant	700,340
Title I Grant	5,256,681
Drug Free Schools Grant	1,787,003
Title VI-R Classroom Size Reduction Grant	1,645,100
Miscellaneous Federal Grants	559,493
Food Service Reimbursements	770,236
Other Non-major Funds	<u>1,156,565</u>
Total Intergovernmental Receivables	<u>\$11,981,802</u>

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

NOTE 9 - CAPITAL ASSETS

	Balance 6/30/02	Additions	Deductions	Balance 6/30/03
<u>Capital Assets, not being depreciated</u>				
Land	\$ 3,321,165	\$ -	\$ -	\$ 3,321,165
Construction in Progress	-	3,998,557	-	3,998,557
	<u>3,321,165</u>	<u>3,998,557</u>	<u>-</u>	<u>7,319,722</u>
<u>Capital Assets, being depreciated</u>				
Buildings and Improvements	28,173,496	-	-	28,173,496
Furniture and Equipment	7,262,295	1,063,733	(701,982)	7,624,046
Vehicles	10,074,068	-	(778,123)	9,295,945
	<u>45,509,859</u>	<u>1,063,733</u>	<u>(1,480,105)</u>	<u>45,093,487</u>
<u>Less: Accumulated Depreciation</u>				
Buildings and Improvements	(17,850,731)	(1,215,970)	-	(19,066,701)
Furniture and Equipment	(4,813,267)	(406,657)	608,995	(4,610,929)
Vehicles	(6,268,922)	(416,732)	700,311	(5,985,343)
	<u>(28,932,920)</u>	<u>(2,039,359) *</u>	<u>1,309,306</u>	<u>(29,662,973)</u>
Governmental Activities Capital Assets, Net	<u>\$ 19,898,104</u>	<u>\$ 3,022,951</u>	<u>\$ (170,799)</u>	<u>\$ 22,750,236</u>

* - Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 56,765
Special	25,736
Vocational	7,979
Support Services:	
Pupil	13,592
Instructional Staff	83,088
Administration	49,989
Fiscal	1,821
Business	36,573
Operation and Maintenance of Plant	50,288
Pupil Transportation	422,759
Central	75,350
Operation of Non-Instructional Services	35,307
Extracurricular Activities	37,202
	<u>896,449</u>
Unallocated Depreciation	1,142,910
Total Depreciation Expense	<u>\$ 2,039,359</u>

Unallocated depreciation is depreciation of the individual school buildings throughout the District which essentially serve all functions/programs, and therefore is not included as a direct expense of any function or program but disclosed as a separate expense.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

NOTE 10 - RISK MANAGEMENT

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2003, the School District contracted with Coregis Insurance Company for general liability insurance with a \$2,000,000 single occurrence limit and a \$2,000,000 aggregate. Buildings and contents are covered under Allianz Insurance Company with a \$250,000 deductible.

Electronic data processing equipment is covered under Fireman's Fund Insurance Company with a \$1,000 deductible.

The School District's vehicles are covered under a business policy with Coregis Insurance Company for primary coverage. This policy carries a \$1,000,000 limit for bodily injury and property damage. Deductibles vary according to vehicle type. The School District has excess coverage with AGI Midwest Risk Specialists, Inc. with a \$4,000,000 limit per occurrence.

Settled claims have not exceeded this commercial coverage in any of the past seven years. There have been no significant reductions in insurance coverage from last year.

B. Workers' Compensation

For calendar years 1992 and 1993, the School District elected to take advantage of the workers' compensation plan being offered by the State of Ohio. This plan, called retrospective rating, allows the School District to pay a fraction of the premium it would pay as an experience-rated risk.

Retrospective rating constitutes a step closer to self-insurance. In the retrospective rating plan, the School District agrees to assume a portion of the risk in return for a possible reduction in premiums. The greater the percentage of the risk the School District assumes, the greater the potential reduction in premium. If the School District's loss experience is better than predicted by the experience-rating system, its premium obligation will be less than what it would have paid under experience rating. If its experience is worse than predicted, its premium obligation will be more than it would have been assessed under experience rating, limited to the maximum premium. The School District has assumed the risk for individual claims up to a maximum claim of \$250,000. The School District has also agreed to pay all claims up to a maximum of 200% of what the School District would have paid had the School District remained an experience-rated risk.

Claims exceeding these limits will be paid by the State. Each plan year, the District pays the State a "minimum premium" for retaining the risk of having to pay claims which exceed the School District's maximum claims limits. For each year the School District elects the retrospective rating plan for workers' compensation, liability is attached for ten years.

The School District has hired a third-party administrator, Care Works to review and monitor all claims on behalf of the School District. In 1993, the School District established a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. Beginning in fiscal year 1999, the School District decided to account for its uninsured risks of loss in the general fund.

All claims processing is done by the State. The State initially pays all claims and then bills the School District. The claims liability reported at June 30, 2003, represents the liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, based on an estimate provided by the Bureau of Workers' Compensation.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

The following schedule shows claim activity for fiscal years 2002 and 2003:

<u>Year</u>	<u>Beginning Balance</u>	<u>Claims</u>	<u>Payments</u>	<u>Ending Balance</u>
2002	\$533,784	\$0	\$191,856	\$341,928
2003	\$341,928	\$0	\$191,856	\$150,072

During fiscal year 2003, the State paid \$191,856 in claims on behalf of the School District. The amount of unpaid claims still owed to the state at June 30, 2003, is presented on the Statement of Net Assets as claims payable.

For calendar years 1995, through 2003, the School District went back to the workers' compensation experience based rating program and is charged a rate per \$100 of salaries.

The School District is self-insured for dental benefits. This plan provides dental plans with a \$25 deductible per each person. A third party administrator, Mutual Health Services reviews the majority of claims, which are then paid by the School District. The School District purchases stop-loss coverage of \$5,000 per employee. The School District pays the employees benefits self insurance internal service fund \$21.25 per month for single employees and \$54.62 per employee per month for family plans which represents a portion of the entire premium required. This premium is paid by the fund that pays the employee's salary and is based on historic cost information.

The liability for unpaid claims of \$178,286 reported in the fund at June 30, 2003, as estimated by an analysis of claim payments, is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims, including incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and that the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

The fund's claim liability amount in fiscal years 2002 and 2003 were:

<u>Year</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2002	\$159,941	\$1,135,649	\$1,111,733	\$183,857
2003	\$183,857	\$1,208,363	\$1,213,934	\$178,286

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

NOTE 11 - DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3476.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2003, 8.17 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2002, 5.46 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2003, 2002 and 2001 were \$5,087,782, \$4,894,440 and \$5,938,344 respectively; 39.78 percent has been contributed for fiscal year 2003 and 100 percent for fiscal years 2002 and 2001.

B. State Teachers Retirement System

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3371 or by calling (614) 227-4090.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5% of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

For the fiscal year ended June 30, 2003, plan members were required to contribute 9.3 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2002, the portion used to fund pension obligations was 9.5 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to the DB Plan for the fiscal years ended June 30, 2003, 2002, and 2001 were \$10,787,207, \$10,310,582, and \$12,324,120 respectively; 82.89 percent has been contributed for fiscal year 2003 and 100 percent for fiscal years 2002 and 2001. Contributions to the DC and Combined Plans for fiscal year 2003 were \$43,684 made by the School District and \$117,261 made by the plan members.

NOTE 12 – POSTEMPLOYMENT BENEFITS

State Teachers Retirement System of Ohio (STRS Ohio) provides comprehensive healthcare benefits to retirees and their dependents. Coverage includes hospitalization, physicians' fees, prescription drugs, and partial reimbursement of monthly Medicare premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. Pursuant to the Ohio Revised Code (R.C.), the State Teachers Retirement Board (the Board) has discretionary authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. The R.C. grants authority to STRS Ohio to provide health care coverage to benefit recipients, spouses and dependents. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll.

The Retirement Board allocates employer contributions to the Health Care Reserve Fund from which health care benefits are paid. For fiscal year ended June 30, 2002, the Board allocated employer contributions equal to 1.0 percent of covered payroll to the Health Care Reserve Fund. The balance in the Health Care Reserve Fund was \$3.011 billion on June 30, 2002. For the School District, this amount equaled \$773,635 during the 2003 fiscal year.

For the year ended June 30, 2002, net health care costs paid by STRS Ohio were \$354,697,000. There were 105,300 eligible benefit recipients.

For SERS, the Ohio Revised Code gives the discretionary authority to provide postretirement health care to retirees and their dependents. Coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivor benefit recipients. Members retiring on or after August 1, 1989 with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2002, the allocation rate is 8.54 percent. In

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit.

For fiscal year 2003, the minimum pay has been established at \$12,400. For the School, the amount to fund health care benefits, including the surcharge, was \$3,394,212 for fiscal year 2003.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care at June 30, 2001, were \$182,946,777 and the target level was \$274.4 million. At June 30, 2002, the Retirement System's net assets available for payment of health care benefits of \$335.2 million. The number of benefit recipients currently receiving health care benefits is approximately 50,000.

NOTE 13 - EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per fiscal year, depending upon length of service. Vacation days are credited to classified employees each month and may be accrued up to a maximum of the number of days earned during the fiscal year. Vacation days in excess of the annual number of days earned by the employee may be carried forward only with the approval of the superintendent. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 250 days. Upon retirement, payment is made for one-fourth of the total accumulated and unused, up to a maximum of 180 days for teachers and administrators and 160 for classified employees. In addition, classified employees are subject to the following based on length of service:

Length of Service	Paydays
Less than five years	0 Days
Five years to 15 years	30 Days
15 years to 25 years	35 Days
Over 25 years	40 Days

Professional staff members are eligible to accumulate sick days in a severance account once they have accumulated the maximum 250 days of sick leave. These excess days may not be used as sick leave days or "catastrophic illness" donations. Accumulated severance account days will be paid for one-fourth of the accumulated balance, up to a maximum of 45 days.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

B. Health Care Benefits

The District provides life insurance and accidental death and dismemberment insurance to employees through Standard Insurance Company. The District provides health insurance coverage through United Health Care of Ohio, Inc. Employee share of the total premium ranges between fifteen percent to twenty percent of the monthly premium up to the cap. The premium varies with each employee depending on the terms of the union contract. Dental insurance is provided to aid eligible employees through a self-insurance plan administered by Mutual Health Services, the third party administrators, or a premium based policy issued by Fortis or Ameritas.

NOTE 14 - LONG-TERM OBLIGATIONS

General Obligation Bonds

During fiscal year 2003, the School District issued general obligation bonds totaling \$99.5 million, in two issues, to provide financing for the School District's school facilities construction project. The Series 2003-A bonds, totaling \$93.5 million, contains serial and term bonds has a final maturity date of December 1, 2031 and has interest rates ranging from 2.0 percent to 5 percent. The \$6 million Series 2003-B bonds are serial bonds with a final maturity date of December 1, 2023 having interest rates ranging from 2.0 percent to 4.23 percent. These bonds are direct obligations and pledge the full faith and credit of the School District and will be paid through the debt service fund from property taxes collected by the County Auditor.

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2004	\$ -	\$ 2,166,008	\$ 2,166,008
2005	235,000	4,754,651	4,989,651
2006	240,000	4,749,951	4,989,951
2007	245,000	4,745,151	4,990,151
2008	250,000	4,740,252	4,990,252
2009 – 13	1,335,000	23,616,351	24,951,351
2014 – 18	1,550,000	23,407,657	24,957,657
2019 – 23	1,835,000	23,105,318	24,940,318
2024 – 28	47,130,000	18,697,869	65,827,869
2029 – 32	46,680,000	5,977,500	52,657,500
Total	<u>\$ 99,500,000</u>	<u>\$ 115,960,708</u>	<u>\$ 215,460,708</u>

Qualified Zone Academy Bond

In August 2000, the School District was authorized to issue \$10 million in Quality Zone Academy Bonds (QZAB), in accordance with Section 226 of the Taxpayer Relief Act of 1997 (Public Law 105-34), for use in the renovations of the Stivers Middle School and the creation of an Arts program in Dayton. On December 30, 2002 the School District issued the \$10 million QZAB that matures on December 30, 2016. The entire principal balance of \$10 million is due at maturity and the bonds do not bear interest. To satisfy escrow requirements of the program, the School District placed \$5.1 million in an escrow account with a local bank. This amount is included in the cash and cash equivalents with fiscal agent account on the Statement of Net Activities, as well as the Classroom Facilities Capital Project Fund.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

Bond Anticipation Bonds

During fiscal year 2003, the School District issued Bond Anticipation Bonds totaling \$151,555,000, bearing a two percent interest rate, in anticipation of issuing long-term bonds to provide financing for the School District's school facilities construction project. Since the School District has subsequently refinanced these bonds, by issuing long-term bonds, these notes are being reported as long-term liabilities on the Statement of Net Activities.

Changes in Long-Term Liabilities

Long- term liability activity for the year ended June 30, 2003, was as follows:

	Balance June 30, 2002	Increase	Decrease	Balance June 30, 2003	Due within One Year
<u>General Obligation Bonds:</u>					
2003-A School Construction: 2.0-5.0%	\$ -	\$ 93,500,000	\$ -	\$ 93,500,000	\$ -
2003-B School Construction: 2.0-4.23%	-	6,000,000	-	6,000,000	-
Add: Unamortized Bond Premium	-	4,426,561	-	4,426,561	-
Total General Obligation Bonds	-	103,926,561	-	103,926,561	-
QZAB Bonds – 0%	-	10,000,000	-	10,000,000	-
Bond Anticipation Bonds – 2%	-	151,555,000	-	151,555,000	151,555,000
Capital Leases	1,555,435	3,000,000	800,371	3,755,064	663,895
Compensated Absences	7,869,527	1,084,187	508,634	8,445,080	360,000
Long-Term Obligations	\$ 9,424,962	\$269,565,748	\$1,309,005	\$277,681,705	\$152,578,895

Compensated absences will be paid from the fund from which the employees' salaries are paid. Capital leases obligations will be paid from the general fund, the education foundation and e-rate special revenue funds, and the schoolnet capital projects fund.

The School District's overall legal debt margin was \$95,017,311 with an unvoted debt margin of \$2,161,303 at June 30, 2003.

NOTE 15 - CAPITAL LEASES - LESSEE DISCLOSURE

During fiscal year 2003, the School District entered into a capitalized lease for the purchase of several school buses. This lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. This new lease agreement is reported in the General Fund as an other financing source, inception of capital lease. Since the school buses have were not purchased as of the end of the fiscal year, no capital outlay expenditure has been recorded, rather the funds from this agreement have been reported as cash and cash equivalent with fiscal agent. In fiscal year 2004, the cost of the school buses will be capitalized. Capital lease payments made from governmental funds have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reported as program/function expenditures on a budgetary basis.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

Capital assets acquired by lease have been capitalized in the statement of net assets for governmental activities in the amount of \$4,065,195, which is equal to the present value of the minimum lease payments at the time of acquisition. A corresponding liability was split between long-term liabilities due within a year and long-term liabilities due within more than one year on the statement of net assets for governmental activities. Principal payments in fiscal year 2003 totaled \$800,371.

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2003.

Fiscal Year Ending June 30,	
2004	\$826,299
2005	766,701
2006	387,744
2007	364,483
2008	364,482
2009 - 2013	1,731,293
Total	4,441,002
Less: Amount Representing Interest	(685,938)
Present Value of Net Minimum Lease Payments	<u>\$3,755,064</u>

NOTE 16 - SHORT-TERM DEBT

During the fiscal year, the School District issued bond anticipation notes in order to provide funding for the school facilities construction project. The proceeds from the bond anticipation notes were needed to finance the initial costs of the project that were incurred prior to the long-term bonds being issued. The notes were paid off on July 10, 2003 using the proceeds of the 2003 Series-A general obligation bonds issued in late June 2003. Short-term activity for the fiscal year ended June 30, 2003, is summarized as follows:

	Balance June 30, 2002	Increase	Decrease	Balance June 30, 2003
Bond Anticipation Notes – 2%	\$ -	\$ 93,500,000	\$ -	\$ 93,500,000

NOTE 17 - INTERFUND ACTIVITY

As of June 30, 2003, principal components of interfund balances and transactions were as follows:

<u>Payable to Fund</u>	<u>From Fund</u>	<u>Amount</u>
Education Foundation	General Fund	<u>\$ 3,000,000</u>
	Total Interfund Payable/Receivable	<u>\$ 3,000,000</u>

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

This payable represents funds loaned to the general fund from the Education Foundation back when the District was encountering financial difficulty for cash flow purposes. It is the stated intent of the Board of Education to repay the funds to the Foundation, however, no time-table was ever established for the repayment and therefore, it is anticipated that these funds will not be paid during fiscal year 2004.

<u>Fund Due To</u>	<u>Fund Due From</u>	<u>Amount</u>
General Fund:	Adult Basic Education Grant	\$ 85,315
	Vocational Education Grant	345,101
	Headstart Grant	153,614
	Title VI Grant	200,000
	Drug Free Schools Grants	475,000
	Other Non-Major Funds	196,937
Non-Major Funds:	General Fund	4,783
	Other Non-Major Funds	<u>8,078</u>
	Total Amount Due To/From	<u>\$1,468,828</u>

Majority of due to represents cash advances to grant funds for cash flow purposes by the general fund. The due to recorded in the public school support non-major fund from the general fund represents a cash receipt which was unintentionally posted to the general fund but should have been, and subsequent to year-end was, posted to the public school support fund. The remainder of the due to and due from other funds represent corrections in accounting entries applicable to fiscal year 2003 but not posted until after year end or for reimbursement for expenditures of one fund spent on behalf of another fund.

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>
General Fund:	District Managed Activities Fund	\$ 350,000
	Headstart Grant	105,482
	Internal Service Funds	685,449
	Other Non-Major Funds	7,850
Non-Major Funds:	General Fund	<u>1,693</u>
	Total Transfers Out/In	<u>\$ 1,150,474</u>

The transfers represent permanently transfers of funds to different programs and operations with general fund unrestricted revenues as allowed by statute. Transfer from the non-major fund to the General Fund represents the transfer of remaining resources of activities which closed-out during the fiscal year.

NOTE 18 - STATE SCHOOL FUNDING DECISION

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding decision is unconstitutional.

The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient..."

The School District is currently unable to determine what effect, if any, this decision will have its future State funding and on its financial operations.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

NOTE 19 - SET-ASIDE CALCULATIONS AND FUND RESERVES

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years

The following cash basis information describes the change in the year-end set-aside amounts for textbooks, capital acquisition, and budget stabilization. Disclosure of this information is required by State statute.

	<u>Textbooks</u>	<u>Capital Spending</u>	<u>Budget Stabilization</u>
Set-aside Reserve Balance as of June 30, 2002	\$ 1,305,298	\$ -	\$ 3,025,300
Current Year Set-aside Requirement	2,748,205	2,748,205	-
Current Year Revenue Off-Sets	-	(730,184)	-
Qualifying Disbursements	<u>(3,401,685)</u>	<u>(4,389,508)</u>	<u>(3,025,300)</u>
Set-aside Balances Carried Forward to Future Fiscal Years	<u>\$ 651,818</u>	<u>\$(2,371,487)</u>	<u>\$ -</u>
Set-aside Reserve Balances as of June 30, 2003	<u><u>\$ 651,818</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

During fiscal year 2003, the School District made the decision to spend the funds held budget stabilization account. State statute required school districts to continue reporting funds received that were related to workers' compensation rebates in the budget stabilization reserve unless these funds were used for certain categories of expenditures. The expenditures were of the type permitted by State statute.

The total set-a-side reserve balance at the end of the fiscal year was \$651,818 and is maintained on the governmental funds' balance sheet as a reservation of fund balance and restricted "equity in pooled cash and cash equivalents" in the General Fund.

During the fiscal year ended June 30, 2003 various debt instruments were issued by the School District to finance the school facilities project. The proceeds from the sale of these debt instruments are permitted to be used as an offset to the capital spending set-a-side requirement, and the unspent proceeds may be carried forward to subsequent years. Therefore, approximately \$251.1 million in debt proceeds will be carried to fiscal year 2004 as an offset to the School District's capital spending set-a-side requirement.

In accordance with the provisions of the settlement agreement to the School District's desegregation lawsuit, the School District has established a contingency reserve account in the amount of \$7.3 million. This amount is shown on the governmental funds' balance sheet as a reservation of fund balance, as well as restricted "equity in pooled cash and cash equivalents" in the General Fund. These funds are to be used only if the Dayton Board of Education is not able to fund Academic Improvement Strategies contained within the agreement after: 1) the School District has exhausted all efforts to fund the Academic Improvement Strategies through changes or adjustments to current operations; and 2) no other funds from other sources are available for use to fund the Academic Improvement Strategies.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

NOTE 20 - CONTINGENCIES

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2003.

B. Litigation

The School District is party to legal proceedings. The School District is of the opinion that ultimate disposition of claims will not have a material effect, if any, on the financial condition of the School District.

NOTE 21 – SUBSEQUENT EVENT

On July 10, 2003 the School District paid off the 2002 Bond Anticipation Note from the Bond Retirement Fund. Principal payments totaled \$93.5 million.

On July 31, 2003 the School District issued \$151,555,000 of School Facilities Construction and Improvement Bonds. The annual interest rates of these bonds vary from 2.0 percent to 5.0 percent with final maturity being in fiscal year 2022. The proceeds of this bond issue were deposited into the Bond Retirement Fund to fund the debt service requirements of the 2003 Bond Anticipation Bond that matured on October 16, 2003.

Also, on August 12, 2003 \$16.36 million in certificates of participations were issued by the School District to finance the purchase of, and certain renovations to, an office building to be used as the administrative offices of the District. To date, approximately \$10 million of the proceeds from this financing agreement have been expended with the remainder being maintained for the future purchase of additional office space in a nearby building.

**Combining Statements and
Individual Fund Schedules**

Combining Statements – Nonmajor Governmental Funds

NONMAJOR SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects or expendable trusts) that are legally restricted to expenditure for specified purposes.

Other Grant Rotary

A fund used to account for a grant that Wright State University receives from the Department of Education. A portion of the grant is received by the District, from Wright State University, for the Reading Recovery Program.

Public School Support

To account for specific local revenue sources (other than taxes) generated by individual school buildings (i.e. sale of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

Other Grants

A fund used to account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

Computer Networks

A fund used to account for the proceeds of state revenue provided for the operation of the School District's computer network and operations.

Education Foundation

A fund provided to account for general fund transfers and the proceeds of any bequest or gift given to the District without condition or limitations. Funds are to be used for operating or capital costs for programs designed to enhance or promote education within the District. Budgetary information for the Education Foundation special revenue fund is not reported because it is not included in the entity for which the "appropriate budget" is adopted and does not maintain separate budgetary records.

School Improvement Model

A fund used to account for state monies provided to support a reorganization of the student school day and teacher work day for school improvement.

Maintenance of Classroom Facilities

A fund used to account for proceeds of a one-mill property tax levy to provide for the maintenance of classroom facilities.

District Managed Student Activities

To account for local funds generated to assist student activities, which are managed by District personnel. This fund would usually include athletic programs but could also include the band, cheerleaders, flag corps, and other similar types of activities.

Auxiliary Services

A fund used to account for monies which provide services and materials to pupils attending non-public schools within the School District.

Career Development

A fund provided to account for monies received and expended in conjunction with Vocational Education Career Development projects funded with monies from the Ohio Department of Education.

Combining Statements – Nonmajor Governmental Funds

(Continued)

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Teacher Development

A fund used to account for monies, which provide assistance in developing in-service programs.

Management Information Systems

To account for state funds that are provided to assist the District in implementing a staff, student and financial information system as mandated by the Omnibus Education Reform Act of 1989.

Public School Preschool

A fund to assist school districts in paying the cost of preschool programs for three and four-year olds.

Disadvantaged Pupil Impact Aid

To account for revenues received for disadvantaged pupil impact aid.

Data Communications

A fund used to account for monies for the purpose of accessing the Ohio Education Computer Network.

SchoolNet Professional Development

To account for state funds provided for technology professional development within the District.

Textbooks/Instructional Material Subsidy

To account for state funds provided for the purchase of textbooks and instructional materials.

Ohio Reads Grant

To account for state funds provided for developing and instituting programs to increase student reading comprehension skills.

Vocational Education Enhancement

To account for Vocational Education Enhancements that: 1) expand the number of students enrolled in tech prep programs, 2) enable students to develop career plans, and 3) replace or update equipment essential for the instruction of students in vocational education programs.

Alternative Schools

A fund used to account for alternative education programs for existing and new at-risk and delinquent youths.

Miscellaneous State Grants

To account for revenues received from state agencies which are not classified elsewhere.

Adult Basic Education

A fund used to account for instructional programs for persons sixteen years of age and older who are not enrolled in school and who have less than a twelfth-grade education or its equivalent. These programs are designed to develop basic educational skills; increase opportunities for useful employment; and improve attitudes toward self, family, and community.

National Defense Education Act

To account for monies received under a federal grant to assist schools in the enhancement of math and science programs.

Combining Statements – Nonmajor Governmental Funds

(Continued)

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Title VI-B

To account for monies received under a federal grant to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full education opportunities to handicapped children at the elementary and secondary levels.

Vocational Education

A fund used to account for revenues provided to boards of education, teacher training instructions, and the state administering agency for cooperating in development of vocational education programs in the following categories: secondary, post-secondary adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, construction of area vocational schools, ancillary services, research, advisory committees, and work-study projects.

Headstart

A fund used to account for federal monies provided to income eligible families for preschool tuition assistance.

Dropout Prevention and Intervention

A fund used to account for federal monies provided for elementary and secondary school programs designed to assist students to meet grade promotion and graduation standards.

Title I

To account for monies received under a federal grant to assist schools in meeting the special needs of educationally deprived children.

Title VI

To consolidate various programs into a single authorization of grants to states for the same purposes set forth in the provisions of law as specified in the authorization section, to be used in accordance with the educational needs and priorities of the state and local agencies.

Emergency Immigrant Education

To account for monies received under a federal program for instructional programs of children of migratory agricultural workers; efforts to help youngsters who are deficient in oral English language facility and related language art skills; efforts to build foundation for expanded opportunities for useful adult employment.

Drug Free Schools Program

To account for monies received under a federal program to support the implementation of programs for drug abuse education and prevention.

EHA Preschool Grants for the Handicapped

A fund used to account for federal grant dollars to improve and expand the services for handicapped children ages three to five years.

E-Rate Grant

To account for federal grant funds which are paid directly to the telecommunications provider of the district.

Continuous Improvement Grant

To account for competitive grants that used to support a broad range of education improvement goals through an established network of schools that have developed a systematic improvement plan.

Combining Statements – Nonmajor Governmental Funds

(Continued)

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Title VI-R Classroom Size Reduction

A fund used to account for monies to hire additional classroom teachers in grades one through three, so that the number of students per teachers will be reduced.

Miscellaneous Federal Grants

To account for monies received under federal grants which are not classified elsewhere.

Special Trust

To account for monies assets held by the School District, which were donated by individuals, private organizations, other governments and/or other funds, to be used for School District related activities.

Food Service

To account for the financial transactions related to the food service operations of the School District.

Uniformed School Supplies

To account for the purchase and sale of school supplies as adopted by the Board of Education for use in the School District.

NONMAJOR CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings and additions to existing buildings, or for major renovation projects, other than those financed by proprietary funds.

Permanent Improvement

To account for resources, including local property tax levy, to be used for the acquisition or maintenance of general capital assets.

Building Fund

To account for monies used in the construction of new classroom facilities and renovation of existing facilities.

Replacement

A fund used to account for monies used in the rebuilding, restoration or improvement of property which has been totally or partially destroyed for any cause. Such property may have become unfit for use necessitating its demolition in whole or in part, and require repair or restoration before it can again be used.

SchoolNet

A fund used to account for monies used to obtain computers and related educational technology equipment and/or the necessary infrastructure for educational technology.

Interactive Video Distance Learning

To account for monies received through a State grant to provide schools with the necessary equipment to facilitate video and teleconferencing capabilities to allow remote learning opportunities.

School Building Assistance Limited

A fund used to account for grant and matching monies received from local governments. Monies are to be used for major renovations and repairs of school facilities.

DAYTON  N

PUBLIC SCHOOLS

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2003

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 8,555,508	\$ 43,298,678	\$ 51,854,186
Cash and Cash Equivalents with Fiscal Agent	597,225	-	597,225
Receivables:			
Taxes - Current	716,084	402,797	1,118,881
Taxes - Delinquent	79,798	79,798	159,596
Accounts	28,175	-	28,175
Intergovernmental	11,124,078	751,340	11,875,418
Accrued Interest	1,504	3,599	5,103
Interfund	3,000,000	-	3,000,000
Due from other Funds	12,861	-	12,861
Prepays	2,806	-	2,806
Inventory held for Resale	131,638	-	131,638
Total Assets	\$ 24,249,677	\$ 44,536,212	\$ 68,785,889
<u>Liabilities and Fund Equity:</u>			
Liabilities:			
Accounts Payable	\$ 2,366,281	\$ 11,720	\$ 2,378,001
Accrued Wages and Benefits	1,491,154	9,032	1,500,186
Accrued Interest Payable	-	261,021	261,021
Intergovernmental Payable	447,422	4,368	451,790
Due to Other Funds	1,463,068	977	1,464,045
Deferred Revenue	10,665,466	1,224,454	11,889,920
Compensated Absences Payable	108,738	-	108,738
Bond Anticipation Notes Payable	-	23,813,639	23,813,639
Total Liabilities	16,542,129	25,325,211	41,867,340
Fund Balance:			
Reserved for Encumbrances	3,662,264	1,855,432	5,517,696
Reserved for Supplies Inventory	131,638	-	131,638
Reserved for Taxes	13,080	13,080	26,160
Reserved for Long-term Receivable	3,000,000	-	3,000,000
Unreserved	900,566	17,342,489	18,243,055
Total Fund Balance	7,707,548	19,211,001	26,918,549
Total Liabilities and Fund Balance	\$ 24,249,677	\$ 44,536,212	\$ 68,785,889

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2003

	Other Grant Rotary	Public School Support	Other Grant	Computer Networks
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 125,428	\$ 567,768	\$ 468,670	\$ 43,181
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
Receivables:				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	-	15	6,813	-
Intergovernmental	-	-	69,729	-
Accrued Interest	-	-	-	-
Interfund	-	-	-	-
Due from other Funds	-	-	1,700	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	-	-
Total Assets	<u>\$ 125,428</u>	<u>\$ 567,783</u>	<u>\$ 546,912</u>	<u>\$ 43,181</u>
<u>Liabilities and Fund Equity:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ 2,625	\$ 19,104	\$ (3,916)	\$ 5,666
Accrued Wages and Benefits	-	-	67,048	-
Intergovernmental Payable	-	-	17,016	-
Due to Other Funds	-	2,876	25,000	-
Deferred Revenue	-	-	-	-
Compensated Absences Payable	-	-	-	-
Total Liabilities	<u>2,625</u>	<u>21,980</u>	<u>105,148</u>	<u>5,666</u>
<u>Fund Equity:</u>				
Reserved for Encumbrances	4,765	24,172	62,521	34,773
Reserved for Supplies Inventory	-	-	-	-
Reserved for Taxes	-	-	-	-
Reserved for Long-term Receivable	-	-	-	-
Unreserved	118,038	521,631	379,243	2,742
Total Fund Equity	<u>122,803</u>	<u>545,803</u>	<u>441,764</u>	<u>37,515</u>
Total Liabilities and Fund Equity	<u>\$ 125,428</u>	<u>\$ 567,783</u>	<u>\$ 546,912</u>	<u>\$ 43,181</u>

Education Foundation	School Improvement Model	Maintenance of Classroom Facilities	District Managed Student Activities	Auxiliary Services	Career Development
\$ -	\$ -	\$ 405,227	\$ 761,266	\$ 1,152,070	\$ -
597,225	-	-	-	-	-
-	-	716,084	-	-	-
-	-	79,798	-	-	-
-	-	-	21,287	-	-
-	-	-	-	-	-
-	-	-	-	1,134	-
3,000,000	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,887	-	-
-	-	-	-	-	-
<u>\$ 3,597,225</u>	<u>\$ -</u>	<u>\$ 1,201,109</u>	<u>\$ 784,440</u>	<u>\$ 1,153,204</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 20,911	\$ 450,118	\$ -
-	1,510	-	2,756	64,001	1,856
-	-	-	878	12,138	-
-	-	-	-	-	-
-	-	782,802	-	1,134	-
-	-	-	-	-	-
<u>-</u>	<u>1,510</u>	<u>782,802</u>	<u>24,545</u>	<u>527,391</u>	<u>1,856</u>
-	-	-	181,641	534,191	-
-	-	-	-	-	-
-	-	13,080	-	-	-
3,000,000	-	-	-	-	-
597,225	(1,510)	405,227	578,254	91,622	(1,856)
<u>3,597,225</u>	<u>(1,510)</u>	<u>418,307</u>	<u>759,895</u>	<u>625,813</u>	<u>(1,856)</u>
<u>\$ 3,597,225</u>	<u>\$ -</u>	<u>\$ 1,201,109</u>	<u>\$ 784,440</u>	<u>\$ 1,153,204</u>	<u>\$ -</u>

(Continued)

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2003
(Continued)

	Teacher Development	Management Information Systems	Public School Preschool	Disadvantaged Pupil Impact Aid
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 66,430	\$ 121,606	\$ 387,627
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
Receivables:				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	-	-	-
Accrued Interest	-	-	-	-
Interfund	-	-	-	-
Due from other Funds	-	-	-	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 66,430</u>	<u>\$ 121,606</u>	<u>\$ 387,627</u>
<u>Liabilities and Fund Equity:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ 686	\$ 65	\$ 20,800	\$ 275,454
Accrued Wages and Benefits	-	-	-	626,839
Intergovernmental Payable	-	1,276	2,084	196,918
Due to Other Funds	-	-	86,077	-
Deferred Revenue	-	-	-	-
Compensated Absences Payable	-	-	-	67,106
Total Liabilities	<u>686</u>	<u>1,341</u>	<u>108,961</u>	<u>1,166,317</u>
<u>Fund Equity:</u>				
Reserved for Encumbrances	-	165	5,860	112,173
Reserved for Supplies Inventory	-	-	-	-
Reserved for Taxes	-	-	-	-
Reserved for Long-term Receivable	-	-	-	-
Unreserved	(686)	64,924	6,785	(890,863)
Total Fund Equity	<u>(686)</u>	<u>65,089</u>	<u>12,645</u>	<u>(778,690)</u>
Total Liabilities and Fund Equity	<u>\$ -</u>	<u>\$ 66,430</u>	<u>\$ 121,606</u>	<u>\$ 387,627</u>

Data Communications	SchoolNet Professional Development	Textbooks/ Instructional Material Subsidy	Ohio Reads	Vocational Education Enhancement	Alternative Schools
\$ 222,101	\$ 12,500	\$ 59,837	\$ 81,127	\$ 6,237	\$ 2,188
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
147,000	-	-	15,000	14,500	23,602
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 369,101</u>	<u>\$ 12,500</u>	<u>\$ 59,837</u>	<u>\$ 96,127</u>	<u>\$ 20,737</u>	<u>\$ 25,790</u>
\$ 3,877	\$ -	\$ -	\$ 21,856	\$ 2,606	\$ 825
-	1,500	-	-	-	1,097
-	-	-	-	-	558
-	-	-	-	6,662	-
147,000	-	-	15,000	14,500	23,602
-	-	-	-	-	-
<u>150,877</u>	<u>1,500</u>	<u>-</u>	<u>36,856</u>	<u>23,768</u>	<u>26,082</u>
41,201	-	-	34,945	3,631	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>177,023</u>	<u>11,000</u>	<u>59,837</u>	<u>24,326</u>	<u>(6,662)</u>	<u>(292)</u>
<u>218,224</u>	<u>11,000</u>	<u>59,837</u>	<u>59,271</u>	<u>(3,031)</u>	<u>(292)</u>
<u>\$ 369,101</u>	<u>\$ 12,500</u>	<u>\$ 59,837</u>	<u>\$ 96,127</u>	<u>\$ 20,737</u>	<u>\$ 25,790</u>

(Continued)

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2003
(Continued)

	Miscellaneous State Grants	Adult Basic Education	National Defense Education Act	Title VI-B
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 78,878	\$ 71,353	\$ -	\$ 418,486
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
Receivables:				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	156,085	-	355,686
Accrued Interest	-	-	-	-
Interfund	-	-	-	-
Due from other Funds	-	-	1,592	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	-	-
Total Assets	<u>\$ 78,878</u>	<u>\$ 227,438</u>	<u>\$ 1,592</u>	<u>\$ 774,172</u>
<u>Liabilities and Fund Equity:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ 8,679	\$ 18,735	\$ -	\$ 338,911
Accrued Wages and Benefits	-	9,871	-	44,577
Intergovernmental Payable	342	5,700	-	19,838
Due to Other Funds	-	85,315	-	-
Deferred Revenue	-	156,085	-	355,686
Compensated Absences Payable	-	-	-	-
Total Liabilities	<u>9,021</u>	<u>275,706</u>	<u>-</u>	<u>759,012</u>
<u>Fund Equity:</u>				
Reserved for Encumbrances	15,836	24,937	-	295,982
Reserved for Supplies Inventory	-	-	-	-
Reserved for Taxes	-	-	-	-
Reserved for Long-term Receivable	-	-	-	-
Unreserved	54,021	(73,205)	1,592	(280,822)
Total Fund Equity	<u>69,857</u>	<u>(48,268)</u>	<u>1,592</u>	<u>15,160</u>
Total Liabilities and Fund Equity	<u>\$ 78,878</u>	<u>\$ 227,438</u>	<u>\$ 1,592</u>	<u>\$ 774,172</u>

Vocational Education	Headstart	Dropout Prevention and Intervention	Title I	Title VI	Emergency Immigrant Education
\$ 153,756	\$ 58,986	\$ 4,426	\$ 1,330,730	\$ 25,384	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	91,015	9,084	5,267,826	211,719	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	919	-	-
-	-	-	-	-	-
<u>\$ 153,756</u>	<u>\$ 150,001</u>	<u>\$ 13,510</u>	<u>\$ 6,599,475</u>	<u>\$ 237,103</u>	<u>\$ -</u>
\$ 69,030	\$ 8,459	\$ 402	\$ 530,666	\$ 13,094	\$ -
7,687	28,461	-	405,247	-	-
6,368	10,646	-	97,122	-	-
345,101	153,614	-	4,645	200,000	-
-	-	2,627	5,173,965	211,719	-
194	31	-	16,971	-	-
<u>428,380</u>	<u>201,211</u>	<u>3,029</u>	<u>6,228,616</u>	<u>424,813</u>	<u>-</u>
17,701	18,853	1,284	762,201	1,238	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(292,325)</u>	<u>(70,063)</u>	<u>9,197</u>	<u>(391,342)</u>	<u>(188,948)</u>	<u>-</u>
<u>(274,624)</u>	<u>(51,210)</u>	<u>10,481</u>	<u>370,859</u>	<u>(187,710)</u>	<u>-</u>
<u>\$ 153,756</u>	<u>\$ 150,001</u>	<u>\$ 13,510</u>	<u>\$ 6,599,475</u>	<u>\$ 237,103</u>	<u>\$ -</u>

(Continued)

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2003
(Continued)

	Drug Free School Grant	EHA Preschool Grants for the Handicapped	E-Rate Grant	Continuous Improvement
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 375,841	\$ 4,932	\$ 185,424	\$ -
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
Receivables:				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	-	-	60	-
Intergovernmental	1,787,003	-	-	-
Accrued Interest	-	-	-	-
Interfund	-	-	-	-
Due from other Funds	-	-	363	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	-	-
Total Assets	<u>\$ 2,162,844</u>	<u>\$ 4,932</u>	<u>\$ 185,847</u>	<u>\$ -</u>
<u>Liabilities and Fund Equity:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ 116,027	\$ 1,320	\$ 5,457	\$ -
Accrued Wages and Benefits	23,385	-	2,640	-
Intergovernmental Payable	8,366	-	1,344	-
Due to Other Funds	475,000	3,329	-	-
Deferred Revenue	1,787,003	-	-	-
Compensated Absences Payable	-	3,349	-	-
Total Liabilities	<u>2,409,781</u>	<u>7,998</u>	<u>9,441</u>	<u>-</u>
<u>Fund Equity:</u>				
Reserved for Encumbrances	710,796	93	75,740	-
Reserved for Supplies Inventory	-	-	-	-
Reserved for Taxes	-	-	-	-
Reserved for Long-term Receivable	-	-	-	-
Unreserved	(957,733)	(3,159)	100,666	-
Total Fund Equity	<u>(246,937)</u>	<u>(3,066)</u>	<u>176,406</u>	<u>-</u>
Total Liabilities and Fund Equity	<u>\$ 2,162,844</u>	<u>\$ 4,932</u>	<u>\$ 185,847</u>	<u>\$ -</u>

Title VI-R Classroom Size Reduction	Miscellaneous Federal Grants	Special Trust	Food Service	Uniformed School Supplies	Total
\$ 516,748	\$ 165,194	\$ 71,233	\$ 584,311	\$ 26,563	\$ 8,555,508
-	-	-	-	-	597,225
-	-	-	-	-	716,084
-	-	-	-	-	79,798
-	-	-	-	-	28,175
1,645,100	559,493	-	770,236	1,000	11,124,078
-	-	-	370	-	1,504
-	-	-	-	-	3,000,000
-	340	-	8,866	-	12,861
-	-	-	-	-	2,806
-	-	-	131,638	-	131,638
<u>\$ 2,161,848</u>	<u>\$ 725,027</u>	<u>\$ 71,233</u>	<u>\$ 1,495,421</u>	<u>\$ 27,563</u>	<u>\$ 24,249,677</u>
\$ 88,156	\$ 257,632	\$ 45	\$ 88,973	\$ 18	\$ 2,366,281
113,034	27,249	-	62,396	-	1,491,154
17,894	14,596	-	34,338	-	447,422
-	75,449	-	-	-	1,463,068
1,645,100	348,873	-	370	-	10,665,466
-	3,881	-	17,206	-	108,738
<u>1,864,184</u>	<u>727,680</u>	<u>45</u>	<u>203,283</u>	<u>18</u>	<u>16,542,129</u>
86,581	290,395	765	317,902	1,922	3,662,264
-	-	-	131,638	-	131,638
-	-	-	-	-	13,080
-	-	-	-	-	3,000,000
211,083	(293,048)	70,423	842,598	25,623	900,566
<u>297,664</u>	<u>(2,653)</u>	<u>71,188</u>	<u>1,292,138</u>	<u>27,545</u>	<u>7,707,548</u>
<u>\$ 2,161,848</u>	<u>\$ 725,027</u>	<u>\$ 71,233</u>	<u>\$ 1,495,421</u>	<u>\$ 27,563</u>	<u>\$ 24,249,677</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2003

	Permanent Improvement	Building	Replacement	SchoolNet
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 405,227	\$ 37,458,475	\$ 200,602	\$ 254
Receivables:				
Taxes - Current	402,797	-	-	-
Taxes - Delinquent	79,798	-	-	-
Intergovernmental	-	-	-	700,340
Accrued Interest	-	-	214	-
Total Assets	<u>\$ 887,822</u>	<u>\$ 37,458,475</u>	<u>\$ 200,816</u>	<u>\$ 700,594</u>
<u>Liabilities and Fund Equity:</u>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Salaries Payable	-	8,123	-	909
Accrued Interest Payable	-	240,139	-	-
Intergovernmental Payable	-	4,136	-	232
Due to Other Funds	-	-	-	977
Deferred Revenue	469,515	-	214	700,340
Bond Anticipation Notes Payable	-	21,866,281	-	-
Total Liabilities	<u>469,515</u>	<u>22,118,679</u>	<u>214</u>	<u>702,458</u>
Fund Balance:				
Reserved for Encumbrances	-	517,329	-	255
Reserved for Taxes	13,080	-	-	-
Unreserved	405,227	14,822,467	200,602	(2,119)
Total Fund Balance	<u>418,307</u>	<u>15,339,796</u>	<u>200,602</u>	<u>(1,864)</u>
Total Liabilities and Fund Balance	<u>\$ 887,822</u>	<u>\$ 37,458,475</u>	<u>\$ 200,816</u>	<u>\$ 700,594</u>

Interactive Video Distance Learning	School Building Assistance Limited	Total Nonmajor Capital Projects Funds
\$ 11,142	\$ 5,222,978	\$ 43,298,678
-	-	402,797
-	-	79,798
51,000	-	751,340
-	3,385	3,599
<u>\$ 62,142</u>	<u>\$ 5,226,363</u>	<u>\$ 44,536,212</u>
\$ -	\$ 11,720	\$ 11,720
-	-	9,032
-	20,882	261,021
-	-	4,368
-	-	977
51,000	3,385	1,224,454
-	1,947,358	23,813,639
<u>51,000</u>	<u>1,983,345</u>	<u>25,325,211</u>
-	1,337,848	1,855,432
-	-	13,080
<u>11,142</u>	<u>1,905,170</u>	<u>17,342,489</u>
<u>11,142</u>	<u>3,243,018</u>	<u>19,211,001</u>
<u>\$ 62,142</u>	<u>\$ 5,226,363</u>	<u>\$ 44,536,212</u>

DAYTON  N

PUBLIC SCHOOLS

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$ 378,172	\$ 378,172	\$ 756,344
Intergovernmental	50,367,915	2,440,493	52,808,408
Interest	51,946	176,578	228,524
Tuition and Fees	47,406	-	47,406
Charges for Services	3,332,611	-	3,332,611
Gifts and Donations	2,785	-	2,785
Extracurricular Activities	809,668	-	809,668
Miscellaneous	1,211,259	-	1,211,259
	<u>56,201,762</u>	<u>2,995,243</u>	<u>59,197,005</u>
Total Revenues			
Expenditures:			
Current:			
Instruction:			
Regular	12,238,355	-	12,238,355
Special	12,507,820	-	12,507,820
Vocational	715,489	-	715,489
Adult/Continuing	589,196	-	589,196
Support Services:			
Pupils	4,377,510	-	4,377,510
Instructional Staff	5,662,301	-	5,662,301
Administration	4,705,285	-	4,705,285
Fiscal	229,115	6,801	235,916
Plant Operation and Maintenance	1,577,770	-	1,577,770
Pupil Transportation	31,903	-	31,903
Central	6,175,675	757,060	6,932,735
Non-Instructional Services	13,429,431	-	13,429,431
Extracurricular Activities	849,290	-	849,290
Capital Outlay	-	1,249,334	1,249,334
Debt Service:			
Principal Retirement	370,529	-	370,529
Interest and Fiscal Charges	20,164	261,021	281,185
	<u>63,479,833</u>	<u>2,274,216</u>	<u>65,754,049</u>
Total Expenditures			
Excess of Revenues Over(Under)			
Expenditures	(7,278,071)	721,027	(6,557,044)
Other Financing Sources:			
Proceeds from Sale of Bonds	-	16,250,101	16,250,101
Transfers-In	463,331	-	463,331
Transfers-Out	(1,693)	-	(1,693)
	<u>461,638</u>	<u>16,250,101</u>	<u>16,711,739</u>
Total Other Financing Sources (Uses)			
Excess of Revenues and Other Financing			
Sources Over(Under) Expenditures	(6,816,433)	16,971,128	10,154,695
Fund Balance at Beginning of Year - Restated	<u>14,523,981</u>	<u>2,239,873</u>	<u>16,763,854</u>
Fund Balance at End of Year	<u>\$ 7,707,548</u>	<u>\$ 19,211,001</u>	<u>\$ 26,918,549</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Other Grant Rotary	Public School Support	Other Grant	Computer Networks
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Interest	-	-	-	-
Tuition and Fees	47,406	-	-	-
Charges for Services	-	11,375	1,700	-
Gifts and Donations	-	-	-	-
Extracurricular Activities	-	304,127	-	-
Miscellaneous	-	5,365	975,901	-
Total Revenues	47,406	320,867	977,601	-
Expenditures:				
Current:				
Instruction:				
Regular	19,396	362,097	21,119	-
Special	-	-	1,217	-
Vocational	-	-	-	-
Adult/Continuing	-	-	-	-
Support Services:				
Pupils	-	7,985	416,788	-
Instructional Staff	-	2,669	262,358	-
Administration	-	-	46,779	-
Fiscal	-	-	4,844	-
Plant Operation and Maintenance	-	-	-	-
Pupil Transportation	-	-	-	-
Central	-	1,021	-	34,485
Non-Instructional Services	-	-	-	-
Extracurricular Activities	-	-	6,464	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	19,396	373,772	759,569	34,485
Excess of Revenues Over(Under) Expenditures	28,010	(52,905)	218,032	(34,485)
Other Financing Sources:				
Transfers-In	-	-	-	-
Transfers-Out	-	-	(12)	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures	28,010	(52,905)	218,020	(34,485)
Fund Balance at Beginning of Year	94,793	598,708	223,744	72,000
Fund Balance at End of Year	<u>\$ 122,803</u>	<u>\$ 545,803</u>	<u>\$ 441,764</u>	<u>\$ 37,515</u>

Education Foundation	School Improvement Model	Maintenance of Classroom Facilities	District Managed Student Activities	Auxiliary Services	Career Development
\$ -	\$ -	\$ 378,172	\$ -	\$ -	\$ -
-	-	46,593	-	2,086,611	-
13,621	-	-	-	30,204	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	505,541	-	-
219,750	-	-	-	-	-
<u>233,371</u>	<u>-</u>	<u>424,765</u>	<u>505,541</u>	<u>2,116,815</u>	<u>-</u>
-	-	-	229	13,622	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	28	-	-	-	2,947
48,896	-	-	-	-	102
-	-	6,458	-	-	-
-	-	-	12,180	-	-
-	-	-	-	-	-
-	-	-	-	-	1,856
-	2,160	-	-	1,839,687	-
-	-	-	803,728	-	-
181,806	-	-	17,098	-	-
9,181	-	-	6,164	-	-
<u>239,883</u>	<u>2,188</u>	<u>6,458</u>	<u>839,399</u>	<u>1,853,309</u>	<u>4,905</u>
(6,512)	(2,188)	418,307	(333,858)	263,506	(4,905)
-	-	-	350,000	-	-
-	-	-	-	(1,623)	-
(6,512)	(2,188)	418,307	16,142	261,883	(4,905)
<u>3,603,737</u>	<u>678</u>	<u>-</u>	<u>743,753</u>	<u>363,930</u>	<u>3,049</u>
<u>\$ 3,597,225</u>	<u>\$ (1,510)</u>	<u>\$ 418,307</u>	<u>\$ 759,895</u>	<u>\$ 625,813</u>	<u>\$ (1,856)</u>

(Continued)

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003
(Continued)

	Teacher Development	Management Information Systems	Public School Preschool	Disadvantaged Pupil Impact Aid
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	71,469	292,003	15,844,567
Interest	-	-	-	-
Tuition and Fees	-	-	-	-
Charges for Services	-	-	-	-
Gifts and Donations	-	-	-	-
Extracurricular Activities	-	-	-	-
Miscellaneous	-	-	9,240	-
Total Revenues	-	71,469	301,243	15,844,567
Expenditures:				
Current:				
Instruction:				
Regular	-	480	112,492	11,098,192
Special	-	-	-	2,028,531
Vocational	-	-	-	52,022
Adult/Continuing	-	-	-	-
Support Services:				
Pupils	-	-	54,303	345
Instructional Staff	2,011	-	114,925	295,182
Administration	-	-	-	159,088
Fiscal	-	-	36,269	-
Plant Operation and Maintenance	-	-	-	1,378,344
Pupil Transportation	-	-	6,077	-
Central	-	72,847	-	5,565,019
Non-Instructional Services	-	-	-	-
Extracurricular Activities	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	2,011	73,327	324,066	20,576,723
Excess of Revenues Over(Under) Expenditures	(2,011)	(1,858)	(22,823)	(4,732,156)
Other Financing Sources:				
Transfers-In	-	-	-	-
Transfers-Out	-	-	-	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures	(2,011)	(1,858)	(22,823)	(4,732,156)
Fund Balance at Beginning of Year	1,325	66,947	35,468	3,953,466
Fund Balance at End of Year	<u>\$ (686)</u>	<u>\$ 65,089</u>	<u>\$ 12,645</u>	<u>\$ (778,690)</u>

Data Communications	SchoolNet Professional Development	Textbooks/ Instructional Material Subsidy	Ohio Reads	Vocational Education Enhancement	Alternative Schools
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
266,100	12,500	-	314,995	37,752	346,451
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
266,100	12,500	-	314,995	37,752	346,451
-	148	-	256,071	-	122
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	20,088	48,620	358,073
-	8,813	-	39,795	-	-
-	-	-	6,800	-	32,680
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	2,217	-	-
408,711	-	-	4,093	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
408,711	8,961	-	329,064	48,620	390,875
(142,611)	3,539	-	(14,069)	(10,868)	(44,424)
-	-	-	-	7,837	-
-	-	-	(58)	-	-
(142,611)	3,539	-	(14,127)	(3,031)	(44,424)
360,835	7,461	59,837	73,398	-	44,132
\$ 218,224	\$ 11,000	\$ 59,837	\$ 59,271	\$ (3,031)	\$ (292)

(Continued)

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003
(Continued)

	Miscellaneous State Grants	Adult Basic Education	National Defense Education Act	Title VI-B
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	207,297	689,053	71,758	2,571,373
Interest	-	-	-	-
Tuition and Fees	-	-	-	-
Charges for Services	-	-	-	-
Gifts and Donations	-	-	-	-
Extracurricular Activities	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	207,297	689,053	71,758	2,571,373
Expenditures:				
Current:				
Instruction:				
Regular	38,287	3,901	1,334	28,525
Special	-	-	-	842,081
Vocational	-	-	-	-
Adult/Continuing	-	535,904	-	-
Support Services:				
Pupils	96,912	163	-	10,820
Instructional Staff	47,735	181,518	122,591	1,715,829
Administration	56,856	-	-	194,441
Fiscal	-	-	-	-
Plant Operation and Maintenance	-	-	-	-
Pupil Transportation	-	9,542	-	-
Central	-	-	-	5,603
Non-Instructional Services	-	-	2,808	259,814
Extracurricular Activities	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	22,282
Interest and Fiscal Charges	-	-	-	1,003
Total Expenditures	239,790	731,028	126,733	3,080,398
Excess of Revenues Over(Under) Expenditures	(32,493)	(41,975)	(54,975)	(509,025)
Other Financing Sources:				
Transfers-In	-	-	-	-
Transfers-Out	-	-	-	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures	(32,493)	(41,975)	(54,975)	(509,025)
Fund Balance at Beginning of Year	102,350	(6,293)	56,567	524,185
Fund Balance at End of Year	<u>\$ 69,857</u>	<u>\$ (48,268)</u>	<u>\$ 1,592</u>	<u>\$ 15,160</u>

Vocational Education	Headstart	Dropout Prevention and Intervention	Title I	Title VI	Emergency Immigrant Education
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
723,518	1,573,998	26,953	10,731,858	61,411	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>723,518</u>	<u>1,573,998</u>	<u>26,953</u>	<u>10,731,858</u>	<u>61,411</u>	<u>-</u>
2,642	14,154	-	127,626	1,742	-
816	1,544,080	12,501	5,314,586	205,679	-
663,467	-	-	-	-	-
-	-	-	53,292	-	-
60,466	-	-	143,540	-	12,300
-	18,293	3,971	1,972,970	-	-
92,247	7,257	-	3,198,832	21,453	-
-	-	-	178,215	-	-
-	-	-	-	-	-
-	-	-	14,067	-	-
63,971	-	-	1,106	-	-
-	-	-	704,721	48,321	-
39,098	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>922,707</u>	<u>1,583,784</u>	<u>16,472</u>	<u>11,708,955</u>	<u>277,195</u>	<u>12,300</u>
(199,189)	(9,786)	10,481	(977,097)	(215,784)	(12,300)
-	105,482	-	-	-	-
-	-	-	-	-	-
(199,189)	95,696	10,481	(977,097)	(215,784)	(12,300)
(75,435)	(146,906)	-	1,347,956	28,074	12,300
<u>\$ (274,624)</u>	<u>\$ (51,210)</u>	<u>\$ 10,481</u>	<u>\$ 370,859</u>	<u>\$ (187,710)</u>	<u>\$ -</u>

(Continued)

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003
(Continued)

	Drug Free School Grant	EHA Preschool Grants for the Handicapped	E-Rate Grant	Continuous Improvement
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,161,826	158,700	232,297	-
Interest	-	-	-	-
Tuition and Fees	-	-	-	-
Charges for Services	-	-	-	-
Gifts and Donations	-	-	-	-
Extracurricular Activities	-	-	-	-
Miscellaneous	-	-	3	-
Total Revenues	2,161,826	158,700	232,300	-
Expenditures:				
Current:				
Instruction:				
Regular	2,147	1,587	369	13,523
Special	19,747	-	-	-
Vocational	-	-	-	-
Adult/Continuing	-	-	-	-
Support Services:				
Pupils	2,347,818	-	-	41,832
Instructional Staff	-	158,158	-	-
Administration	128,272	3,349	-	-
Fiscal	-	3,329	-	-
Plant Operation and Maintenance	-	-	-	-
Pupil Transportation	-	-	-	-
Central	-	-	15,289	-
Non-Instructional Services	2,095	-	-	-
Extracurricular Activities	-	-	-	-
Debt Service:				
Principal Retirement	-	-	149,343	-
Interest and Fiscal Charges	-	-	3,816	-
Total Expenditures	2,500,079	166,423	168,817	55,355
Excess of Revenues Over(Under) Expenditures	(338,253)	(7,723)	63,483	(55,355)
Other Financing Sources:				
Transfers-In	-	-	-	-
Transfers-Out	-	-	-	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures	(338,253)	(7,723)	63,483	(55,355)
Fund Balance at Beginning of Year	91,316	4,657	112,923	55,355
Fund Balance at End of Year	<u>\$ (246,937)</u>	<u>\$ (3,066)</u>	<u>\$ 176,406</u>	<u>\$ -</u>

Title VI-R Classroom Size Reduction	Miscellaneous Federal Grants	Special Trust	Food Service	Uniformed School Supplies	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 378,172
2,459,671	1,982,394	-	7,396,767	-	50,367,915
-	-	-	8,121	-	51,946
-	-	-	-	-	47,406
-	-	-	3,292,153	27,383	3,332,611
-	-	2,785	-	-	2,785
-	-	-	-	-	809,668
-	-	-	-	1,000	1,211,259
<u>2,459,671</u>	<u>1,982,394</u>	<u>2,785</u>	<u>10,697,041</u>	<u>28,383</u>	<u>56,201,762</u>
13,575	9,779	-	62,428	32,768	12,238,355
2,334,614	203,968	-	-	-	12,507,820
-	-	-	-	-	715,489
-	-	-	-	-	589,196
-	753,645	865	-	-	4,377,510
361,780	353,630	45	-	-	5,662,301
4,571	703,662	-	-	-	4,705,285
-	-	-	-	-	229,115
-	-	-	187,246	-	1,577,770
-	-	-	-	-	31,903
-	1,674	-	-	-	6,175,675
2,984	-	-	10,566,841	-	13,429,431
-	-	-	-	-	849,290
-	-	-	-	-	370,529
-	-	-	-	-	20,164
<u>2,717,524</u>	<u>2,026,358</u>	<u>910</u>	<u>10,816,515</u>	<u>32,768</u>	<u>63,479,833</u>
(257,853)	(43,964)	1,875	(119,474)	(4,385)	(7,278,071)
-	12	-	-	-	463,331
-	-	-	-	-	(1,693)
(257,853)	(43,952)	1,875	(119,474)	(4,385)	(6,816,433)
<u>555,517</u>	<u>41,299</u>	<u>69,313</u>	<u>1,411,612</u>	<u>31,930</u>	<u>14,523,981</u>
<u>\$ 297,664</u>	<u>\$ (2,653)</u>	<u>\$ 71,188</u>	<u>\$ 1,292,138</u>	<u>\$ 27,545</u>	<u>\$ 7,707,548</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Permanent Improvement	Building	Replacement	SchoolNet
Revenues:				
Taxes	\$ 378,172	\$ -	\$ -	\$ -
Intergovernmental	46,593	-	-	15,000
Interest	-	76,263	6,242	-
Total Revenues	<u>424,765</u>	<u>76,263</u>	<u>6,242</u>	<u>15,000</u>
Expenditures:				
Current:				
Support Services:				
Fiscal	6,458	343	-	-
Central	-	-	-	717,202
Capital Outlay	-	746,086	-	-
Debt Service:				
Interest and Fiscal Charges	-	240,139	-	-
Total Expenditures	<u>6,458</u>	<u>986,568</u>	<u>-</u>	<u>717,202</u>
Excess of Revenues Over(Under) Expenditures	<u>418,307</u>	<u>(910,305)</u>	<u>6,242</u>	<u>(702,202)</u>
Other Financing Sources (Uses):				
Proceeds from Sale of Bonds	-	16,250,101	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>16,250,101</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	418,307	15,339,796	6,242	(702,202)
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>194,360</u>	<u>700,338</u>
Fund Balance at End of Year	<u>\$ 418,307</u>	<u>\$ 15,339,796</u>	<u>\$ 200,602</u>	<u>\$ (1,864)</u>

Interactive Video Distance Learning	School Building Assistance Limited	Total Nonmajor Capital Projects Funds
\$ -	\$ -	\$ 378,172
-	2,378,900	2,440,493
-	94,073	176,578
-	2,472,973	2,995,243
-	-	6,801
39,858	-	757,060
-	503,248	1,249,334
-	20,882	261,021
39,858	524,130	2,274,216
(39,858)	1,948,843	721,027
-	-	16,250,101
-	-	16,250,101
(39,858)	1,948,843	16,971,128
51,000	1,294,175	2,239,873
<u>\$ 11,142</u>	<u>\$ 3,243,018</u>	<u>\$ 19,211,001</u>

DAYTON  N

PUBLIC SCHOOLS

Combining Statements – Internal Service Funds

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing of services provided by one department to other department of the District on a cost-reimbursement basis.

Warehouse

A fund used to account for the intra-district function of central warehousing for the District.

Self-Insurance

To account for the payment of all School District employees' dental insurance claims.

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING STATEMENT OF FUND NET ASSETS
ALL INTERNAL SERVICE FUNDS
JUNE 30, 2003

	<u>Warehouse</u>	<u>Self-Insurance</u>	<u>Total</u>
<u>Assets:</u>			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 1,534,819	\$ 170,951	\$ 1,705,770
Inventory Held for Resale	941,122	-	941,122
Total Current Assets	<u>2,475,941</u>	<u>170,951</u>	<u>2,646,892</u>
Fixed Assets	257,721	-	257,721
Less: Depreciation	<u>(194,212)</u>	<u>-</u>	<u>(194,212)</u>
Total Assets	<u>2,539,450</u>	<u>170,951</u>	<u>2,710,401</u>
<u>Liabilities:</u>			
Liabilities:			
Current Liabilities:			
Accounts Payable	70,966	-	70,966
Claims Payable	-	<u>178,286</u>	<u>178,286</u>
Total Current Liabilities	<u>70,966</u>	<u>178,286</u>	<u>249,252</u>
Total Liabilities	<u>70,966</u>	<u>178,286</u>	<u>249,252</u>
<u>Net Assets</u>			
Invested in Capital Assets	63,509	-	63,509
Unrestricted	<u>2,404,975</u>	<u>(7,335)</u>	<u>2,397,640</u>
Total Net Assets	<u>\$ 2,468,484</u>	<u>\$ (7,335)</u>	<u>\$ 2,461,149</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
ALL INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Warehouse</u>	<u>Self-Insurance</u>	<u>Total</u>
Operating Revenues:			
Charges for Services	\$ -	\$ 1,294,653	\$ 1,294,653
Materials and Supplies	1,068,142	-	1,068,142
	<u>1,068,142</u>	<u>1,294,653</u>	<u>2,362,795</u>
Total Operating Revenues	<u>1,068,142</u>	<u>1,294,653</u>	<u>2,362,795</u>
Operating Expenses:			
Salaries and Wages	493,922	-	493,922
Fringe Benefits	180,091	-	180,091
Purchased Services	62,402	-	62,402
Claims	-	1,213,934	1,213,934
Cost of Sales	1,124,545	-	1,124,545
Depreciation	9,925	-	9,925
	<u>1,870,885</u>	<u>1,213,934</u>	<u>3,084,819</u>
Total Operating Expenses	<u>1,870,885</u>	<u>1,213,934</u>	<u>3,084,819</u>
Loss before Transfers-In	(802,743)	80,719	(722,024)
Operating Transfers-In	<u>665,449</u>	<u>20,000</u>	<u>685,449</u>
Change in Net Assets	(137,294)	100,719	(36,575)
Net Assets - Beginning of Year	<u>2,605,778</u>	<u>(108,054)</u>	<u>2,497,724</u>
Net Assets - End of Year	<u><u>2,468,484</u></u>	<u><u>(7,335)</u></u>	<u><u>2,461,149</u></u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Warehouse	Self-Insurance	Total
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities:			
Cash Received from Quasi-External Transactions with other Funds	\$ 1,068,142	\$ 1,294,653	\$ 2,362,795
Cash Payments to Suppliers for Goods and Services	(875,036)	-	(875,036)
Cash Payments to Employees for Services	(493,922)	-	(493,922)
Cash Payments for Employee Benefits	(164,641)	-	(164,641)
Cash Payments for Claims	-	(1,219,505)	(1,219,505)
	(465,457)	75,148	(390,309)
Net Cash Provided Used in Operating Activities			
Cash Flows from Noncapital Financing Activities:			
Operating Transfers-In	665,449	20,000	685,449
	199,992	95,148	295,140
Net Increase (Decrease) in Cash and Cash Equivalents			
Cash and Cash Equivalents Beginning of Year	1,334,827	75,803	1,410,630
	\$ 1,534,819	\$ 170,951	\$ 1,705,770
Cash and Cash Equivalents End of Year			
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:			
Operating Loss	\$ (802,743)	\$ 80,719	\$ (722,024)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:			
Depreciation	9,925	-	9,925
Changes in Assets and Liabilities			
Decrease in Inventory Held for Resale	310,621	-	310,621
Increase in Accounts Payable	16,740	-	16,740
Decrease in Claims Payable	-	(5,571)	(5,571)
	(465,457)	75,148	(390,309)
Net Cash Used in Operating Activities			

Combining Statements – Fiduciary Funds

AGENCY FUNDS

Agency funds are used to account for assets held by the School District as an agent for individuals, private organizations, other governmental units and/or other funds.

District Agency

A fund used to account for assets and obligations that represent the amounts owed to the State Bureau of Workers' Compensation for 1994, 1995, 1996, 1997 and 1998.

Student Managed Activities

To account for the resources that belongs to the various student groups in the District. The funds account for sales and other revenue generating activities by student activity programs, which have students, involved in the management of the program.

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Additions	Deletions	Ending Balance June 30, 2003
<u>District Agency:</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 6,195,490	\$ 4,407,990	\$ 2,389,426	\$ 8,214,054
Intergovernmental Receivable	-	35,349	-	35,349
Total Assets	\$ 6,195,490	\$ 4,443,339	\$ 2,389,426	\$ 8,249,403
Liabilities:				
Accounts Payable	\$ 329,348	\$ -	\$ 329,348	\$ -
Undistributed Assets	5,866,142	4,772,687	2,389,426	8,249,403
Total Liabilities	\$ 6,195,490	\$ 4,772,687	\$ 2,718,774	\$ 8,249,403
<u>Student Managed Activities</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 117,425	\$ 105,417	\$ 104,082	\$ 118,760
Total Assets	\$ 117,425	\$ 105,417	\$ 104,082	\$ 118,760
Liabilities:				
Accounts Payable	\$ 10,552	\$ 5,517	\$ 10,552	\$ 5,517
Due to Students	106,873	121,004	114,634	113,243
Total Liabilities	\$ 117,425	\$ 126,521	\$ 125,186	\$ 118,760
<u>Total All Agency Funds</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 6,312,915	\$ 4,513,407	\$ 2,493,508	\$ 8,332,814
Intergovernmental Receivable	-	35,349	-	35,349
Total Assets	\$ 6,312,915	\$ 4,548,756	\$ 2,493,508	\$ 8,368,163
Liabilities:				
Accounts Payable	\$ 339,900	\$ 5,517	\$ 339,900	\$ 5,517
Due to Students	106,873	121,004	114,634	113,243
Undistributed Assets	5,866,142	4,772,687	2,389,426	8,249,403
Total Liabilities	\$ 6,312,915	\$ 4,778,204	\$ 2,729,326	\$ 8,368,163

**Individual Fund Schedules of Revenues, Expenditures/Expenses
and Changes in Fund Balance/Fund Equity –
Budget (Non-GAAP) and Actual**

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BOND RETIREMENT FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	\$ -	\$ 6,088,963	\$ 6,088,964	\$ 1
Intergovernmental	-	799,499	799,498	(1)
Interest	-	19,189	19,189	-
Total Revenues	-	6,907,651	6,907,651	-
Expenditures:				
Current:				
Support Services:				
Fiscal	1,491,833	1,491,833	1,491,833	-
Debt Service:				
Interest and Fiscal Charges	5,508,167	5,508,167	-	5,508,167
Total Expenditures	7,000,000	7,000,000	1,491,833	5,508,167
Excess of Revenues Over(Under) Expenditures	(7,000,000)	(92,349)	5,415,818	5,508,167
Other Financing Sources (Uses):				
Proceeds from Sale of Bonds	-	101,979,907	98,450,481	(3,529,426)
Proceeds from Sale of Notes	-	4,726,312	4,848,247	121,935
Total Other Financing Sources (Uses)	-	106,706,219	103,298,728	(3,407,491)
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(7,000,000)	106,613,870	108,714,546	2,100,676
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ (7,000,000)	\$ 106,613,870	\$ 108,714,546	\$ 2,100,676

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
CLASSROOM FACILITIES CAPITAL PROJECTS FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 8,500,000	\$ 8,500,030	\$ 8,500,000	\$ (30)
Interest	-	486,791	603,800	117,009
Total Revenues	8,500,000	8,986,821	9,103,800	116,979
Expenditures:				
Current:				
Support Services:				
Fiscal	5,390,917	6,115,456	5,433,700	681,756
Capital Outlay	94,609,083	107,324,544	6,498,036	100,826,508
Total Expenditures	100,000,000	113,440,000	11,931,736	101,508,264
Excess of Revenues Over(Under) Expenditures	(91,500,000)	(104,453,179)	(2,827,936)	101,625,243
Other Financing Sources (Uses):				
Proceeds from Sale of Bonds	66,500,000	137,361,481	136,878,338	(483,143)
Proceeds from Sale of Notes	-	89,939,205	79,686,361	(10,252,844)
Total Other Financing Sources (Uses)	66,500,000	227,300,686	216,564,699	(10,735,987)
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(25,000,000)	122,847,507	213,736,763	90,889,256
Fund Balance at Beginning of Year	23,078,305	23,078,305	23,078,305	-
Prior Year Encumbrances Appropriated	1,921,695	1,921,695	1,921,695	-
Fund Balance at End of Year	\$ -	\$ 147,847,507	\$ 238,736,763	\$ 90,889,256

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
OTHER GRANT ROTARY - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Extracurricular Activities	\$ 31,000	\$ 47,410	\$ 47,406	\$ (4)
Total Revenues	31,000	47,410	47,406	(4)
Expenditures:				
Current:				
Instruction:				
Regular	128,185	144,591	26,634	117,957
Total Expenditures	128,185	144,591	26,634	117,957
Excess of Revenues Over(Under) Expenditures	(97,185)	(97,181)	20,772	117,953
Other Financing Sources (Uses):				
Operating Transfers-Out	(81)	(81)	-	81
Total Other Financing Sources (Uses)	(81)	(81)	-	81
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(97,266)	(97,262)	20,772	118,034
Fund Balance at Beginning of Year	95,472	95,472	95,472	-
Prior Year Encumbrances Appropriated	1,794	1,794	1,794	-
Fund Balance at End of Year	\$ -	\$ 4	\$ 118,038	\$ 118,034

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
PUBLIC SCHOOL SUPPORT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Charges for Services	\$ 13,860	\$ 11,375	\$ 11,375	\$ -
Extracurricular Activities	370,621	304,175	304,127	(48)
Miscellaneous	6,519	5,350	5,350	-
Total Revenues	391,000	320,900	320,852	(48)
Expenditures:				
Current:				
Instruction:				
Regular	940,917	875,059	413,199	461,860
Support Services:				
Pupils	68,293	63,513	7,415	56,098
Instructional Staff	3,670	3,413	-	3,413
Plant Operation and Maintenance	3,183	2,960	975	1,985
Central	1,110	1,032	1,021	11
Total Expenditures	1,017,172	945,977	422,610	523,367
Excess of Revenues Over(Under) Expenditures	(626,172)	(625,077)	(101,758)	523,319
Other Financing Sources (Uses):				
Operating Transfers-Out	(78)	(78)	-	78
Total Other Financing Sources (Uses)	(78)	(78)	-	78
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(626,250)	(625,155)	(101,758)	523,397
Fund Balance at Beginning of Year	539,834	539,834	539,834	-
Prior Year Encumbrances Appropriated	86,416	86,416	86,416	-
Fund Balance at End of Year	\$ -	\$ 1,095	\$ 524,492	\$ 523,397

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
OTHER LOCAL GRANTS FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Miscellaneous	\$ 914,000	\$ 1,109,900	\$ 1,109,824	\$ (76)
Total Revenues	914,000	1,109,900	1,109,824	(76)
Expenditures:				
Current:				
Instruction:				
Regular	126,216	151,516	25,944	125,572
Special	3,096	3,716	1,513	2,203
Vocational	3,974	4,771	-	4,771
Support Services:				
Pupils	551,703	662,289	527,506	134,783
Instructional Staff	333,126	399,900	258,876	141,024
Administration	27,787	33,357	48,313	(14,956)
Fiscal	4,035	4,844	4,844	-
Extracurricular Activities	8,847	10,622	6,464	4,158
Total Expenditures	1,058,785	1,271,015	873,460	397,555
Excess of Revenues Over(Under) Expenditures	(144,785)	(161,115)	236,364	397,479
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(26,320)	(26,320)	(26,320)	-
Operating Transfers-Out	(12)	(12)	(12)	-
Total Other Financing Sources (Uses)	(26,332)	(26,332)	(26,332)	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(171,117)	(187,447)	210,032	397,479
Fund Balance at Beginning of Year	140,364	140,364	140,364	-
Prior Year Encumbrances Appropriated	55,753	55,753	55,753	-
Fund Balance at End of Year	\$ 25,000	\$ 8,670	\$ 406,149	\$ 397,479

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
OECN NETWORK CONNECTIVITY FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Central	<u>72,000</u>	<u>72,000</u>	<u>69,258</u>	<u>2,742</u>
Total Expenditures	<u>72,000</u>	<u>72,000</u>	<u>69,258</u>	<u>2,742</u>
Excess of Revenues Over(Under) Expenditures	(72,000)	(72,000)	(69,258)	2,742
Fund Balance at Beginning of Year	<u>72,000</u>	<u>72,000</u>	<u>72,000</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,742</u>	<u>\$ 2,742</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SCHOOL IMPROVEMENT MODEL FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Instructional Staff	583	583	583	-
Total Expenditures	583	583	583	-
Excess of Revenues Over(Under) Expenditures	(583)	(583)	(583)	-
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(650)	(650)	(650)	-
Total Other Financing Sources (Uses)	(650)	(650)	(650)	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(1,233)	(1,233)	(1,233)	-
Fund Balance at Beginning of Year	410	410	410	-
Prior Year Encumbrances Appropriated	823	823	823	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
CLASSROOM MAINTENANCE FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	\$ -	\$ 365,092	\$ 365,092	\$ -
Intergovernmental	1,000,000	46,593	46,593	-
Total Revenues	1,000,000	411,685	411,685	-
Expenditures:				
Current:				
Support Services:				
Fiscal	-	6,458	6,458	-
Capital Outlay	1,000,000	393,542	-	393,542
Total Expenditures	1,000,000	400,000	6,458	393,542
Excess of Revenues Over(Under) Expenditures	-	11,685	405,227	393,542
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 11,685</u>	<u>\$ 405,227</u>	<u>\$ 393,542</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DISTRICT MANAGED STUDENT ACTIVITIES FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Extracurricular Activities	509,000	502,488	502,471	(17)
Total Revenues	509,000	502,488	502,471	(17)
Expenditures:				
Current:				
Instruction:				
Regular	-	229	229	-
Support Services:				
Plant Operation and Maintenance	-	-	34,651	(34,651)
Extracurricular Activities	1,586,607	1,614,525	1,036,483	578,042
Total Expenditures	1,586,607	1,614,754	1,071,363	543,391
Excess of Revenues Over(Under) Expenditures	(1,077,607)	(1,112,266)	(568,892)	543,374
Other Financing Sources (Uses):				
Advances-In	-	-	187,611	187,611
Advances-Out	-	-	(187,611)	(187,611)
Operating Transfers-In	300,000	350,012	350,000	(12)
Operating Transfers-Out	-	(15,353)	-	15,353
Total Other Financing Sources (Uses)	300,000	334,659	350,000	15,341
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(777,607)	(777,607)	(218,892)	558,715
Fund Balance at Beginning of Year	620,748	620,748	620,748	-
Prior Year Encumbrances Appropriated	156,859	156,859	156,859	-
Fund Balance at End of Year	\$ -	\$ -	\$ 558,715	\$ 558,715

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
AUXILIARY SERVICES FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 2,167,939	\$ 2,086,641	\$ 2,086,611	\$ (30)
Interest	32,061	30,859	33,465	2,606
Total Revenues	2,200,000	2,117,500	2,120,076	2,576
Expenditures:				
Current:				
Instruction:				
Regular	13,540	13,540	13,540	-
Support Services:				
Non-Instructional Services	2,875,129	2,753,484	2,627,445	126,039
Total Expenditures	2,888,669	2,767,024	2,640,985	126,039
Excess of Revenues Over(Under) Expenditures	(688,669)	(649,524)	(520,909)	128,615
Other Financing Sources (Uses):				
Operating Transfers-Out	(1,623)	(1,623)	(1,623)	-
Total Other Financing Sources (Uses)	(1,623)	(1,623)	(1,623)	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(690,292)	(651,147)	(522,532)	128,615
Fund Balance at Beginning of Year	318,949	318,949	318,949	-
Prior Year Encumbrances Appropriated	371,343	371,343	371,343	-
Fund Balance at End of Year	\$ -	\$ 39,145	\$ 167,760	\$ 128,615

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
CAREER DEVELOPMENT FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 45,000	\$ -	\$ -	\$ -
Total Revenues	<u>45,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Instructional Staff	41,417	2,947	2,947	-
Administration	349	349	349	-
Total Expenditures	<u>41,766</u>	<u>3,296</u>	<u>3,296</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	<u>3,234</u>	<u>(3,296)</u>	<u>(3,296)</u>	<u>-</u>
Other Financing Sources (Uses):				
Advances-Out	<u>(6,531)</u>	<u>(6,531)</u>	<u>(6,531)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(6,531)</u>	<u>(6,531)</u>	<u>(6,531)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(3,297)	(9,827)	(9,827)	-
Fund Balance at Beginning of Year	6,880	6,880	6,880	-
Prior Year Encumbrances Appropriated	<u>2,947</u>	<u>2,947</u>	<u>2,947</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 6,530</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TEACHER DEVELOPMENT FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Instructional Staff	705	705	705	-
Total Expenditures	705	705	705	-
Excess of Revenues Over(Under) Expenditures	(705)	(705)	(705)	-
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(1,306)	(1,306)	(1,306)	-
Total Other Financing Sources (Uses)	(1,306)	(1,306)	(1,306)	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(2,011)	(2,011)	(2,011)	-
Fund Balance at Beginning of Year	1,175	1,175	1,175	-
Prior Year Encumbrances Appropriated	836	836	836	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
MANAGEMENT INFORMATION SYSTEMS FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 85,000	\$ 71,500	\$ 71,469	\$ (31)
Total Revenues	<u>85,000</u>	<u>71,500</u>	<u>71,469</u>	<u>(31)</u>
Expenditures:				
Current:				
Instruction:				
Regular	480	480	480	-
Support Services:				
Central	<u>154,895</u>	<u>141,365</u>	<u>75,165</u>	<u>66,200</u>
Total Expenditures	<u>155,375</u>	<u>141,845</u>	<u>75,645</u>	<u>66,200</u>
Excess of Revenues Over(Under) Expenditures	(70,375)	(70,345)	(4,176)	66,169
Fund Balance at Beginning of Year	69,970	69,970	69,970	-
Prior Year Encumbrances Appropriated	<u>405</u>	<u>405</u>	<u>405</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ 30</u></u>	<u><u>\$ 66,199</u></u>	<u><u>\$ 66,169</u></u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
PUBLIC SCHOOL PRESCHOOL FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 245,000	\$ 372,254	\$ 292,003	\$ (80,251)
Miscellaneous	-	9,246	9,240	(6)
Total Revenues	245,000	381,500	301,243	(80,257)
Expenditures:				
Current:				
Instruction:				
Regular	89,249	122,178	118,337	3,841
Support Services:				
Pupils	42,762	58,539	55,208	3,331
Instructional Staff	84,473	115,640	114,904	736
Fiscal	26,483	36,254	36,253	1
Pupil Transportation	4,439	6,077	-	6,077
Total Expenditures	247,405	338,688	324,702	13,986
Excess of Revenues Over(Under) Expenditures	(2,405)	42,812	(23,459)	(66,271)
Other Financing Sources (Uses):				
Advances-In	-	-	80,000	80,000
Advances-Out	(36,000)	(36,000)	(36,000)	-
Total Other Financing Sources (Uses)	(36,000)	(36,000)	44,000	80,000
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(38,405)	6,812	20,541	13,729
Fund Balance at Beginning of Year	72,929	72,929	72,929	-
Prior Year Encumbrances Appropriated	1,478	1,478	1,478	-
Fund Balance at End of Year	\$ 36,002	\$ 81,219	\$ 94,948	\$ 13,729

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DISADVANTAGED PUPIL IMPACT AID FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 15,000,000	\$ 15,844,567	\$ 15,844,567	\$ -
Total Revenues	15,000,000	15,844,567	15,844,567	-
Expenditures:				
Current:				
Instruction:				
Regular	10,334,480	10,780,563	10,862,538	(81,975)
Special	2,033,458	2,121,231	2,074,808	46,423
Vocational	49,807	51,957	51,957	-
Support Services:				
Pupils	331	345	345	-
Instructional Staff	285,828	298,166	298,166	-
Administration	183,909	191,847	191,847	-
Plant Operation and Maintenance	1,343,665	1,401,664	1,393,129	8,535
Total Expenditures	14,231,478	14,845,773	14,872,790	(27,017)
Excess of Revenues Over(Under) Expenditures	768,522	998,794	971,777	(27,017)
Other Financing Sources (Uses):				
Pass Through Payments	(5,334,747)	(5,565,019)	(5,565,019)	-
Total Other Financing Sources (Uses)	(5,334,747)	(5,565,019)	(5,565,019)	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(4,566,225)	(4,566,225)	(4,593,242)	(27,017)
Fund Balance at Beginning of Year	4,579,274	4,579,274	4,579,274	-
Prior Year Encumbrances Appropriated	13,968	13,968	13,968	-
Fund Balance at End of Year	\$ 27,017	\$ 27,017	\$ -	\$ (27,017)

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DATA COMMUNICATION FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ -	\$ 266,500	\$ 266,100	\$ (400)
Total Revenues	-	266,500	266,100	(400)
Expenditures:				
Current:				
Support Services:				
Central	368,211	634,371	457,284	177,087
Total Expenditures	368,211	634,371	457,284	177,087
Excess of Revenues Over(Under) Expenditures	(368,211)	(367,871)	(191,184)	176,687
Fund Balance at Beginning of Year	355,773	355,773	355,773	-
Prior Year Encumbrances Appropriated	12,438	12,438	12,438	-
Fund Balance at End of Year	\$ -	\$ 340	\$ 177,027	\$ 176,687

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SCHOOLNET PROFESSIONAL DEVELOPMENT FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ -	\$ 12,500	\$ 12,500	\$ -
Total Revenues	-	12,500	12,500	-
Expenditures:				
Current:				
Instruction:				
Regular	148	148	148	-
Support Services:				
Instructional Staff	8,229	20,729	8,229	12,500
Total Expenditures	8,377	20,877	8,377	12,500
Excess of Revenues Over(Under) Expenditures	(8,377)	(8,377)	4,123	12,500
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(51)	(51)	(51)	-
Total Other Financing Sources (Uses)	(51)	(51)	(51)	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(8,428)	(8,428)	4,072	12,500
Fund Balance at Beginning of Year	5,568	5,568	5,568	-
Prior Year Encumbrances Appropriated	2,860	2,860	2,860	-
Fund Balance at End of Year	\$ -	\$ -	\$ 12,500	\$ 12,500

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TEXTBOOK/INSTRUCTIONAL MATERIALS SUBSIDY FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Instruction:				
Regular	59,837	59,837	-	59,837
Total Expenditures	59,837	59,837	-	59,837
Excess of Revenues Over(Under) Expenditures	(59,837)	(59,837)	-	59,837
Fund Balance at Beginning of Year	59,837	59,837	59,837	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,837</u>	<u>\$ 59,837</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
OHIO READS FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 286,995	\$ 315,000	\$ 314,995	\$ (5)
Total Revenues	286,995	315,000	314,995	(5)
Expenditures:				
Current:				
Instruction:				
Regular	271,282	292,355	286,422	5,933
Support Services:				
Pupils	21,999	23,708	20,307	3,401
Instructional Staff	52,103	56,150	43,668	12,482
Administration	7,238	7,800	6,800	1,000
Fiscal	464	500	-	500
Pupil Transportation	3,449	3,717	2,717	1,000
Central	3,798	4,093	4,093	-
Total Expenditures	360,333	388,323	364,007	24,316
Excess of Revenues Over(Under) Expenditures	(73,338)	(73,323)	(49,012)	24,311
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(33,075)	(33,075)	(33,075)	-
Operating Transfers-Out	(58)	(58)	(58)	-
Total Other Financing Sources (Uses)	(33,133)	(33,133)	(33,133)	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(106,471)	(106,456)	(82,145)	24,311
Fund Balance at Beginning of Year	17,135	17,135	17,135	-
Prior Year Encumbrances Appropriated	89,336	89,336	89,336	-
Fund Balance at End of Year	\$ -	\$ 15	\$ 24,326	\$ 24,311

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
VOCATIONAL EDUCATION ENHANCEMENT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 52,251	\$ 37,751	\$ 37,751	\$ -
Total Revenues	<u>52,251</u>	<u>37,751</u>	<u>37,751</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Pupils	52,251	52,251	52,251	-
Total Expenditures	<u>52,251</u>	<u>52,251</u>	<u>52,251</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	<u>-</u>	<u>(14,500)</u>	<u>(14,500)</u>	<u>-</u>
Other Financing Sources (Uses):				
Advances-In	-	6,662	6,662	-
Operating Transfers-In	-	7,838	7,838	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>14,500</u>	<u>14,500</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ALTERNATIVE SCHOOLS FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 390,000	\$ 347,000	\$ 346,451	\$ (549)
Total Revenues	<u>390,000</u>	<u>347,000</u>	<u>346,451</u>	<u>(549)</u>
Expenditures:				
Current:				
Instruction:				
Regular	135	122	122	-
Support Services:				
Pupils	424,811	384,844	384,843	1
Administration	37,812	34,255	32,768	1,487
Non-Instructional Services	128	115	115	-
Total Expenditures	<u>462,886</u>	<u>419,336</u>	<u>417,848</u>	<u>1,488</u>
Excess of Revenues Over(Under) Expenditures	<u>(72,886)</u>	<u>(72,336)</u>	<u>(71,397)</u>	<u>939</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(19,039)	(19,039)	(19,039)	-
Total Other Financing Sources (Uses)	<u>(19,039)</u>	<u>(19,039)</u>	<u>(19,039)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(91,925)	(91,375)	(90,436)	939
Fund Balance at Beginning of Year	9,339	9,339	9,339	-
Prior Year Encumbrances Appropriated	<u>82,586</u>	<u>82,586</u>	<u>82,586</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 550</u>	<u>\$ 1,489</u>	<u>\$ 939</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
MISCELLANEOUS STATE GRANTS FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 214,700	\$ 207,500	\$ 207,297	\$ (203)
Total Revenues	<u>214,700</u>	<u>207,500</u>	<u>207,297</u>	<u>(203)</u>
Expenditures:				
Current:				
Instruction:				
Regular	88,934	87,088	40,745	46,343
Support Services:				
Pupils	138,438	135,565	131,608	3,957
Instructional Staff	63,252	61,939	60,989	950
Administration	64,575	63,235	61,634	1,601
Fiscal	1,544	1,510	-	1,510
Total Expenditures	<u>356,743</u>	<u>349,337</u>	<u>294,976</u>	<u>54,361</u>
Excess of Revenues Over(Under) Expenditures	<u>(142,043)</u>	<u>(141,837)</u>	<u>(87,679)</u>	<u>54,158</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	<u>(11,369)</u>	<u>(11,369)</u>	<u>(11,369)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(11,369)</u>	<u>(11,369)</u>	<u>(11,369)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(153,412)</u>	<u>(153,206)</u>	<u>(99,048)</u>	<u>54,158</u>
Fund Balance at Beginning of Year	59,350	59,350	59,350	-
Prior Year Encumbrances Appropriated	<u>94,062</u>	<u>94,062</u>	<u>94,062</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 206</u>	<u>\$ 54,364</u>	<u>\$ 54,158</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ADULT BASIC EDUCATION FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 625,000	\$ 774,300	\$ 689,053	\$ (85,247)
Total Revenues	625,000	774,300	689,053	(85,247)
Expenditures:				
Current:				
Instruction:				
Regular	2,633	3,901	3,901	-
Adult/Continuing	397,597	589,179	567,839	21,340
Support Services:				
Pupils	173	256	163	93
Instructional Staff	184,878	273,961	197,000	76,961
Pupil Transportation	6,478	9,600	9,227	373
Total Expenditures	591,759	876,897	778,130	98,767
Excess of Revenues Over(Under) Expenditures	33,241	(102,597)	(89,077)	13,520
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(1,596)	(1,596)	(1,596)	-
Advances-In	-	-	85,000	85,000
Advances-Out	(65,000)	(65,000)	(65,000)	-
Total Other Financing Sources (Uses)	(66,596)	(66,596)	18,404	85,000
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(33,355)	(169,193)	(70,673)	98,520
Fund Balance at Beginning of Year	67,305	67,305	67,305	-
Prior Year Encumbrances Appropriated	31,048	31,048	31,048	-
Fund Balance at End of Year	\$ 64,998	\$ (70,840)	\$ 27,680	\$ 98,520

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NATIONAL DEFENSE EDUCATION ACT FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ -	\$ 72,000	\$ 71,757	\$ (243)
Total Revenues	<u>-</u>	<u>72,000</u>	<u>71,757</u>	<u>(243)</u>
Expenditures:				
Current:				
Instruction:				
Regular	598	1,334	1,334	-
Support Services:				
Instructional Staff	56,506	125,981	125,981	-
Non-Instructional Services	1,262	2,808	2,808	-
Total Expenditures	<u>58,366</u>	<u>130,123</u>	<u>130,123</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	(58,366)	(58,123)	(58,366)	(243)
Fund Balance at Beginning of Year	25,416	25,416	25,416	-
Prior Year Encumbrances Appropriated	<u>32,950</u>	<u>32,950</u>	<u>32,950</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 243</u>	<u>\$ -</u>	<u>\$ (243)</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TITLE VI-B FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 2,200,000	\$ 2,791,400	\$ 2,791,381	\$ (19)
Total Revenues	<u>2,200,000</u>	<u>2,791,400</u>	<u>2,791,381</u>	<u>(19)</u>
Expenditures:				
Current:				
Instruction:				
Regular	20,559	27,993	27,993	-
Special	849,823	1,157,121	1,137,890	19,231
Support Services:				
Pupils	13,423	18,277	10,348	7,929
Instructional Staff	1,279,353	1,741,970	1,725,495	16,475
Administration	159,859	217,664	203,570	14,094
Fiscal	70,342	95,778	39,132	56,646
Non-Instructional Services	<u>225,651</u>	<u>307,242</u>	<u>282,370</u>	<u>24,872</u>
Total Expenditures	<u>2,619,010</u>	<u>3,566,045</u>	<u>3,426,798</u>	<u>139,247</u>
Excess of Revenues Over(Under) Expenditures	(419,010)	(774,645)	(635,417)	139,228
Fund Balance at Beginning of Year	346,942	346,942	346,942	-
Prior Year Encumbrances Appropriated	<u>72,068</u>	<u>72,068</u>	<u>72,068</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (355,635)</u>	<u>\$ (216,407)</u>	<u>\$ 139,228</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
VOCATIONAL EDUCATION FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 825,000	\$ 1,024,000	\$ 723,518	\$ (300,482)
Total Revenues	<u>825,000</u>	<u>1,024,000</u>	<u>723,518</u>	<u>(300,482)</u>
Expenditures:				
Current:				
Instruction:				
Regular	1,716	2,642	2,642	-
Vocational	480,990	740,538	719,476	21,062
Support Services:				
Pupils	40,555	62,439	60,882	1,557
Administration	60,270	92,793	47,938	44,855
Central	41,983	64,637	64,076	561
Extracurricular Activities	25,846	39,793	37,818	1,975
Total Expenditures	<u>651,360</u>	<u>1,002,842</u>	<u>932,832</u>	<u>70,010</u>
Excess of Revenues Over(Under) Expenditures	<u>173,640</u>	<u>21,158</u>	<u>(209,314)</u>	<u>(230,472)</u>
Other Financing Sources (Uses):				
Advances-In	-	-	300,000	300,000
Advances-Out	(150,000)	(150,000)	(150,000)	-
Total Other Financing Sources (Uses)	<u>(150,000)</u>	<u>(150,000)</u>	<u>150,000</u>	<u>300,000</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	23,640	(128,842)	(59,314)	69,528
Fund Balance at Beginning of Year	82,441	82,441	82,441	-
Prior Year Encumbrances Appropriated	<u>43,922</u>	<u>43,922</u>	<u>43,922</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 150,003</u>	<u>\$ (2,479)</u>	<u>\$ 67,049</u>	<u>\$ 69,528</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
HEADSTART GRANT FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 1,538,000	\$ 1,577,979	\$ 1,577,736	\$ (243)
Total Revenues	<u>1,538,000</u>	<u>1,577,979</u>	<u>1,577,736</u>	<u>(243)</u>
Expenditures:				
Current:				
Instruction:				
Regular	6,262	14,154	14,154	-
Special	1,058,018	2,391,531	1,565,071	826,460
Support Services:				
Instructional Staff	23,432	52,966	27,979	24,987
Administration	8,207	18,552	8,259	10,293
Total Expenditures	<u>1,095,919</u>	<u>2,477,203</u>	<u>1,615,463</u>	<u>861,740</u>
Excess of Revenues Over(Under) Expenditures	<u>442,081</u>	<u>(899,224)</u>	<u>(37,727)</u>	<u>861,497</u>
Other Financing Sources (Uses):				
Advances-In	-	150,023	150,000	(23)
Advances-Out	(256,000)	(256,000)	(256,000)	-
Operating Transfers-In	-	105,498	105,482	(16)
Total Other Financing Sources (Uses)	<u>(256,000)</u>	<u>(479)</u>	<u>(518)</u>	<u>(39)</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>186,081</u>	<u>(899,703)</u>	<u>(38,245)</u>	<u>861,458</u>
Fund Balance at Beginning of Year	31,782	31,782	31,782	-
Prior Year Encumbrances Appropriated	<u>38,137</u>	<u>38,137</u>	<u>38,137</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 256,000</u>	<u>\$ (829,784)</u>	<u>\$ 31,674</u>	<u>\$ 861,458</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DROPOUT PREVENTION AND INTERVENTION FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 20,500	\$ 20,500	\$ 20,496	\$ (4)
Total Revenues	<u>20,500</u>	<u>20,500</u>	<u>20,496</u>	<u>(4)</u>
Expenditures:				
Current:				
Instruction:				
Special	15,000	15,000	13,785	1,215
Support Services:				
Instructional Staff	<u>14,580</u>	<u>14,580</u>	<u>3,971</u>	<u>10,609</u>
Total Expenditures	<u>29,580</u>	<u>29,580</u>	<u>17,756</u>	<u>11,824</u>
Excess of Revenues Over(Under) Expenditures	(9,080)	(9,080)	2,740	11,820
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (9,080)</u>	<u>\$ (9,080)</u>	<u>\$ 2,740</u>	<u>\$ 11,820</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TITLE I GRANT FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 11,421,000	\$ 10,640,000	\$ 10,637,997	\$ (2,003)
Total Revenues	11,421,000	10,640,000	10,637,997	(2,003)
Expenditures:				
Current:				
Instruction:				
Regular	126,537	189,095	169,404	19,691
Special	5,613,120	8,388,179	5,352,109	3,036,070
Adult/Continuing	41,027	61,310	53,182	8,128
Support Services:				
Pupils	528,365	789,583	168,884	620,699
Instructional Staff	2,711,551	4,052,109	2,426,318	1,625,791
Administration	3,417,318	5,106,799	3,468,783	1,638,016
Fiscal	303,550	453,621	178,215	275,406
Pupil Transportation	31,451	47,000	15,088	31,912
Central	2,198	3,285	1,106	2,179
Non-Instructional Services	674,492	1,007,955	795,654	212,301
Total Expenditures	13,449,609	20,098,936	12,628,743	7,470,193
Excess of Revenues Over(Under) Expenditures	(2,028,609)	(9,458,936)	(1,990,746)	7,468,190
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(10,549)	(10,549)	(10,549)	-
Total Other Financing Sources (Uses)	(10,549)	(10,549)	(10,549)	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(2,039,158)	(9,469,485)	(2,001,295)	7,468,190
Fund Balance at Beginning of Year	1,585,176	1,585,176	1,585,176	-
Prior Year Encumbrances Appropriated	453,982	453,982	453,982	-
Fund Balance at End of Year	\$ -	\$ (7,430,327)	\$ 37,863	\$ 7,468,190

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TITLE VI FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 200,000	\$ 261,500	\$ 61,411	\$ (200,089)
Total Revenues	<u>200,000</u>	<u>261,500</u>	<u>61,411</u>	<u>(200,089)</u>
Expenditures:				
Current:				
Instruction:				
Regular	1,331	1,742	1,742	-
Special	167,820	219,616	205,697	13,919
Support Services:				
Instructional Staff	886	1,160	-	1,160
Administration	23,239	30,412	30,320	92
Fiscal	3,248	4,251	-	4,251
Non-Instructional Services	<u>40,417</u>	<u>52,889</u>	<u>49,542</u>	<u>3,347</u>
Total Expenditures	<u>236,941</u>	<u>310,070</u>	<u>287,301</u>	<u>22,769</u>
Excess of Revenues Over(Under) Expenditures	<u>(36,941)</u>	<u>(48,570)</u>	<u>(225,890)</u>	<u>(177,320)</u>
Other Financing Sources (Uses):				
Advances-In	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>200,000</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>200,000</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(36,941)	(48,570)	(25,890)	22,680
Fund Balance at Beginning of Year	20,597	20,597	20,597	-
Prior Year Encumbrances Appropriated	<u>16,344</u>	<u>16,344</u>	<u>16,344</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (11,629)</u>	<u>\$ 11,051</u>	<u>\$ 22,680</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
EMERGENCY IMMIGRANT EDUCATION ASSISTANCE FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Pupils	12,300	10,599	10,599	-
Total Expenditures	12,300	10,599	10,599	-
Excess of Revenues Over(Under) Expenditures	(12,300)	(10,599)	(10,599)	-
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	-	(1,701)	(1,701)	-
Total Other Financing Sources (Uses)	-	(1,701)	(1,701)	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(12,300)	(12,300)	(12,300)	-
Fund Balance at Beginning of Year	12,300	12,300	12,300	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DRUG FREE SCHOOL GRANT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 1,700,000	\$ 2,803,000	\$ 2,327,826	\$ (475,174)
Total Revenues	1,700,000	2,803,000	2,327,826	(475,174)
Expenditures:				
Current:				
Instruction:				
Regular	687	2,147	2,147	-
Special	9,467	29,580	13,200	16,380
Support Services:				
Pupils	1,554,555	4,857,470	3,184,884	1,672,586
Administration	74,832	233,824	123,426	110,398
Fiscal	57,078	178,350	-	178,350
Pupil Transportation	33,356	104,228	-	104,228
Non-Instructional Services	1,969	6,149	2,096	4,053
Total Expenditures	1,731,944	5,411,748	3,325,753	2,085,995
Excess of Revenues Over(Under) Expenditures	(31,944)	(2,608,748)	(997,927)	1,610,821
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(1,983)	(1,983)	(1,983)	-
Advances-In	-	-	475,000	475,000
Advances-Out	(40,000)	(40,000)	(40,000)	-
Total Other Financing Sources (Uses)	(41,983)	(41,983)	433,017	475,000
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(73,927)	(2,650,731)	(564,910)	2,085,821
Fund Balance at Beginning of Year	(88,173)	(88,173)	(88,173)	-
Prior Year Encumbrances Appropriated	202,100	202,100	202,100	-
Fund Balance at End of Year	\$ 40,000	\$ (2,536,804)	\$ (450,983)	\$ 2,085,821

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
EHA PRESCHOOL GRANTS FOR THE HANDICAPPED FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 144,000	\$ 159,000	\$ 158,700	\$ (300)
Total Revenues	<u>144,000</u>	<u>159,000</u>	<u>158,700</u>	<u>(300)</u>
Expenditures:				
Current:				
Instruction:				
Regular	1,450	1,587	1,587	-
Support Services:				
Instructional Staff	149,923	164,130	163,900	230
Fiscal	5,444	5,961	2,511	3,450
Total Expenditures	<u>156,817</u>	<u>171,678</u>	<u>167,998</u>	<u>3,680</u>
Excess of Revenues Over(Under) Expenditures	(12,817)	(12,678)	(9,298)	3,380
Fund Balance at Beginning of Year	(1,803)	(1,803)	(1,803)	-
Prior Year Encumbrances Appropriated	<u>14,620</u>	<u>14,620</u>	<u>14,620</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 139</u>	<u>\$ 3,519</u>	<u>\$ 3,380</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
E-RATE GRANT FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ -	\$ 232,197	\$ 232,119	\$ (78)
Miscellaneous	-	3	3	-
Total Revenues	-	232,200	232,122	(78)
Expenditures:				
Current:				
Instruction:				
Regular	369	369	369	-
Support Services:				
Central	175,405	407,333	303,300	104,033
Total Expenditures	175,774	407,702	303,669	104,033
Excess of Revenues Over(Under) Expenditures	(175,774)	(175,502)	(71,547)	103,955
Fund Balance at Beginning of Year	114,810	114,810	114,810	-
Prior Year Encumbrances Appropriated	60,964	60,964	60,964	-
Fund Balance at End of Year	\$ -	\$ 272	\$ 104,227	\$ 103,955

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
CONTINUOUS IMPROVEMENT FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 800,000	\$ -	\$ -	\$ -
Total Revenues	<u>800,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	260,130	14,022	14,022	-
Support Services:				
Pupils	<u>585,450</u>	<u>31,558</u>	<u>31,558</u>	<u>-</u>
Total Expenditures	<u>845,580</u>	<u>45,580</u>	<u>45,580</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	<u>(45,580)</u>	<u>(45,580)</u>	<u>(45,580)</u>	<u>-</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	<u>(10,274)</u>	<u>(10,274)</u>	<u>(10,274)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(10,274)</u>	<u>(10,274)</u>	<u>(10,274)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(55,854)</u>	<u>(55,854)</u>	<u>(55,854)</u>	<u>-</u>
Fund Balance at Beginning of Year	52,148	52,148	52,148	-
Prior Year Encumbrances Appropriated	<u>3,706</u>	<u>3,706</u>	<u>3,706</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TITLE VI-R CLASSROOM SIZE REDUCTION FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 1,800,000	\$ 2,460,000	\$ 2,459,671	\$ (329)
Total Revenues	<u>1,800,000</u>	<u>2,460,000</u>	<u>2,459,671</u>	<u>(329)</u>
Expenditures:				
Current:				
Instruction:				
Regular	7,102	13,575	13,575	-
Special	1,781,085	3,404,634	2,406,825	997,809
Support Services:				
Instructional Staff	681,038	1,301,838	396,110	905,728
Administration	501	957	957	-
Fiscal	31,911	61,000	-	61,000
Non-Instructional Services	<u>7,961</u>	<u>15,218</u>	<u>10,876</u>	<u>4,342</u>
Total Expenditures	<u>2,509,598</u>	<u>4,797,222</u>	<u>2,828,343</u>	<u>1,968,879</u>
Excess of Revenues Over(Under) Expenditures	(709,598)	(2,337,222)	(368,672)	1,968,550
Fund Balance at Beginning of Year	680,226	680,226	680,226	-
Prior Year Encumbrances Appropriated	<u>29,372</u>	<u>29,372</u>	<u>29,372</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (1,627,624)</u>	<u>\$ 340,926</u>	<u>\$ 1,968,550</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
MISCELLANEOUS FEDERAL GRANTS FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 1,426,655	\$ 1,778,988	\$ 1,778,527	\$ (461)
Total Revenues	<u>1,426,655</u>	<u>1,778,988</u>	<u>1,778,527</u>	<u>(461)</u>
Expenditures:				
Current:				
Instruction:				
Regular	5,700	12,679	12,679	-
Special	100,302	223,103	206,018	17,085
Support Services:				
Pupils	471,646	1,049,091	957,382	91,709
Instructional Staff	324,648	722,120	423,840	298,280
Administration	415,471	924,140	728,743	195,397
Fiscal	25,863	57,527	29,864	27,663
Central	923	2,056	2,056	-
Total Expenditures	<u>1,344,553</u>	<u>2,990,716</u>	<u>2,360,582</u>	<u>630,134</u>
Excess of Revenues Over(Under) Expenditures	<u>82,102</u>	<u>(1,211,728)</u>	<u>(582,055)</u>	<u>629,673</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(5,319)	(5,319)	(4,465)	854
Advances-Out	(205,457)	(205,457)	(205,457)	-
Operating Transfers-In	-	12	12	-
Total Other Financing Sources (Uses)	<u>(210,776)</u>	<u>(210,764)</u>	<u>(209,910)</u>	<u>854</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(128,674)</u>	<u>(1,422,492)</u>	<u>(791,965)</u>	<u>630,527</u>
Fund Balance at Beginning of Year	52,568	52,568	52,568	-
Prior Year Encumbrances Appropriated	<u>356,566</u>	<u>356,566</u>	<u>356,566</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 280,460</u>	<u>\$ (1,013,358)</u>	<u>\$ (382,831)</u>	<u>\$ 630,527</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
MISCELLANEOUS TRUST FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Miscellaneous	\$ 260	\$ 2,800	\$ 2,785	\$ (15)
Total Revenues	260	2,800	2,785	(15)
Expenditures:				
Current:				
Support Services:				
Pupils	831	861	1,410	(549)
Instructional Staff	26,950	27,918	265	27,653
Administration	1,884	1,952	-	1,952
Central	39,908	41,341	-	41,341
Total Expenditures	69,573	72,072	1,675	70,397
Excess of Revenues Over(Under) Expenditures	(69,313)	(69,272)	1,110	70,382
Fund Balance at Beginning of Year	68,548	68,548	68,548	-
Prior Year Encumbrances Appropriated	765	765	765	-
Fund Balance at End of Year	\$ -	\$ 41	\$ 70,423	\$ 70,382

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOOD SERVICE FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 9,059,359	\$ 8,055,986	\$ 6,181,703	\$ (1,874,283)
Interest	18,764	16,686	14,862	(1,824)
Charges for Services	2,071,877	1,842,405	3,297,364	1,454,959
Total Revenues	11,150,000	9,915,077	9,493,929	(421,148)
Expenditures:				
Current:				
Instruction:				
Regular	-	-	62,114	(62,114)
Support Services:				
Plant Operation and Maintenance	329,574	297,139	233,156	63,983
Non-Instructional Services	12,219,286	11,016,720	10,420,083	596,637
Total Expenditures	12,548,860	11,313,859	10,715,353	598,506
Excess of Revenues Over(Under) Expenditures	(1,398,860)	(1,398,782)	(1,221,424)	177,358
Fund Balance at Beginning of Year	520,769	520,769	520,769	-
Prior Year Encumbrances Appropriated	878,091	878,091	878,091	-
Fund Balance at End of Year	\$ -	\$ 78	\$ 177,436	\$ 177,358

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
UNIFORM SCHOOL SUPPLIES FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Charges for Services	33,000	27,400	27,383	(17)
Total Revenues	33,000	27,400	27,383	(17)
Expenditures:				
Current:				
Instruction:				
Regular	66,929	61,313	36,689	24,624
Total Expenditures	66,929	61,313	36,689	24,624
Excess of Revenues Over(Under) Expenditures	(33,929)	(33,913)	(9,306)	24,607
Fund Balance at Beginning of Year	22,479	22,479	22,479	-
Prior Year Encumbrances Appropriated	11,450	11,450	11,450	-
Fund Balance at End of Year	\$ -	\$ 16	\$ 24,623	\$ 24,607

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
PERMANENT IMPROVEMENT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	\$ 365,092	\$ 365,092	\$ 365,092	\$ -
Intergovernmental	46,593	46,593	46,593	-
Total Revenues	<u>411,685</u>	<u>411,685</u>	<u>411,685</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Fiscal	400,000	400,000	6,458	393,542
Total Expenditures	<u>400,000</u>	<u>400,000</u>	<u>6,458</u>	<u>393,542</u>
Excess of Revenues Over(Under) Expenditures	11,685	11,685	405,227	393,542
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 11,685</u>	<u>\$ 11,685</u>	<u>\$ 405,227</u>	<u>\$ 393,542</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUILDING FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Interest	\$ 364,619	\$ 108,409	\$ 99,809	\$ (8,600)
Total Revenues	<u>364,619</u>	<u>108,409</u>	<u>99,809</u>	<u>(8,600)</u>
Expenditures:				
Current:				
Support Services:				
Fiscal	102,228	102,228	343	101,885
Capital Outlay	21,883,854	21,883,854	1,251,156	20,632,698
Total Expenditures	<u>21,986,082</u>	<u>21,986,082</u>	<u>1,251,499</u>	<u>20,734,583</u>
Excess of Revenues Over(Under) Expenditures	<u>(21,621,463)</u>	<u>(21,877,673)</u>	<u>(1,151,690)</u>	<u>20,725,983</u>
Other Financing Sources (Uses):				
Proceeds from Sale of Bonds	16,323,708	6,005,339	16,250,101	10,244,762
Proceeds from Sale of Notes	21,895,138	11,733,447	21,866,281	10,132,834
Total Other Financing Sources (Uses)	<u>38,218,846</u>	<u>17,738,786</u>	<u>38,116,382</u>	<u>20,377,596</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	16,597,383	(4,138,887)	36,964,692	41,103,579
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ 16,597,383</u>	<u>\$ (4,138,887)</u>	<u>\$ 36,964,692</u>	<u>\$ 41,103,579</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
REPLACEMENT CAPITAL PROJECTS FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Interest	\$ 7,000	\$ 5,885	\$ 6,376	\$ 491
Total Revenues	7,000	5,885	6,376	491
Expenditures:				
Current:				
Support Services:				
Plant Operation and Maintenance	30,824	30,235	-	30,235
Capital Outlay	179,830	176,393	-	176,393
Total Expenditures	210,654	206,628	-	206,628
Excess of Revenues Over(Under) Expenditures	(203,654)	(200,743)	6,376	207,119
Other Financing Sources (Uses):				
Proceeds from Sale of Bonds	-	2,830,159	-	(2,830,159)
Total Other Financing Sources (Uses)	-	2,830,159	-	(2,830,159)
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(203,654)	2,629,416	6,376	(2,623,040)
Fund Balance at Beginning of Year	201,856	201,856	201,856	-
Prior Year Encumbrances Appropriated	1,798	1,798	1,798	-
Fund Balance at End of Year	\$ -	\$ 2,833,070	\$ 210,030	\$ (2,623,040)

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SCHOOLNET PLUS FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 716,000	\$ 15,000	\$ 15,000	\$ -
Total Revenues	<u>716,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Central	<u>1,415,558</u>	<u>714,558</u>	<u>714,558</u>	<u>-</u>
Total Expenditures	<u>1,415,558</u>	<u>714,558</u>	<u>714,558</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	<u>(699,558)</u>	<u>(699,558)</u>	<u>(699,558)</u>	<u>-</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	<u>(780)</u>	<u>(780)</u>	<u>(780)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(780)</u>	<u>(780)</u>	<u>(780)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(700,338)</u>	<u>(700,338)</u>	<u>(700,338)</u>	<u>-</u>
Fund Balance at Beginning of Year	<u>700,338</u>	<u>700,338</u>	<u>700,338</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
INTERACTIVE VIDEO DISTANCE LEARNING - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Central	<u>51,000</u>	<u>51,000</u>	<u>39,858</u>	<u>11,142</u>
Total Expenditures	<u>51,000</u>	<u>51,000</u>	<u>39,858</u>	<u>11,142</u>
Excess of Revenues Over(Under) Expenditures	(51,000)	(51,000)	(39,858)	11,142
Fund Balance at Beginning of Year	<u>51,000</u>	<u>51,000</u>	<u>51,000</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,142</u>	<u>\$ 11,142</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SCHOOL BUILDING ASSISTANCE LIMITED FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 2,698,139	\$ 2,379,441	\$ 2,378,900	\$ (541)
Interest	107,903	103,540	111,297	7,757
Total Revenues	2,806,042	2,482,981	2,490,197	7,216
Expenditures:				
Current:				
Support Services:				
Plant Operation and Maintenance	1,431,948	1,353,494	652,592	700,902
Capital Outlay	4,627,701	4,374,154	1,213,042	3,161,112
Total Expenditures	6,059,649	5,727,648	1,865,634	3,862,014
Excess of Revenues Over(Under) Expenditures	(3,253,607)	(3,244,667)	624,563	3,869,230
Other Financing Sources (Uses):				
Proceeds from Sale of Notes	1,950,329	1,950,329	1,947,358	(2,971)
Total Other Financing Sources (Uses)	1,950,329	1,950,329	1,947,358	(2,971)
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(1,303,278)	(1,294,338)	2,571,921	3,866,259
Fund Balance at Beginning of Year	1,220,074	1,220,074	1,220,074	-
Prior Year Encumbrances Appropriated	83,204	83,204	83,204	-
Fund Balance at End of Year	\$ -	\$ 8,940	\$ 3,875,199	\$ 3,866,259

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
 WAREHOUSE INTERNAL SERVICE FUND - BUDGET (NON-GAAP) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Sales	\$ 852,000	\$ 1,067,000	\$ 1,068,142	\$ 1,142
Total Revenues	852,000	1,067,000	1,068,142	1,142
Expenses:				
Materials and Supplies	2,186,827	2,401,769	1,022,560	1,379,209
Total Expenses	2,186,827	2,401,769	1,022,560	1,379,209
Excess of Revenues Over(Under) Expenses	(1,334,827)	(1,334,769)	45,582	1,380,351
Fund Equity at Beginning of Year	1,212,320	1,212,320	1,212,320	-
Prior Year Encumbrances Appropriated	122,507	122,507	122,507	-
Fund Equity at End of Year	\$ -	\$ 58	\$ 1,380,409	\$ -

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
SELF-INSURANCE INTERNAL SERVICE FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Charges for Services	\$ 1,216,000	\$ 1,294,601	\$ 1,294,653	\$ 52
Total Revenues	<u>1,216,000</u>	<u>1,294,601</u>	<u>1,294,653</u>	<u>52</u>
Expenses:				
Purchased Services	85,384	91,525	115,582	(24,057)
Claims	1,206,419	1,293,195	1,145,923	147,272
Total Expenses	<u>1,291,803</u>	<u>1,384,720</u>	<u>1,261,505</u>	<u>123,215</u>
Excess of Revenues Over(Under) Expenses before Transfers	<u>(75,803)</u>	<u>(90,119)</u>	<u>33,148</u>	<u>123,267</u>
Transfers-In	<u>-</u>	<u>19,999</u>	<u>20,000</u>	<u>1</u>
Excess of Revenues and Transfers Over(Under) Expenses	(75,803)	(70,120)	53,148	123,268
Fund Equity at Beginning of Year	<u>75,803</u>	<u>75,803</u>	<u>75,803</u>	<u>-</u>
Fund Equity at End of Year	<u>\$ -</u>	<u>\$ 5,683</u>	<u>\$ 128,951</u>	<u>\$ 123,268</u>

DAYTON  N

PUBLIC SCHOOLS

STATISTICAL SECTION

This Page is Intentionally Left Blank.

STATISTICAL SECTION

The following unaudited statistical tables reflect social and economic data, financial trends and fiscal capacity of the School District.

The School District did not have, and has not had over the last ten years, any debt service payments related to general obligation bonded debt. Therefore, related statistical tables are not presented.

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
DISTRICT-WIDE EXPENSES
GOVERNMENTAL ACTIVITIES
LAST TWO FISCAL YEARS (1)**

	2003	2002
Instruction	\$ 104,713,536	\$ 103,238,352
Support Services:		
Pupils	11,475,516	10,079,837
Instructional Staff	14,111,108	12,453,911
Board of Education	331,687	312,390
Administration	16,318,592	14,702,327
Fiscal and Business	7,817,331	5,545,499
Plant Operation & Maintenance	21,879,322	20,655,626
Pupil Transportation	14,803,426	14,701,497
Central	14,063,768	11,867,414
Operation of Non-Instructional Services	13,577,536	13,624,779
Extracurricular Activities	1,737,120	1,621,199
Intergovernmental	31,107,656	19,318,687
Interest and Fiscal Charges	1,178,038	145,568
Unallocated Depreciation	1,142,910	409,628
 Total	 \$ 254,257,546	 \$ 228,676,714

Source: School District Financial Records

(1) The School District first reported District-wide information in fiscal year 2002.

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
DISTRICT-WIDE REVENUES
GOVERNMENTAL ACTIVITIES
LAST TWO FISCAL YEARS (1)**

	2003	2002
<u>Program Revenues:</u>		
Charges for Services	\$ 5,389,941	\$ 5,357,734
Operating Grants and Contributions	36,362,935	36,465,863
Capital Grants and Contributions	1,104,640	3,127,179
<u>General Revenues:</u>		
Property Taxes	89,557,094	79,139,322
Grants and Entitlements not restricted to Specific Programs	130,643,396	144,182,250
Investment Earnings	3,193,064	2,217,766
Miscellaneous	4,982,301	2,229,456
Total Revenue	\$ 271,233,371	\$ 272,719,570

Source: School District Financial Records

(1) The School District first reported District-wide information in fiscal year 2002.

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
EXPENDITURES BY FUNCTIONS
GOVERNMENTAL FUNDS (1)
LAST TEN FISCAL YEARS**

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Current:				
Instruction	\$ 104,726,305	\$ 103,000,885	\$ 106,357,786	\$ 96,134,133
Support Services:				
Pupils	11,471,369	10,315,659	11,253,152	12,758,274
Instructional Staff	13,926,825	12,420,172	13,718,922	13,354,221
Board of Education	333,427	312,464	263,034	279,817
Administration	16,114,130	15,162,672	13,930,237	13,742,589
Fiscal and Business	6,540,052	5,030,235	4,873,971	4,953,809
Plant Operation & Maintenance	21,904,855	22,359,986	25,552,232	24,525,462
Pupil Transportation	14,323,042	14,358,592	12,681,960	13,839,664
Central	13,905,066	13,026,036	8,236,150	8,660,828
Operation of Non-Instructional				
Services	13,429,431	13,614,740	3,505,815	2,831,692
Extracurricular Activities	1,710,110	1,609,997	1,388,728	1,765,593
Capital Outlay	4,802,769	3,256,093	383,970	2,475,010
Intergovernmental	31,107,656	19,318,687	17,132,482	13,880,417
Debt Service	1,978,409	2,921,052	1,648,180	1,502,358
Total	<u>\$ 256,273,446</u>	<u>\$ 236,707,270</u>	<u>\$ 220,926,619</u>	<u>\$ 210,703,867</u>

Source: School District Financial Records

(1) Amounts reported represent governmental fund (modified accrual) information. The School District implemented GASB Statement No. 34 in fiscal year 2002, therefore amounts for fiscal years 1994 thru 2001 includes general, special revenue, capital projects and expendable trust funds.

<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
\$ 114,897,399	\$ 110,005,011	\$ 112,262,954	\$ 107,459,792	\$ 106,261,902	\$ 98,949,252
13,133,013	12,944,250	11,898,689	10,737,255	10,113,920	8,361,351
15,544,619	15,001,729	13,628,183	12,774,126	12,221,645	12,723,894
197,164	168,496	218,587	254,331	182,918	181,077
14,432,110	15,334,799	13,654,195	13,408,442	11,909,108	11,436,321
4,829,815	4,048,719	3,937,885	3,772,082	3,965,197	4,457,561
29,626,634	25,980,547	22,353,405	19,461,376	17,836,890	20,963,378
13,385,166	13,333,822	12,018,599	12,211,312	10,307,765	11,897,869
10,329,737	12,592,316	8,528,504	7,260,337	4,967,032	4,968,893
2,715,657	2,355,173	2,359,352	2,151,857	536,962	516,400
2,195,122	2,752,850	1,754,129	1,949,515	1,918,084	2,035,453
4,441,688	326,777	247,093	2,248,982	2,028,285	501,625
294,696	350,004	712,827	643,550	728,105	701,000
374,171	-	-	47,825	132,422	439,360
<u>\$ 226,396,991</u>	<u>\$ 215,194,493</u>	<u>\$ 203,574,402</u>	<u>\$ 194,380,782</u>	<u>\$ 183,110,235</u>	<u>\$ 178,133,434</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
REVENUES BY SOURCE
GOVERNMENTAL FUNDS (1)
LAST TEN FISCAL YEARS

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Taxes	\$ 84,625,054	\$ 79,139,322	\$ 81,202,187	\$ 82,082,275
Intergovernmental	165,608,661	178,886,128	142,719,648	139,691,584
Interest	2,594,893	2,217,766	3,041,588	2,345,172
Tuition and Fees	1,009,180	691,382	671,857	901,057
All Other	<u>9,400,448</u>	<u>6,895,808</u>	<u>6,516,586</u>	<u>3,873,339</u>
Total	<u>\$ 263,238,236</u>	<u>\$ 267,830,406</u>	<u>\$ 234,151,866</u>	<u>\$ 228,893,427</u>

Source: School District Financial Records

- (1) Amounts reported represent governmental fund (modified accrual) information. The School District implemented GASB Statement No. 34 in fiscal year 2002, therefore amounts for fiscal years 1994 thru 2001 includes general, special revenue, capital projects and expendable trust funds.

<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
\$ 77,748,879	\$ 78,610,526	\$ 76,059,444	\$ 77,153,316	\$ 76,721,314	\$ 79,467,700
129,782,093	122,126,544	112,988,520	111,664,569	103,570,229	99,201,145
2,746,560	2,644,095	3,127,366	2,506,664	2,433,441	1,399,192
1,220,650	723,596	1,184,579	1,278,700	1,490,179	829,461
<u>6,960,352</u>	<u>9,624,468</u>	<u>5,834,798</u>	<u>4,699,495</u>	<u>2,812,846</u>	<u>4,047,256</u>
<u><u>\$ 218,458,534</u></u>	<u><u>\$ 213,729,229</u></u>	<u><u>\$ 199,194,707</u></u>	<u><u>\$ 197,302,744</u></u>	<u><u>\$ 187,028,009</u></u>	<u><u>\$ 184,944,754</u></u>

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN CALENDAR YEARS

Year (1)	Current Levy	Current Collections (2)	Percent of Current Levy Collected	Delinquent Tax Collections
2003	\$ 103,881,526	\$ 91,911,703	88.5%	\$ 6,169,575
2002	88,333,725	79,897,678	90.4%	6,144,153
2001	88,894,023	84,512,563	95.1%	4,910,464
2000	87,365,716	84,806,370	97.1%	4,700,336
1999	85,554,721	82,580,466	96.5%	4,357,881
1998	85,162,582	81,212,570	95.4%	4,153,109
1997	84,596,158	81,349,274	96.2%	3,974,585
1996	83,693,736	79,331,773	94.8%	3,627,790
1995	83,415,643	79,873,786	95.8%	4,023,710
1994	82,420,128	78,938,255	95.8%	4,301,537

Source: Montgomery County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the Auditor.

- (1) Represents collection year. 2003 information represents tax levies and collections through November 1, 2003.
- (2) State reimbursements of rollback and homestead exemptions are included.
- (3) Penalties and interest are included since by Ohio law they become part of the tax obligation as assessment occurs.

<u>Total Tax Collections</u>	<u>Total Collection As a Percent of Current Levy</u>	<u>Outstanding Delinquent Taxes (3)</u>	<u>Percent of Outstanding Delinquent Taxes to Current Tax Levy</u>
\$ 98,081,278	94.4%	\$ 18,666,656	18.0%
86,041,831	97.4%	13,734,616	15.5%
89,423,027	100.6%	15,738,509	17.7%
89,506,706	102.5%	15,895,995	18.2%
86,938,347	101.6%	13,569,357	15.9%
85,365,679	100.2%	14,374,154	16.9%
85,323,859	100.9%	13,394,470	15.8%
82,959,563	99.1%	13,159,526	15.7%
83,897,496	100.6%	11,962,107	14.3%
83,239,792	101.0%	9,072,257	11.0%

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN CALENDAR YEARS

Year	Real Property		Public Utility Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2003	\$ 1,699,403,530	\$ 4,855,438,657	\$ 108,173,280	\$ 277,808,651
2002	1,441,598,740	4,065,558,400	102,552,730	263,374,057
2001	1,424,191,260	4,069,117,886	138,296,070	256,162,039
2000	1,420,851,430	4,059,575,514	151,121,950	182,078,341
1999	1,305,127,980	3,728,937,086	159,113,050	188,264,559
1998	1,303,641,910	3,724,691,171	154,123,580	181,982,432
1997	1,309,759,810	3,742,170,886	154,756,610	182,225,734
1996	1,190,836,420	3,402,389,771	155,624,240	176,845,727
1995	1,187,184,020	3,391,962,914	167,924,790	190,823,625
1994	1,197,605,590	3,421,730,257	162,401,220	184,546,841

Source: Montgomery County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the Auditor.

For fiscal years 1994 to 2000, real property assessed value was 35% of the estimated actual value, public utility assessed value was 88% of estimated actual value and personal property assessed value was 25% of the estimated actual value. For fiscal years 2001 thru 2003, the actual property value were estimated by the Montgomery County Auditor's Office due to changes percentage of property subject to taxation.

Tangible Personal Property		Total		Assessed Value Ratio
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
\$ 353,726,646	\$ 1,414,906,584	\$ 2,161,303,456	\$ 6,548,153,892	33.0%
389,681,365	1,558,725,460	1,933,832,835	5,887,657,917	32.8%
374,858,377	1,499,433,508	1,937,345,707	5,824,713,433	33.3%
342,778,104	1,371,112,416	1,914,751,484	5,612,766,271	34.1%
322,008,566	1,288,034,264	1,786,249,596	5,205,235,909	34.3%
321,943,702	1,287,774,808	1,779,709,192	5,194,448,411	34.3%
312,232,289	1,248,929,156	1,776,748,709	5,173,325,776	34.3%
306,226,535	1,224,906,140	1,652,687,195	4,804,141,639	34.4%
297,831,978	1,191,327,916	1,652,940,788	4,774,114,455	34.6%
314,007,134	1,256,028,536	1,674,013,944	4,862,305,634	34.4%

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 ASSESSED VALUATION)
LAST TEN CALENDAR YEARS

YEAR	Dayton City School District	Montgomery County	Dayton Montgomery County Library	City of Dayton		Total City Millage
	Operating Millage	Operating Millage	Operating Millage	Operating Millage (3)	Debt Service Millage (3)	
2003	\$ 70.85	\$ 17.24	\$ 0.26	\$ 8.05	\$ 1.95	\$ 10.00
2002	62.65	17.24	0.26	6.35	3.65	10.00
2001	62.65	17.24	0.26	6.35	3.65	10.00
2000	62.65	16.64	0.26	6.35	3.65	10.00
1999	62.65	16.64	0.26	6.35	3.65	10.00
1998	62.65	16.64	0.26	6.35	3.65	10.00
1997	62.65	16.64	0.26	6.35	3.65	10.00
1996	62.65	16.64	0.72	6.35	3.65	10.00
1995	62.65	16.64	0.72	6.35	3.65	10.00
1994	62.65	16.64	0.72	6.35	3.65	10.00

Source: Montgomery County Auditor - Data is presented on a Calendar Year Basis because that is the manner in which the information is maintained by the Auditor.

- (1) Amount represents the total for City of Dayton residents.
- (2) Certain portions of the Harrison, Jefferson and Madison Townships and the Cities of Trotwood and Riverside are within the Dayton City School District and are subject to the Dayton City School District tax
- (3) Dayton City Operating and Debt Service Millage has been redistributed based on Montgomery County Auditor and Dayton City records.
- (4) Mad River Township merged to create the City of Riverside on January 1, 1994. Taxes became collectable in 1995.
- (5) Madison Township merged to create the City of Trotwood on January 1, 1996. Taxes became collectable in 1997.

	<u>Total (1)</u>	<u>Harrison Township Millage (2)</u>	<u>Jefferson Township Millage (2)</u>	<u>Madison Township Millage (2) (5)</u>	<u>Trotwood Corporation (2) (5)</u>	<u>Riverside Corporation (2)(4)</u>
\$	98.35	\$ 17.53	\$ 18.59	\$ -	\$ 17.39	\$ 6.39
	90.15	17.53	18.59	-	17.39	6.39
	90.15	16.63	18.59	-	11.64	6.39
	89.55	16.63	18.59	-	15.14	6.39
	89.55	16.63	18.59	-	15.14	6.39
	89.55	16.63	18.59	-	15.14	6.39
	89.55	13.68	18.59	-	15.14	6.39
	90.01	13.68	18.59	-	15.14	6.39
	90.01	13.68	18.59	15.64	-	6.39
	90.01	13.28	18.59	19.64	-	6.39

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMPUTATION OF LEGAL DEBT MARGIN
 JUNE 30, 2003

Assessed Value	\$ <u>2,161,303,456</u>
 <u>Overall Direct Debt Limitation</u>	
Bonded Debt Limit - 9% of Assessed Value (1)	194,517,311
Gross Indebtedness	<u>(99,500,000)</u>
Overall Debt Margin	<u>95,017,311</u>
 <u>Unvoted Direct Debt Limitation</u>	
Unvoted Debt Limit - .10% of Assessed Value (1)	2,161,303
Gross indebtedness authorized by the Board	<u>-</u>
Unvoted Debt Margin	<u>2,161,303</u>

Source: Montgomery County Auditor and School District's financial records

(1) Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.
 The District has no debt subject to either limitation.

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 JUNE 30, 2003

Jurisdiction	Net Debt	Percentage Applicable to School District (1)	Amount Applicable to School District
Dayton City School District	\$ 99,500,000	100.00%	\$ 99,500,000
Montgomery County	38,095,054	21.12%	8,045,675
City of Dayton	89,690,000	86.75%	77,806,075
City of Riverside	2,234,572	14.19%	317,086
City of Trotwood	4,240,000	15.65%	663,560
Miami Valley Regional Transit Authority	12,880,000	21.12%	<u>2,720,256</u>
			<u>\$ 189,052,652</u>

Source: Ohio Municipal Advisory Council

(1) Percentages were determined by dividing the assessed valuation of the political subdivisions located within the boundaries of the District by the total assessed valuation of the subdivision.

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO
 ASSESSED VALUE AND NET GENERAL OBLIGATION DEBT PER CAPITA
 FISCAL YEAR 2003 (1)

<u>COLLECTION YEAR</u>	<u>NET GENERAL OBLIGATION BONDED DEBT</u>	<u>ASSESSED VALUE (2)</u>	<u>POPULATION (3)</u>	<u>RATIO OF NET DEBT TO ASSESSED VALUE</u>	<u>NET DEBT PER CAPITA</u>
2003	\$ 99,500,000	\$ 2,161,303,456	166,179	4.60%	\$ 599

(1) Fiscal year 2003 was the first year in the last ten fiscal years that the School District had bonded debt.

(2) Source: Montgomery County Auditor's Office

(3) Source: Miami Valley Regional Planning Commission.

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 DEMOGRAPHIC STATISTICS
 LAST TEN YEARS

Year	City of Dayton Population (1)	ADM (2)	Unemployment Rate (3)
2003	166,179	18,163	5.6%
2002	166,179	20,144	6.0%
2001	166,179	21,078	6.0
2000	167,475	22,590	4.0
1999	172,947	24,590	6.6
1998	172,947	25,971	6.9
1997	178,540	25,830	7.6
1996	182,005	26,396	7.2
1995	182,005	26,548	8.5
1994	182,005	28,438	8.2

Age Distribution of Population for Last Three Census (4):

Age	2000	1990	1980
Under 5	7.1%	8.5%	8.2%
5-14	14.1	13.8	14.3
15-24	18.2	16.8	20.7
25-34	14.1	18.0	16.1
35-44	14.9	13.0	8.9
45-54	12.1	8.3	9.5
55-64	7.5	8.5	10.2
65 Plus	12.0	13.1	12.1

Education Level in Years of Formal Schooling (4):

Age 25 Plus	2000	1990	1980
High School or Higher	75.1%	68.3%	58.7%
Bachelor's Degree or Higher	14.4	12.3	9.9

- Source::
- (1) U.S. Census Bureau and Miami Valley Regional Planning Commission, reported on calendar year end
 - (2) School District Records
 - (3) Ohio Bureau of Employment Services, reported on calendar year end
 - (4) U.S. Census Bureau.

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN YEARS

Year	Number of Building Permits All Types (1)	Valuation of Construction (1)	Certified Bank Deposits (2)	Property Value (3)
2002	1,314	\$ 148,084,800	\$ 239,117,000	\$ 4,855,438,657
2001	1,206	129,052,146	208,298,000	4,065,558,400
2000	1,652	124,091,672	191,473,000	4,069,117,886
1999	1,564	80,143,557	2,994,378,000	4,059,575,514
1998	1,390	101,936,784	3,264,705,000	3,728,937,086
1997	1,634	82,811,189	3,530,314,000	3,724,691,171
1996	1,512	67,723,613	3,899,145,000	3,742,170,886
1995	1,571	91,960,478	3,995,114,000	3,402,389,771
1994	1,597	90,875,248	4,034,766,000	3,391,962,914
1993	1,574	84,860,993	3,834,335,000	3,421,730,257

- Sources:
- (1) City of Dayton Division of Business Services, Permit Section
 - (2) Federal Reserve Bank of Cleveland - Total commercial bank deposits for banks headquartered in Montgomery County. Decrease for 2000 due to bank restructuring. Deposits at end of year are no longer held in Montgomery County, but in Cuyahoga County.
 - (3) Real estate property only.

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 PRINCIPAL TAXPAYERS
 REAL ESTATE TAX
 DECEMBER 31, 2002

Name of Taxpayer	Type of Business	Assessed Values (1)	Percent of Total Assessed Value
National Cash Register	Computer Technology	\$ 16,897,860	0.99%
City of Dayton	Government	11,441,810	0.67%
Marriot Division American	Hotels	8,461,750	0.50%
Heart Hospital of DTO	Health Care	7,142,490	0.42%
Virgina Kettering Trust	Trust	6,595,500	0.39%
Danis Realty Co., Inc.	Development	6,037,060	0.36%
BEHR Dayton Thermal	Automotive	5,134,750	0.30%
Ducru Limited Partnership	Development	3,986,400	0.23%
10WOP Inc.	Health Care	3,401,140	0.20%
Delphi Automotive Systems	Automotive	<u>3,380,110</u>	<u>0.20%</u>
Subtotal		72,478,870	4.26%
All Other Taxpayers		<u>1,626,924,660</u>	<u>95.74%</u>
Total Assessed Valuation		<u>\$ 1,699,403,530</u>	<u>100.00%</u>

Source: Montgomery County Auditor

(1) Assessed Values are for collection year 2003

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
PRINCIPAL TAXPAYERS
TANGIBLE PERSONAL PROPERTY TAX
DECEMBER 31, 2002**

Name of Taxpayer	Type of Business	Assessed Values (1)	Percent of Total Assessed Value
Delphi Automotive Systems LLC	Automotive	\$ 43,243,620	12.23%
National Cash Register	Computer Technology	18,218,100	5.15%
General Motors Corp	Automotive	17,525,400	4.95%
Daimler Chrysler Corp.	Automotive	12,273,170	3.47%
Reynolds and Reynolds	Manufacturing	8,377,160	2.37%
Standard Register Company	Manufacturing	7,058,860	2.00%
KBL Portland Cablesystem LP	Communications	6,691,210	1.89%
Gem City Engineering	Engineering	4,574,810	1.29%
Pepsi Cola General Bottlers	Manufacturing	4,091,460	1.16%
Linda Thompson	Manufacturing	<u>3,960,900</u>	<u>1.12%</u>
Subtotal		126,014,690	35.62%
All Other Taxpayers		<u>227,711,956</u>	<u>64.38%</u>
Total Assessed Valuation		<u>\$ 353,726,646</u>	<u>100.00%</u>

Source: Montgomery County Auditor

(1) Assessed Values are for collection year 2003

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
PRINCIPAL TAXPAYERS
PUBLIC UTILITY TAX
DECEMBER 31, 2002

Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Dayton Power and Light Co.	\$ 51,512,710	47.62%
Ohio Bell Telephone Company	<u>31,985,360</u>	<u>29.57%</u>
Subtotal	83,498,070	77.19%
All Other Taxpayers	<u>24,675,210</u>	<u>22.81%</u>
Total Assessed Valuation	<u>\$ 108,173,280</u>	<u>100.00%</u>

Source: Montgomery County Auditor

(1) Assessed Values are for collection year 2003

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COST PER STUDENT
LAST TEN YEARS**

FISCAL YEAR	Governmental Fund Expenditures (1)	Average Daily Membership	Per Pupil Cost
2003	\$ 256,273,446	18,163	\$ 14,110
2002	236,707,270	20,144	11,751
2001	220,926,619	21,078	10,481
2000	210,703,867	22,590	9,327
1999	226,396,991	24,590	9,207
1998	215,194,493	25,971	8,286
1997	203,574,402	25,830	7,881
1996	194,380,782	26,396	7,364
1995	183,110,235	26,548	6,897
1994	178,113,434	28,438	6,263

Source: School District Financial Records

(1) - Amounts reported represent governmental fund (modified accrual) information. The School District implemented GASB Statement No. 34 in fiscal year 2002, therefore amounts for fiscal years 1994 thru 2001 includes general, special revenue, capital projects and expendable trust funds.

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
TEACHER EDUCATION AND EXPERIENCE
JUNE 30, 2003**

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	561	35.6%
Bachelor's + 18 Semester Hours of Graduate Credit	204	12.9%
Master's Degree	657	41.7%
Master's Degree + 30 Semester Hours of Graduate Credit	144	9.1%
Doctorate Degree	<u>11</u>	<u>0.7%</u>
Total	<u><u>1,577</u></u>	<u><u>100.0%</u></u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 4	261	16.6%
5 - 9	237	15.0%
10 - 14	306	19.4%
15 - 19	216	13.7%
20 - 29	432	27.4%
30 and over	<u>125</u>	<u>7.9%</u>
Total	<u><u>1,577</u></u>	<u><u>100.0%</u></u>

Source: Dayton City School District Human Resources Records

DAYTON  N

PUBLIC SCHOOLS



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

DAYTON CITY SCHOOL DISTRICT

MONTGOMERY COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 12, 2004**