



**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2005



**Auditor of State
Betty Montgomery**

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY

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**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2005**

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 Donation - Cash in Lieu of Commodities <i>Passed Through Ohio Department of Education</i>	10.550	N/A	\$392,041		\$392,041	
Food Distribution Program - Commodities	N/A	N/A		769,104		769,104
Total Food Distribution Program			392,041	769,104	392,041	769,104
National School Breakfast Program	10.553	05-PU 04 05-PU 05	545,683 1,532,836		545,683 1,532,836	
Total National School Breakfast Program			2,078,519		2,078,519	
National School Lunch	10.555	LLP4 04 LLP4 05	1,182,836 3,258,670		1,182,836 3,258,670	
Total National School Lunch			4,441,506		4,441,506	
Summer Food Service Program	10.559	23-PU 04 23-PU 05 24-PU 04 24-PU 05	155,731 80,000 24,328 6,068		155,731 80,000 24,328 6,068	
Total Summer Food Service Program			266,127		266,127	
Total United States Department of Agriculture - Nutrition Cluster			7,178,193	769,104	7,178,193	769,104
UNITED STATES DEPARTMENT OF EDUCATION						
Direct						
Magnet School Grant	84.165	N/A N/A N/A N/A	252,360 415,772 (73,286) 650		247,392 306,381 650	
Total Magnet School Grant			595,496		554,423	
<i>Passed Through Ohio Department of Education</i>						
Adult Basic Education	84.002	AB-S1-05 AB-S1-04 AB-S1-05	389,400 77,151 67,302		598,814 9,712 106,873	
Total Adult Basic Education			533,853		715,399	
Title I Grants to Local Educational Agencies	84.010	C1-SK-04 C1-SK-05 C1-S1-04 C1-S1-05 C1-SD-04 C1-SD-05 C1-S1-05 C1-S1-04	(5,142) 422,838 931,561 8,290,501 (12,326) 71,000 331,516 (26,453)		89,969 342,413 1,793,401 7,605,111 36,338 52,212 364,159 48,028	
Total Title I Grants to Local Educational Agencies			10,003,495		10,331,631	
Title II - Part D Education Technology	84.318	TJ-S1-04 TJ-SL-05 TJ-S1-05 TJ-SL-04	(28,538) 53,386 213,195 (29,844)		33,393 46,413 106,867 31,116	
Total Title II - Part D Education Technology			208,199		217,789	
Special Education Cluster:						
Special Education Grants to States (IDEA Part B)	84.027	6B-SF-04 6BEC-02 6B-PB-04P 6B-SF-05	289,916 (517) (5,615) 3,724,586		504,803 517 7,843 3,677,676	
Total Special Education Grants to States (IDEA Part B)			4,008,370		4,190,839	
Special Education Preschool Grants	84.173	PG-S1-04 PG-S1-05	2,773 154,970		897 144,425	
Total Special Education Preschool Grants			157,743		145,322	
Total Special Education Cluster			4,166,113		4,336,161	

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2005**

Federal Grantor/ Pass Through Grantor Program Title	Federal CFDA Number	Pass Through Entity Number	Receipts	Non Cash Receipts	Disbursements	Non Cash Disbursements
Vocational Education Basic Grant	84.048	20-A0-05	2,000			
		20-C1-04	132,146		54,849	
		20-C1-05	739,310		654,701	
		20-A0-05	2,000		9,703	
Total Vocational Education Basic Grant			875,456		719,253	
Safe and Drug Free Schools	84.186	DR-S1-05	245,394		227,520	
		DR-S1-04	13,029		22,662	
Total Safe and Drug Free Schools			258,423		250,182	
Safe and Drug Free Environment	84.184		168,160		168,169	
		T4-S1-04	305,562		247,377	
		N/A	1,738,962		1,760,599	
		N/A	113,569		111,606	
		S184L01068-02	312,307		308,046	
Total Safe and Drug Free Environment			2,638,560		2,595,797	
Education for Homeless Children and Youth	84.196	HC-S1-04	(8,297)		8,873	
		HC-S1-05	93,921		84,284	
		HC-SP-04	35,483		25,823	
Total Education for Homeless Children and Youth			121,107		118,980	
Even Start State Educational Agencies	84.213	EV-S1-04	(1,371)		5,306	
		EV-S1-05	184,379		176,511	
		EV-S4-03	(4)		4	
Total Even Start State Educational Agencies			183,004		181,821	
Fund for the Improvement of Education	84.215	CX-X1-00	238,328		238,712	
Twenty-First Century Community Learning Centers	84.287	TI-SI-05	239,980		344,802	
		T1-SI-04	67,364		76,789	
Total Twenty-First Century Community Learning Centers			307,344		421,591	
State Grants for Innovative Programs	84.298	C2-S1-04	20,122		224,888	
		C2-S1-05	662,379		1,305,929	
Total State Grants for Innovative Programs			682,501		1,530,817	
Comprehensive School Reform Demonstration	84.332	RF-K1-02	(3,333)		3,333	
		RF-K1-03	21,965		27,645	
		RF-K2-04	26,823		25,150	
		RF-K2-03	30,919		30,919	
		RF-CC-04	(36,871)		13,939	
		RF-CC-05	175,390		145,541	
		RF-S3-04	32,025		27,737	
		RF-S2-03	41,040		44,894	
Total Comprehensive School Reform Demonstration			287,958		319,158	
Improving Teacher Quality	84.367	TR-S1-05	3,339,982		2,988,379	
		TR-S1-05	822,974		643,551	
		TR-S1-05	49,645		49,645	
		Carryover	(8,486)			
		TR-S1-05	(179,740)		156,310	
		TR-S1-05	122,093		106,867	
Total Improving Teacher Quality			4,146,468		3,944,752	
English Language Acquisition Grants	84.365	T3-S1-05	6,356		4,969	
		N/A	(3,231)			
		T3-S1-04	23,946		15,639	
Total English Language Acquisition Grants			27,071		20,608	
Reading First	84.357	RS-SI-05	1,903,232		1,750,053	
		RS-SI-04	10,304		10,304	
		RS-S1-05	267,564		438,543	
Total Reading First			2,181,100		2,198,900	
Total United States Department of Education			27,454,476		28,695,974	

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY

SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2005

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 HEALTH AND HUMAN SERVICES						
<i>Passed Through Miami Valley Child Development Centers</i>						
Head Start	93.600	05CH54444 05CH54444	926,837 591,172		810,577 676,616	
Total Head Start			<u>1,518,009</u>		<u>1,487,193</u>	
<i>Passed through Ohio Department of Mental Retardation and Developmental Disabilities</i>						
Medical Assistance Program	93.778	N/A	591,913		591,913	
<i>Passed through Montgomery County Educational Service Center</i>						
Medical Assistance Program		N/A	870		870	
Total Medical Assistance Program			<u>592,783</u>		<u>592,783</u>	
<i>Passed through Ohio Department of Mental Retardation and Developmental Disabilities</i>						
State Children's Insurance Program Title XIX	93.767	N/A	54,212		54,212	
Total United States Department of Health and Human Services			<u>2,165,004</u>		<u>2,134,188</u>	
NATIONAL SCIENCE FOUNDATION						
<i>Direct</i>						
Education and Human Resources	47.076	ESR9801630 N/A	411 788			
Total National Science Foundation - Education and Human Resources			<u>1,199</u>			
Total Federal Assistance			<u>\$36,798,872</u>	<u>\$769,104</u>	<u>\$38,008,355</u>	<u>\$769,104</u>

NA - Project number unknown

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, 2005**

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 -- NUTRITION CLUSTER

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 non-monetary 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 INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS 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 governmental activities, each major fund, and the aggregate remaining fund information of the Dayton City School District (the District) as of and for the fiscal year ended June 30, 2005, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 22, 2005. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting to determine our auditing procedures in order to express our opinions on the financial statements and not to opine on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the District's ability to record, process, summarize, and report financial data consistent with management's assertions in the financial statements. Reportable conditions are described in the accompanying schedule of findings as items 2005-005 through 2005-009.

A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered material weaknesses. However, we do not believe the reportable conditions described above are material weaknesses. In a separate letter to the District's management dated December 22, 2005, we reported other matters involving internal control over financial reporting which we did not deem reportable conditions.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed instances of noncompliance or other matters that we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2005-001 through 2001-004. In a separate letter to the District's management dated December 22, 2005, we reported other matters related to noncompliance we deemed immaterial.

We intend this report solely for the information and use of the audit committee, management, Board of Education, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Betty Montgomery
Auditor of State

December 22, 2005



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON 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 (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 apply to each of its major federal programs for the fiscal year ended June 30, 2005. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. 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 reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe 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, complied with the requirements referred to above that apply to each of its major federal programs for the fiscal year ended June 30, 2005. In a separate letter to the District's management dated December 22, 2005, we reported other matters related to federal noncompliance not requiring inclusion in this report.

Internal Control over Compliance

The District's management 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 directly and materially affect a major federal program 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.

**Internal Control over Compliance
(Continued)**

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 reportable 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 caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over federal compliance not requiring inclusion in this report, that we reported to the District's management in a separate letter dated December 22, 2005.

Federal Awards Expenditures Schedule

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the District as of and for the fiscal year ended June 30, 2005, and have issued our report thereon dated December 22, 2005. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying federal awards expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information 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 intend this report solely for the information and use of the audit committee, management, Board of Education, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Betty Montgomery
Auditor of State

December 22, 2005

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2005**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	Yes
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	CFDA #s 10.550, 10.553, 10.555, & 10.559: Nutrition Cluster CFDA # 84.184: Safe & Drug Free Environment CFDA # 84.298: State Grants for Innovative Programs CFDA # 93.600: Head Start
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 1,163,324 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

FINDING NUMBER 2005-001

Finding For Recovery - Kiser Middle School – Lunchroom Receipts

Ohio Rev. Code Section 9.39 states that “all public officials are liable for all public money received or collected by them or by their subordinates under color of office.” Monies collected by Kiser Middle School secretary Sharon Hutchinson were not deposited in accordance with guidelines established under Dayton City School District’s “Cash in School Building Policy” (DM) and subsequently reported stolen. Ohio Rev Code Section 9.38 and Dayton City School District’s Cash in School Building Policy (DM) states that “[a]ll moneys collected are receipted, accounted for and deposited every 24 hours if possible. In the event the Treasurer or person in charge of an activity is unable to deposit the money within 24 hours, the money will be accounted for and deposited in the safe. The money can be held not longer than three business days after receipt and the amount must be under \$1,000. If the amount is more than \$1,000, or the money cannot be adequately safeguarded, it must be deposited on the business day following the date of the receipt. The Treasurer provides for making bank deposits after regular banking hours in order to avoid leaving money in a school building overnight.”

On May 26, 2005, a moneybag that was last in the possession of Kiser Middle School Secretary Sharon Hutchinson was reported stolen from a locked file cabinet in the main office, with no evidence of forced entry. The moneybag contained \$202 in lunchroom receipts. Pursuant to Ohio Rev. Code Section 9.39, “all public officials are liable for all public money received or collected by them or by their subordinates under color of office.” A public office is a public trust and that public property and public money in the hands of or under the control of public officials constitute a trust fund, for which the official should be held responsible to the same degree as the trustee of a private trust fund. See *State of Ohio v. Hale* (1991), 60 Ohio St.3d 62 citing *Crane Twp., ex rel. Stalter v. Secoy* (1921), 103 Ohio St. 258; 132 N.E. 851. A public official is accountable for the moneys that come into his hands as such official. *State ex rel. Village of Linndale v. Masten* (1985), 18 Ohio St.3d 228.

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies collected but unaccounted for is hereby issued against Sharon Hutchinson, Dayton City School Kiser Middle School Secretary, and Travelers Casualty and Surety Company of America, jointly and severally, in the amount of two hundred and two dollars (\$202) and in favor of Dayton City School District’s Food Service Fund.

FINDING NUMBER 2005-002

Finding For Recovery / Repaid While Under Audit – Roth at Gardendale – Lunchroom Receipts

Ohio Rev. Code Section 9.39 states that “all public officials are liable for all public money received or collected by them or by their subordinates under color of office.” Monies collected by the Gardendale Academy Principal Jacqueline Ringer were not deposited in accordance with guidelines established under Dayton City School District’s Cash in School Building Policy (DM) and subsequently reported stolen. Ohio Rev. Code Section and Dayton City School District’s Cash in School Building Policy (DM) states, that “[a]ll moneys collected are receipted, accounted for and deposited every 24 hours if possible. In the event the Treasurer or person in charge of an activity is unable to deposit the money within 24 hours, the money will be accounted for and deposited in the safe. The money can be held not longer than three business days after receipt and the amount must be under \$1,000. If the amount is more than \$1,000, or the money cannot be adequately safeguarded, it must be deposited on the business day following the date of the receipt. The Treasurer provides for making bank deposits after regular banking hours in order to avoid leaving money in a school building overnight.”

**FINDING NUMBER 2005-002
(Continued)**

On May 10th or 11th, 2005, a moneybag that was last in the possession of Gardendale Principal Jacqueline Ringer was reported stolen from a locked file cabinet in the main office with no evidence of forced entry. The moneybag contained \$138 in lunchroom receipts. Under Ohio Rev. Code Section 9.39, "all public officials are liable for all public money received or collected by them or by their subordinates under color of office." A public office is a public trust and that public property and public money in the hands of or under the control of public officials constitute a trust fund, for which the official should be held responsible to the same degree as the trustee of a private trust fund. See *State of Ohio v. Hale* (1991), 60 Ohio St.3d 62 citing *Crane Twp., ex rel. Stalter v. Secoy* (1921), 103 Ohio St. 258; 132 N.E. 851. A public official is accountable for the moneys that come into his hands as such official. *State ex rel. Village of Linndale v. Masten* (1985), 18 Ohio St.3d 228.

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies collected but unaccounted for is hereby issued against Jacqueline Ringer, Dayton City School Gardendale Academy Principal, and Travelers Casualty and Surety Company of America, jointly and severally, in the amount of one hundred and thirty-eight dollars (\$138) and in favor of Dayton City School District's Food Service Fund. This amount was repaid on February 15, 2006, as evidenced by Dayton City School District receipt #228726.

FINDING NUMBER 2005-003

Finding For Recovery - Dunbar High School Daycare

Ohio Rev. Code Section 9.39 states that "all public officials are liable for all public money received or collected by them or by their subordinates under color of office." Monies collected by Mary Molnar, Dunbar High School Daycare Coordinator, were not deposited in accordance with guidelines established under **Ohio Rev. Code Section 9.38** and the Dayton City School District's Cash in School Building Policy (DM) and were subsequently reported stolen. In addition, monies due to the District were not collected by Mrs. Molnar.

Ohio Rev. Code Section 9.38 and Dayton City School District's Cash in School Building Policy (DM) states that "[a]ll monies collected are receipted, accounted for and deposited every 24 hours if possible. In the event the Treasurer or person in charge of an activity is unable to deposit the money in 24 hours, the money will be accounted for and deposited in the safe. The money can be held no longer than three business days after receipt and the amount must be under \$1,000. If the amount is more than \$1,000, or the money cannot be adequately safeguarded, it must be deposited on the business day following the date of receipt. The Treasurer provides for making bank deposits after regular banking hours in order to avoid leaving money in a school building overnight."

During testing of receipts collected at the District's Daycare program at Dunbar High School, 9 out of 10, or 90%, of the daycare program's weekly receipts, collected between August 8, 2005 and October 10, 2005, were not deposited in accordance with ORC Section 9.38 and the Dayton City School District's Cash in School Building Policy (DM).

**FINDING NUMBER 2005-003
 (Continued)**

As illustrated in the following table, records document that from August 8 through October 10, 2005, \$1,820 in Daycare fees, were collected by Mary Molnar at Dunbar High School, but were not paid-in to the District Treasurers office and were determined to be unaccounted for:

<u>Year</u>	<u>Week of</u>	<u>Cash Receipts</u>	<u>Treasurer Pay-In Amount</u>	<u>Difference</u>	<u>Pay-In Date</u>
2005	August 8 – 29	\$1,339	\$838	(\$501)	August 31
2005	September 5	228	227	(1)	September 9
2005	September 12 – 19	611	32	(579)	September 22
2005	September 26 – October 10	990	251	(739)	November 15, 16
	Totals	<u>\$3,168</u>	<u>\$1,348</u>	<u>(\$1,820)</u>	

Additionally, Ms Molnar did not maintain receipt records to support the daycare fees collected for the period July 12, 2004 through May 31, 2005. Consequently, the amount that should have been collected for the school year was reconstructed based on students' attendance records with adjustments made for days the daycare was closed or attendee's were absent. The total amount that should have been collected by the Daycare program based on the reconstruction was \$8,727. Of the \$8,727, only \$6,738 was paid-in to the Dayton Public School Treasurer's office. As illustrated in the following table, this resulted in \$1,989 in daycare fee receipts due but not collected:

<u>Year</u>	<u>Attendance Records by Month</u>	<u>Generated Revenue</u>
2004	July	\$ 661
2004	August	1,333
2004	September	491
2004	October	777
2004	November	1,142
2004	December	459
2005	January	676
2005	February	771
2005	March	447
2005	April	875
2005	May	<u>1,095</u>
Total Daycare Receipts generated based on attendance for fiscal year 2005		8,727
Total Daycare Tuition Pay-Ins to the Treasurer		<u>6,738</u>
Total amount of receipts in excess of amounts paid-in		<u>(\$1,989)</u>

Pursuant to Ohio Rev. Code Section 9.39, "all public officials are liable for all public money received or collected by them or by their subordinates under color of office." A public office is a public trust and that public property and public money in the hands of or under the control of public officials constitute a trust fund, for which the official should be held responsible to the same degree as the trustee of a private trust fund. See *State of Ohio v. Hale* (1991), 60 Ohio St.3d 62 citing *Crane Twp., ex rel. Stalter v. Secoy* (1921), 103 Ohio St. 258; 132 N.E. 851. A public official is accountable for the moneys that come into his hands as such official. *State ex rel. Village of Linndale v. Masten* (1985), 18 Ohio St.3d 228.

**FINDING NUMBER 2005-003
(Continued)**

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies collected but unaccounted for is hereby issued against Mary Molnar, Dayton City School Dunbar Daycare Coordinator, and Travelers Casualty and Surety Company of America, jointly and severally, in the amount of three thousand, eight hundred and nine dollars (\$3,809) and in favor of Dayton City School District's Uniform School Supplies Fund.

FINDING NUMBER 2005-004

Ohio Rev. Code Section 149.351 states, in pertinent part, all records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commission provided for under Ohio Revised Code Section 149.41.

The District failed to maintain supporting documentation for expenditures in the amount of \$7,671 out of the \$254,423, or 3.02% of the amount tested. Further, the Dunbar High School Daycare Coordinator did not maintain receipt records to support the daycare fees collected for the period July 1, 2004 through June 30, 2005. Consequently, the amount that should have been collected for the school year was reconstructed based on attendance records of students' and non-students, adjusted for days the daycare was closed or attendee's were absent. Failure to retain adequate supporting documents could result in the payment of unauthorized expenditures or overpayments to vendors.

The District should develop and implement policies and procedures for retention of supporting documents for all receipts and expenditures of public monies. At a minimum all supporting documentation should be maintained until an audit for the transaction period has been completed.

FINDING NUMBER 2005-005

Control of Cash Secured in Buildings - Belmont High School Reserve Officer Training Corp (ROTC)

The District student managed activities are non-public monies and in past practice, have not been deposited with the District Treasurer. It is the responsibility of the activity advisor to secure monies and provide proper accounting for all activity receipts and disbursements.

During the weekend of May 20, 2005, the Belmont High School Reserve Officer Training Corp (ROTC) office was broken into and the ROTC safe and cash box containing approximately \$800 in cash and checks from the sale of tickets to the Navy Ball, the ROTC records book and the ROTC check book, as well as unsold tickets to the ball, with a face value of \$4,000, were removed from the office. A District Incident Report and a Police Report were filed on Monday, May 23, 2005 as soon as the items were discovered missing.

Further, this is the second incident of a theft of a small office safe in the District within a span of one year. A small safe was also stolen from Welcome Stadium six months earlier on November 21, 2004. Also, three thefts on monies collected at school buildings occurred during the current audit of the District. In each instance, the monies were placed in locked drawers or cabinets to be held overnight.

District Policy "DM" states, that the Treasurer provide for making bank deposits after regular banking hours in order to avoid leaving money in a school building overnight. This option is not being utilized.

**FINDING NUMBER 2005-005
(Continued)**

To improve the controls of cash secured in District facilities and to reduce the possibility of theft of public monies, the District should implement the following:

- All monies at District Buildings, including the Welcome Stadium Facility, should be deposited with the District's Treasurer on a daily basis. If money cannot be deposited with the Treasurer, the day that it is received, that money should be deposited at a financial institution via a night deposit.
- The practice of keeping cash receipts in small portable safes and file cabinets should be discontinued as it has been demonstrated as not promoting a secure safeguard for cash.
- Custodians should not have access to desks, cabinets or other locations where monies are securely held until delivery to the Courier.

The implementation of these recommendations will aid in the reduction of thefts of monies that are not deposited with the Treasurer.

FINDING NUMBER 2005-006

Capital Asset Policies and Procedures

Certain deficiencies were noted in the District's policies and procedures in accounting for capital assets. To provide for completeness, accuracy, and consistency in accounting for capital assets, the District should amend its capital assets policy and procedures to address the following conditions:

- The District's written capital asset policy should specifically allocate full or partial year depreciation in the year of acquisition and in the year of disposal ;
- The Treasurer decreased the useful lives of buildings however, there was no approval from the Board of Education. The Board of Education should approve the re-evaluation of the useful lives of all asset categories, including buildings;
- The District should monitor the purchase and sale of real estate, buildings, and vehicles. It was noted during review of capital asset land additions that two properties had been included in the prior year additions list and one purchase should not be included until the next fiscal year. Further, capital asset acquisitions for fiscal year 2005 included 22 buses which the District had ownership since 1996.

The District should implement the above listed procedures to allow management to have greater accountability of capital assets for financial statement presentation purposes, for planning for capital asset replacement or acquisition, and for insurance claim purposes in the case of loss.

FINDING NUMBER 2005-007

Procedures for Reporting Theft or Unaccounted For Monies

District employees should have written procedures to aide in the reporting of theft of monies. Currently, no such procedures exist. Further, the Board should require each time a theft is reported, a written report from both the Security and the Internal Audit departments, on ways to identify, remediate, and prevent thefts from reoccurring. A policy should be developed and implemented that outlines steps to be taken in the event of a theft of monies.

The procedures should include, at a minimum:

- Who should be contacted;
- What forms are required to be completed;
- When the police should be contacted;
- What information should obtained for documentation;
- When inquiry to insurance companies is required;
- Separate investigations by the Security Department, detailing possible weaknesses in the security controls or physical security apparatus's; and the Treasurer's (Internal Audit) Department, detailing possible weaknesses in the internal control structure; should be documented with separate written reports detailing cause and effect as well as corrective actions to be taken.

Failure to implement these procedures could result in monies stolen and not being reported, proper individuals not be made aware of a theft, or proper corrective actions not being taken to prevent future thefts. All instances of theft of monies must be reported to the Superintendent and Treasurer.

FINDING NUMBER 2005-008

Control of Cash Secured in Buildings – Welcome Stadium

On November 21, 2004, an electronic floor safe containing undeposited District's monies, located in the Athletic Director's office, was stolen from the District's Welcome Stadium facility. The safe contained \$11,280 in parking receipts and \$2,000 in Athletic start-up monies. In an effort to strengthen security over undeposited monies left overnight at Welcome Stadium, the Athletic Director implemented an unwritten requirement that all undeposited receipts must be stored in the walk-in vault at Welcome Stadium.

In reviewing the Athletic Director's new requirement that undeposited monies left overnight at Welcome Stadium be stored in the walk-in vault, the following deficiencies were noted.

- The November, 2004, theft was made possible due to the availability of money that was left overnight at Welcome Stadium.
- The combination code to the vault has not been changed since the theft or after the former Athletic Director left the employment of Dayton Public Schools.

**FINDING NUMBER 2005-008
(Continued)**

To strengthen the controls over the security of monies collected for deposit at Welcome Stadium, the Board should adopt a policy that incorporates the following:

- Access to the walk-in vault should be limited to the Athletic Director and the Concession Manager.
- The combination code to the vault should be changed whenever a person with access leaves the school or changes jobs and no longer requires access to the vault.
- Due to the large sums of money collected at events at Welcome Stadium, receipts not deposited with the Treasurer's office, should be deposited in a night depository. No monies should be held overnight for deposit at the Welcome Stadium facility for any reason.

FINDING NUMBER 2005-009

Cash Management Procedures - Dunbar High School Daycare Program

Certain deficiencies were noted in the policies and procedures over receiving, securing, and reconciling daycare receipts collected at the Daycare Program at Dunbar High School. To provide for completeness, accuracy, and consistency in accounting for receipts collected at the School, the District should adopt a policy requiring the following:

Receipting of Cash

- Receipt books should be used to record the receipt of all monies received, and the receipt books should be assigned to a specific employee to help fix responsibility for monies collected.
- The receipt book should be pre-numbered sequence, prepared in multiple copies for distribution to the payee, the Treasurer's office, and one retained in the receipt book.
- Receipts should be completely filled out: showing date, amount, who paid and why, and signed by the employee fix with the responsibility for monies collected.
- Monies collected for the day should be reconciled to the receipts issued. The receipt reconciliation should be documented and maintained according to the District's record retention policy.
- The amount recorded on each receipt number should be traceable to a specific pay-in with the Treasurer's office.
- When tracing receipts to deposits, all receipt numbers should be accounted for to ensure no receipts are missing.

Deposits

- All receipts collected for the day should be paid-in the same day with the Treasurer's office. No monies should be maintained overnight for deposit with the Treasurer's office the next business day. The holding of funds over weekends should not be permitted.
- All deposit slips should be verified by referring to pre-numbered receipts to ensure all funds have been included in the deposit.

**FINDING NUMBER 2005-009
(Continued)**

Safekeeping

- While cash receipts are being held for deposit, the receipts should be stored in the walk-in vault. The combination to the walk-in vault should be restricted to only essential employees.
- The combination should be changed whenever a person with access leaves the school or changes jobs and no longer requires access to the safe.

The District should implement the above listed procedures to allow management to have greater accountability over the financial operation of the Daycare Program at Dunbar High School.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
--

None

Client Response

We have reviewed the audit findings and concur with the recommendations. Our plan is to implement the necessary board policies and administrative procedures by March 31, 2006. Application of these recommendations will result in the strengthening of our internal controls and accountability.

Audits are critical to the ongoing improvement of fiscal management and stewardship over public funds, and we look forward to next year's audit.

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
JUNE 30, 2005**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected; Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2004-001	ORC Sec. 9.39 – Finding for Recovery issued against Robert Denney for \$13,280	No	Finding Currently Unresolved.
2004-002	ORC Sec. 5705.41 (D) – Failure to certify the availability of funds prior to expenditure	No	Partially Corrected: Citation has been moved to Management Letter.
2004-003	ORC Sec. 9.38 – Failure to deposit monies in a timely manner	No	Not Corrected: Repeated as Finding 2005-003
2004-004	ORC Sec. 149.351 – Failure to maintain required public records	No	Not Corrected: Repeated as Finding 2005-004.
2004-005	District Policies IGDJ, DFE & DFEA – Failure of Board of Control of Athletics Policies to safeguard receipts from athletic events	Yes	
2004-006	District should review their capital asset policy	No	Not Corrected: Repeated as Finding 2005-006.
2004-007	District should review the cash receipting and disbursing procedures used at Welcome Stadium	Yes	
2004-008	The District should review the insurance coverage at Welcome Stadium	Yes	
2004-009	The District should review the segregation of duties at Welcome Stadium	Yes	

DAYTON CITY SCHOOL DISTRICT

COMPREHENSIVE

ANNUAL FINANCIAL REPORT

for the

FISCAL YEAR ENDED JUNE 30, 2005



Dayton, Ohio

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
of the
DAYTON CITY SCHOOL DISTRICT
for the
FISCAL YEAR ENDED JUNE 30, 2005

Prepared by

TREASURER'S OFFICE

Stanley E. Lucas
Treasurer and Chief Financial Officer



115 South Ludlow Street
Dayton, Ohio 45402

DAYTON BOARD OF EDUCATION
JUNE 30, 2005



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, 2005**

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

December 22, 2005

Board of Education
Dayton City School District
115 S. Ludlow 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, 2005, 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 the district's operations 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.

Management is required to provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The Comprehensive Annual Financial Report ("CAFR") is presented in three sections:

--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 and debt capacity of the 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. 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 four years. Her term expires December 31, 2005. L. Anthony Hill has served on the Board for six years, including four years as the current Vice President. Mr. Hill's term will on December 31, 2007. Ann Marie "Mario" Gallin has served on the Board for six years. Ms. Gallin will serve until December 31, 2007. E. Doniece Gatliff has served on the Board for four years. Her term expires December 31, 2005. Yvonne V. Isaacs has served four years on the Board. Her term expires December 31, 2005. Clayton R. Luckie II has served on the Board for nine years.. Mr. Luckie's term will end on December 31, 2007. Tracy L. Rusch, Ph.D. serves as the Board Parliamentarian and has served four years on the Board. Her term expires December 31, 2005.

The Superintendent of Schools (the "Superintendent"), was appointed by the Board for a term not longer than three years, is the chief executive officer of the district. He has the responsibility for managing and placing 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 15, 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 requirement, 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 as the district's treasurer since July 1, 2002. He was re-appointed to a four- year term of employment commencing January 1, 2005 and ending December 31, 2008. Mr. Lucas was the Treasurer of record for this reporting period.

The School District and Its Facilities

In 2004-2005 17,677 students were enrolled compared to 17,463 students the previous year in the district's 26 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 1,766 certificated employees (1,443 teachers, 16 psychologists, 255 reserve teachers and 52 administrators) and 1,816 classified employees (administrators, secretarial, clerical, custodial, and cafeteria workers, as well as bus drivers and other non-teaching, non-administrative personnel). Therefore, the district currently has approximately 3,582 full and part-time employees. In the fiscal year ended June 30, 2005, the district paid out from its general fund (disadvantaged pupil impact aid (DPIA) fund included) \$105,298,350 in salaries and \$33,336,272 in fringe benefits and other labor related costs. These expenditures are comprised of 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, 2006. Collective bargaining agreements with the other unions expire June 30, 2005 or later.

The district provides life insurance and accidental death and dismemberment insurance to employees through the American United Life Insurance Company. The district provides health insurance coverage through the United Healthcare Insurance Company. 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.

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 \$18,335,035 for the 2005 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 in compliance with those standards and believes it will remain in good standing for the foreseeable future.

On December 3, 2003, 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 fifth time the Ohio Supreme Court majority has found the school funding unconstitutional. 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 16 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

In 2005, the City of Dayton ranked 91st *Forbes* magazine's Best Places for Business and Careers in the United States. *Forbes'* ranking of the 150 largest metropolitan areas, in its seventh 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 5,700 employees presently 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 20,204 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 Menlo Worldwide known as 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

Despite improvement in the region's overall unemployment rate throughout the calendar year 2004, nearly every industry classification charted a reduction in employment compared to the previous year. As predicted, manufacturing employment contributed much of the increase in the unemployment rate. Overall, there was a deceleration of job losses in the goods-producing industries and moderate percentage decreases in service-sector employment.

The Dayton Area Chamber of Commerce expects the local unemployment rate to continue to decrease and close calendar year 2005 with an unemployment rate between 5.3 and 5.7 percent.

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

Dayton Public School is in year four of its academic reform agenda. In 2001, the district's Board and the Superintendent announced four district-wide strategic initiatives focused on higher student achievement. 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. 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. DPS students posted some of the highest reading scores in district history and met expectations set by the federal NO Child Left Behind (NCLB) law. Students also made unprecedented gains in math proficiency. The Dayton Early College Academy (DECA) in its third year of operation was named one of five innovative programs in a study commissioned by The Bill and Melinda Gates Foundation. DPS had the most improved graduation rate of any Ohio urban district. With student achievement as a central focus, professional development was offered to all district personnel. Through the professional development program, teachers and paraprofessionals were helped to meet the highly qualified teacher mandates under the federal NCLB legislation. The Student Code of Conduct has been revised to ensure uniform and consistent enforcement district-wide. Dayton's building attendance rate improved to 91.2% in 2005 as a direct result of the district's truancy program. 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. To achieve this, accountability measures will be developed to tie staff performance, in part, to student achievement.

Four new initiatives have been implemented: Equity, Parent and Family Involvement, Civic Capacity and Organizational Design and Development. 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 measurers 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 one of the eighteen state indicators. However, the district's students made significant improvements in test scores on the Ohio Proficiency Test over the

2004 school year. With the district's current strong focus on reading, writing, mathematics and improving attendance, there is the expectation of additional improvements in 2006.

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

In 2005 the district issued a RFP for managed IT Services and awarded a contract to Cincinnati Bell Technology Solutions, formerly Broadwing IT Services. This contract was for a base term of 3 years and two two-year option years

The scope of work to be delivered to the district will be 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 local area network (LAN) infrastructure provides connectivity within administrative offices of each facility on an AS/400 host connected to 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.

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.

The focus of financial reporting 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 fourth 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. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activity 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 the Independent Accountants' Report in the financial section of this report, providing an assessment of the district's finances for the 2005 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 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 re-appropriated.

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 five major financial institutions: National City Bank, Victory Capital Management, JP Morgan Chase Bank, Fifth Third Bank, and Salomon.

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 recorded for the district in fiscal year 2005 was \$7,266,006. A more detailed description of the district's investment functions is described in Note 5 to the financial statements.

Risk Management

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 2005, the school district contracted with Clarendon Insurance company for general liability/school leaders error & omissions insurance with a \$1,000,000 single occurrence limit and a \$2,000,000 annual policy aggregate. The policy has a \$100,000 self insured retention. Buildings and contents were 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 were covered under a business policy with Clarendon Insurance Company for primary coverage. This policy carries a \$1,000,000 limit for bodily injury and property damage to third parties. The auto liability self insured retention is \$150,000 per accident. The district self insures the physical damage coverage on all units. The school district has excess liability coverage with Lexington Insurance with a \$4,000,000 limit per occurrence.

Settled claims have not exceeded this commercial coverage in any of the past eight 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 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.

OTHER INFORMATION

Independent Audit

The district elected to have Betty Montgomery, the Auditor of State, as the district's independent auditor for fiscal year 2005. 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 founded in 1906, that serves approximately 16,000 governmental finance professionals. For the thirteenth 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, 2004. 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 2004 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, 2004

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.



Nancy L. Zielke

President

Jeffrey R. Emer

Executive Director

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL



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, 2004

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

President

Executive Director

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO

BOARD MEMBERS-ELECTED OFFICIALS
June 30, 2005

<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, 2005

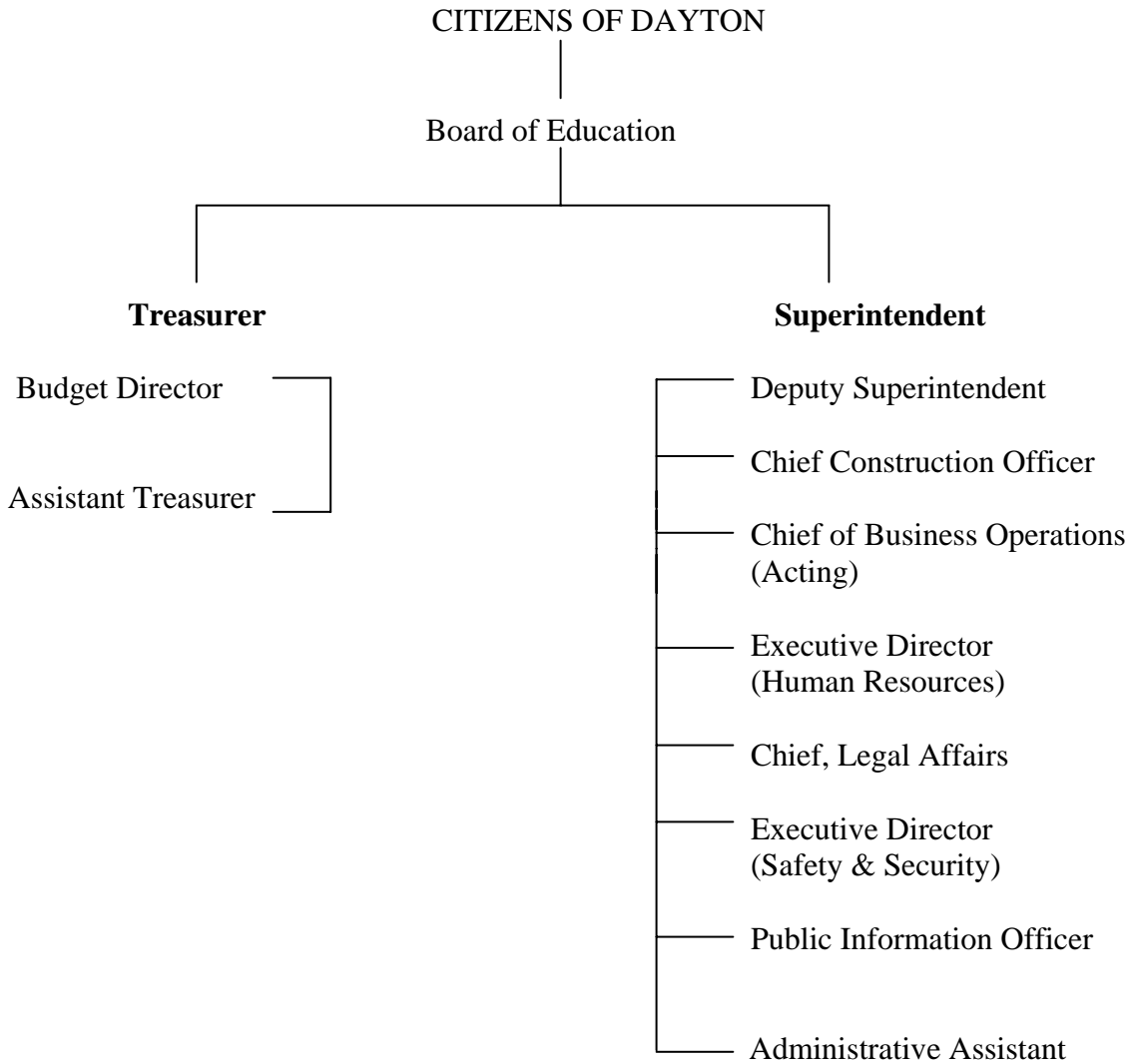
Percy A. Mack, Ph.D.	Superintendent
Stanley E. Lucas	Treasurer
Debra A. Brathwaite	Deputy Superintendent
John H. Carr, AIA	Chief Construction Officer
Robyn Essman	Budget Director
Larry Hoskins	Acting Chief of Operations
C. Benjamin Kirby	Executive Director, Safety & Security
John F. Lenehan	Chief of Legal Operations
Jill Moberley	Public Information Officer
Stacia A. Smith, Ph.D.	Associate Supt., Curriculum & Instruction
M. Edward Sweetnich	Executive Director, Human Resources
Colleen S. Wells	Administrative Assistant to the Superintendent

DAYTON CITY SCHOOL DISTRICT

MONTGOMERY COUNTY, OHIO

ORGANIZATIONAL CHART

June 30, 2005



DAYTON



PUBLIC SCHOOLS

FINANCIAL SECTION



**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 the Dayton City School District, Montgomery County, Ohio (the District), as of and for the year ended June 30, 2005, 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 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 the Dayton City School District, Montgomery County, Ohio, as of June 30, 2005, and the respective changes in financial position and cash flows, where applicable, and the 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 22, 2005, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis, is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements. The introductory section, the combining and individual nonmajor fund statements and schedules, and the statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining and individual 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 or the statistical section 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 22, 2005

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2005 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, 2005. 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 2005 are as follows:

Overall:

- Total net assets increased \$79.4 million, which represents 38.7 percent increase from fiscal year 2004.
- Total assets of governmental activities increased by \$63.8 million from those reported at June 30, 2004. The primary factor of the increase was recognizing a \$144.3 million receivable associated with the state funding of the school facilities construction project for fiscal year 2005 compared with the \$60.9 million for the prior year.
- General revenues accounted for \$230.0 million or 60.7 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 \$149.2 million or 39.3 percent of total revenues of \$379.2 million.
- The \$27.5 million unreserved, undesignated ending fund balance reported in the General Fund represents 13.5 percent of the total General Fund expenditures reported for fiscal year 2005.
- During fiscal year 2005, the School District capitalized slightly more than \$22.8 million in capital assets, including an office building (\$6.3 million), land acquisitions (\$2.9 million) and construction in progress (\$9.2 million) associated with the school facilities project, and school buses and other vehicles (\$4.0). When offset for current year depreciation and disposals, net capital assets increased by \$20.1 million compared with fiscal year 2004 amounts.

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.

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.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2005
Unaudited

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 2005?" 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

Fund financial reports are presented after the statement of activities and 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, the fund 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.

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 fund financial statements.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
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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 nearly \$285 million at June 30, 2005.

Table 1 provides a summary of the School District's net assets for 2005 compared to 2004:

TABLE 1
Net Assets (in 000's)

	<u>2005</u>	<u>2004</u>
<i>Assets:</i>		
Current and other Assets	\$ 623,504	\$ 579,722
Capital Assets	<u>61,063</u>	<u>41,015</u>
Total Assets	<u>684,567</u>	<u>620,737</u>
<i>Liabilities:</i>		
Long-Term Liabilities	299,044	305,064
Other Liabilities	<u>101,055</u>	<u>110,623</u>
Total Liabilities	<u>400,099</u>	<u>415,687</u>
<i>Net Assets:</i>		
Invested in Capital Assets, Net of Debt	15,673	22,001
Restricted	224,850	138,871
Unrestricted	<u>43,945</u>	<u>44,178</u>
Total Net Assets	<u>\$ 284,468</u>	<u>\$ 205,050</u>

Total assets reported at June 30, 2005 are \$63.8 million higher than the total assets reported at the end of fiscal year 2004. The primary reason for the increase in the School District's assets was the increase in the amount of state funding, associated with the school facilities construction, recorded as a receivable in 2005 compared to the amount reported for 2004. The School District records a receivable when the funds have been appropriated by the State of Ohio for the project. At June 30, 2005 this amounted to \$144.3 million compared with the \$60.9 million at June 30, 2004. The \$20.1 million increase in capital assets were financed primarily with cash and therefore had little effect on the increase in total assets.

Total liabilities decreased by \$15.6 million compared with those reported the prior year. Significant decreases in accounts payable (\$2.4 million) and deferred revenue (\$6.9 million) coupled with the reduction in long-term liabilities due to scheduled debt payments, account for this decrease. A significantly higher amount of property tax receipts available for advance at June 30, 2005 explains the decrease in deferred revenue.

Total net assets of the School District increased \$79.4 million from the net assets reported at June 30, 2004. The decrease in net assets invested in capital assets (\$6.3 million) was due to recognizing a larger portion of outstanding capital debt during fiscal year 2005 as well as current year depreciation. Restricted net assets increased by \$86.0 as compared with the amount reported at June 30, 2004 due almost exclusively to the increase in the amount of state construction grants recognized in fiscal year 2005. Unrestricted net assets decreased slightly, less than one percent, from the unrestricted net asset amount reported at June 30, 2004.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2005
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Table 2 shows the key components in the changes in net assets for fiscal year ended June 30, 2005.

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

	<u>2005</u>	<u>2004</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 5,592	\$ 6,160
Operating Grants and Contributions	55,847	53,248
Capital Grants and Contributions	87,750	79,833
General Revenues:		
Property Taxes	92,726	97,401
Grants and Entitlements	123,874	121,593
Other	13,420	7,073
Total Revenues	<u>379,209</u>	<u>365,308</u>
Program Expenses		
Instruction	105,912	103,512
Support Services:		
Pupil and Instructional Staff	30,206	29,670
Board of Education, Administration, Fiscal and Business	19,478	20,557
Plant Operation and Maintenance	38,952	33,902
Pupil Transportation	17,542	16,614
Central	9,033	9,242
Operation of Non-Instructional Services	13,665	13,808
Extracurricular Activities	1,563	1,444
Intergovernmental	49,725	44,690
Unallocated Depreciation	1,485	1,450
Interest and Fiscal Charges	12,229	12,440
Total Expenses	<u>299,790</u>	<u>287,329</u>
Increase in Net Assets	<u>\$ 79,419</u>	<u>\$ 77,979</u>

During fiscal year 2005, total net assets increased by \$79.4 million, representing a 1.9 percent increase from the increase in net assets realized in fiscal year 2004. Increases in state construction grant revenue, state and federal operating grants, state foundation receipts and investment earnings resulted in total revenues increasing by \$13.9 million, or 3.8 percent, while total expenses increased by nearly \$12.5 million, or 4.3 percent. Increases in intergovernmental revenue are based solely on amounts appropriated by those entities for the School District for fiscal year 2005 for various projects and programs, as well as the general operating entitlement (state foundation). Increases in investment earnings resulted from having higher investment balances throughout the year as compared to fiscal year 2004.

As noted in Table 2, the School District remains extremely dependent upon general intergovernmental revenues provided by the State of Ohio, as nearly all of the increases in the above noted revenue sources are restricted for specific purposes. Approximately 57.2 percent of the School District's general fund revenue was received from intergovernmental sources during fiscal year 2005, with the remainder coming from property taxes and other miscellaneous sources of revenue.

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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 2005 as compared to those recorded in fiscal year 2004. 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)

	2005		2004	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 105,912	\$ 75,653	\$ 103,512	\$ 77,752
Support Services:				
Pupil and Instructional Staff	30,206	16,710	29,670	14,533
Board of Education, Administration, Fiscal and Business	19,478	19,222	20,557	18,893
Plant Operation and Maintenance	38,952	(50,496)	33,902	(47,863)
Pupil Transportation	17,542	17,385	16,614	16,565
Central	9,033	7,989	9,242	8,347
Operation of Non-Instructional Services	13,665	(341)	13,808	308
Extracurricular Activities	1,563	1,040	1,444	973
Intergovernmental	49,725	49,725	44,690	44,690
Unallocated Depreciation	1,485	1,485	1,450	1,450
Interest and Fiscal Charges	12,229	12,229	12,440	12,440
Total Expenses	<u>\$ 299,790</u>	<u>\$ 150,601</u>	<u>\$ 287,329</u>	<u>\$ 148,088</u>

Despite the nearly \$12.5 million increase in total expenses reported for 2005 compared to 2004, specific funding, program revenues, increased by approximately the same amount. This resulted in a minimal increase (1.8 percent) in the amount of general revenues needed to cover program costs for 2005 over 2004. The additional state capital grant associated with the school facilities construction was the single largest increase in program revenue, however, the School District did benefit from increased funding levels for various state and federal grants restricted to specific educational programs.

During fiscal year 2005, the school district spent nearly \$9.0 million on repairs and maintenance to existing school buildings. These repair and maintenance programs (termed "warm, safe, and dry") are aimed at providing a safe environment for the students until the new school buildings can be constructed and are part of, and financed thru, the District-wide school facilities construction project. As these expenses do not increase the useful life or the value of the existing school buildings (since they will all shortly be replaced or completely remodeled), the cost of these projects are reported as current year expenses rather than being capitalized by the School District. Additional significant changes in expenses include:

- Additional funding allocated to staff and program development to strengthen academic programs resulted in instructional expenses increasing \$2.4 million from expenses reported for 2004.

DAYTON CITY SCHOOL DISTRICT

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- The \$5.0 million increase in the intergovernmental function is associated with the every increasing amount of pass through funding the School District must provide to local community (charter) schools. For each pupil, who is eligible to attend Dayton City School District, that attends a charter school, the School District must pay the State determined per pupil funding amount. This not only includes the State funding portion, but also a portion of local revenues as well.

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, 2005 was \$349.9 million, a decrease of \$27.0 million in comparison with the prior year. Approximately \$276.7 million of the ending fund balance is reported in funds associated with the school facilities construction project. Another \$15.5 million is reported in the debt service fund to be used to pay debt obligations as they become due. There was \$71.5 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, 2005, the ending fund balance of the General Fund was approximately \$43.5 million of which, \$27.5 million was unreserved and undesignated. The \$27.5 million unreserved, undesignated ending fund balance represents 13.5 percent of the total General Fund expenditures reported for fiscal year 2005. The \$2.0 million increase in the General Fund balance from fiscal year 2004 can be attributed an increase of approximately \$5.6 million in revenues, primarily tax receipts and state foundation payments which was offset by a small increase in functional expenditures as well as an increase amount of funds transferred from the General Fund to other funds in fiscal year 2005.

The \$6.2 million decrease in the fund balance of the Debt Service resulted from the School District making scheduled debt expenditures. The \$8.9 million decrease in the Classroom Facilities Fund balance was due to increased capital outlay expenditures associated with the school facilities construction project coupled with less state construction grants received during fiscal year 2005 compared to the amount received in the prior fiscal year.

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 2005, 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.

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For the General Fund, budget basis revenue was \$202.0 million as compared to the original budget estimates of \$193.3 million. This difference included tax revenues initially budgeted at \$74.3 million with budget basis revenues coming in at \$77.6 million. The decrease, nearly \$3.3 million, in delinquent property taxes reported at June 30, 2005 compared to the prior year indicates the School District benefited from additional payments on delinquent tax accounts during fiscal year 2005. Intergovernmental revenue received was approximately \$5 million higher than the original budget amount primarily from state foundation receipts; 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 \$161.9 million, which is approximately \$922,000 less than final budget amounts and \$375,000 less than original budgeted amounts. Despite several amendments to the appropriation accounts, the total budgeted expenditures did not vary by more than one percent throughout the year.

Capital Assets

At the end of fiscal year 2005, the School District had \$93.8 million invested in land, buildings, furniture and equipment, vehicles, and construction in progress 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 still in its initial phase, however, certain costs including architectural and engineering services, land purchases and preparation, and other preliminary services totaling nearly \$26.3 million have been capitalized as construction in progress as of June 30, 2005. The overall cost of the construction project is estimated at \$628 million with construction taking place over the next decade.

Table 4 shows fiscal year 2005 balances compared to those of fiscal year 2004:

TABLE 4
Capital Assets at June 30 (in 000's)

	<u>2005</u>	<u>2004</u>
Land	\$ 7,108	\$ 4,192
Buildings and Improvements	43,601	37,289
Equipment	7,342	7,430
Vehicles	14,438	11,030
Construction in Progress	21,269	12,084
Less: Accumulated Depreciation	<u>(32,695)</u>	<u>(31,010)</u>
Total Net Assets	<u>\$ 61,063</u>	<u>\$ 41,015</u>

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Overall, net capital assets increased approximately \$20.1 million from fiscal year 2004. Significant increases in capital assets consisted of the acquisition of an office building (\$6.3 million), land acquisitions (\$2.9 million) and construction in progress (\$9.2 million) associated with the school facilities program, and the purchase of nearly \$4.0 million worth of new school buses and other vehicles.

Additional information on the School District's capital assets can be found in Note 8 to the basic financial statements.

Debt Administration

At the end of fiscal year 2005, the School District had \$281.8 million of outstanding long-term debt obligations, of which \$5.4 million is due within one year. Significant elements of the School District's outstanding long-term debt obligations include:

- \$252.1 million in outstanding general obligations school facilities construction and improvement bonds and related unamortized bond premiums, with \$11.2 million of principal payments made during the fiscal year 2005.
- \$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.
- \$3.5 million of long-term tax anticipation notes issued in anticipation of the collection of the permanent improvement levy approved by voters in 2002. These notes will be repaid over the course of ten years beginning in fiscal year 2006.
- \$16.2 million of certificates of participation issued in fiscal year 2004 to finance the purchase of the School District's administrative office building as well as additional office space. During fiscal year 2005 the School District made principal payments of \$155,000 related to this issue.

The School District maintains a "Aaa" rating from Moody's, "AAA" rating from Standards and Poor's and Fitch for general obligation debt. Additional information on the School District's long-term obligations can be found in Note 13 to the basic financial statements.

For the Future

The State Legislature passed its biennial budget bill, House Bill 66 (HB66), effective July 1, 2005. The bill in part phases out the tax on the tangible personal property of general businesses, telephone and telecommunication companies and railroads. In 2009, the tax on general business and railroad property will be eliminated, and the tax on telephone and telecommunications property will not exist by 2011. Reducing the assessment rate on the property each year phases out the tax. At the same time, HB66 replaces the revenue lost due to phasing out the tax. In the first five years, school districts and local governments are reimbursed fully for lost revenue; in the following seven years, the reimbursements are phased out.

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In an effort to control operating costs, the Dayton Public School Board will introduce a second Early Severance Plan in fiscal year 2006 to those employees represented by the Dayton Education Association (DEA). The net savings to the District are projected to be \$13.1 million over the next two years. The District's financial forecast project ending fiscal year 2008 with a general operating fund cash balance of \$3.7 million with other cost containment opportunities such as school closings, staff reductions, and an upgraded health care plan design.

During 2002, the Board of Education in conjunction with the Ohio School Facilities Commission (OSFC) approved a \$628 million Master Facilities Building Program to renovate or build 34 schools. The citizens of Dayton overwhelmingly passed a \$245 million bond levy in November 2002 that provides 39 percent of the program cost with the remaining 61 percent contributed by OSFC. Groundbreakings have taken place at Belle Haven, Cleveland, Kiser and Wogaman schools and construction should be completed during 2006. The last part of Segment One will be the renovation and the new construction work at Stivers, scheduled to open in 2007-2008. The program establishes 28 pre k – 8 elementary schools that will allow the district to return to neighborhood schools. In addition, there will be a school of performing arts, a career technical high school and four academic high schools.

Over the past five years total overall public school enrollment in the District has remained at 23,000 students. However there has been a shift in enrollment during the past three years from Dayton Public Schools to the publicly funded community schools. During fiscal year 2005 community school enrollment increased by 800 for a total of 6,300 students resulting in a transfer of over \$42 million dollars to the community schools. The District recognizes the need to stabilize enrollment and is embarking on an aggressive marketing campaign. Initiatives such as this along with the District's on going educational reform plan and building program is expected to attract students to the District.

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



PUBLIC SCHOOLS

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

STATEMENT OF NET ASSETS
JUNE 30, 2005

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 338,456,248
Receivables:	
Property and other taxes	108,620,530
Accounts	468,919
Intergovernmental	155,832,379
Accrued Interest	525,270
Inventory of supplies and materials	410,292
Inventory held for resale	1,205,129
Prepaid items	1,563,947
Cash and cash equivalents with fiscal agents	1,682,171
Deferred Charges	2,339,128
Restricted Assets:	
Equity in pooled cash and cash equivalents	12,400,000
Depreciable capital assets, net	32,686,469
Non-depreciable capital assets	28,376,971
 Total Assets	 684,567,453
Liabilities:	
Accounts payable	2,522,464
Accrued wages and benefits payable	7,627,869
Intergovernmental payable	7,313,902
Accrued interest payable	1,011,469
Matured compensated absences	70,344
Claims payable	175,000
Deferred revenue	82,333,955
Long Term Liabilities:	
Due within one year	6,673,166
Due in more than one year	292,370,662
 Total Liabilities	 400,098,831
Net Assets:	
Invested in capital assets, net of related debt	15,672,577
Restricted for:	
Special revenue	12,118,652
Capital projects	197,199,948
Debt service	8,232,149
Other purpose	7,300,000
Unrestricted	43,945,296
 Total Net Assets	 284,468,622

See accompanying notes to the basic financial statements.

DAYTON



PUBLIC SCHOOLS

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

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2005

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets
Expenses	Charges for services & sales	Operating grants and contributions	Capital grants and contributions	Total Governmental Activities	
Governmental Activities:					
Instruction:					
Regular	62,067,762	577,862	9,331,784	-	(52,158,116)
Special	36,463,839	986,596	17,786,627	-	(17,690,616)
Vocational	5,505,328	-	759,773	-	(4,745,555)
Adult/Continuing	961,072	17,740	799,462	-	(143,870)
Other	913,990	-	-	-	(913,990)
Support Services:					
Pupils	12,672,265	-	3,663,209	-	(9,009,056)
Instructional staff	17,534,083	-	9,833,265	-	(7,700,818)
Board of education	465,405	-	-	-	(465,405)
Administration	13,219,010	-	255,029	-	(12,963,981)
Fiscal	3,987,371	-	-	-	(3,987,371)
Business	1,805,966	-	-	-	(1,805,966)
Operation and maintenance of plant	38,952,420	406,389	1,448,988	87,593,190	50,496,147
Pupil transportation	17,542,113	-	-	157,311	(17,384,802)
Central	9,033,096	-	1,043,610	-	(7,989,486)
Operation of non-instructional services	13,664,650	3,080,464	10,925,140	-	340,954
Extracurricular activities	1,562,922	522,556	-	-	(1,040,366)
Intergovernmental	49,725,009	-	-	-	(49,725,009)
Interest and fiscal charges	12,228,489	-	-	-	(12,228,489)
Unallocated depreciation *	1,484,841	-	-	-	(1,484,841)
Total Governmental Activities	299,789,631	5,591,607	55,846,887	87,750,501	(150,600,636)
General Revenues:					
Property taxes levied for:					
General purposes				77,453,502	
Debt service				13,602,246	
Capital projects				835,327	
Other purposes				835,324	
Grants and entitlements not restricted to specific programs				123,873,866	
Investment earnings				7,266,006	
Miscellaneous				6,153,543	
Total General Revenues				230,019,814	
Changes in net assets				79,419,178	
Net assets at beginning of year				205,049,444	
Net assets at end of year				284,468,622	

* - 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, 2005

	General Fund	Bond Retirement	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 36,392,744	\$ 14,215,742	\$ 218,469,221	\$ 68,403,853	\$ 337,481,560
Cash and Cash Equivalents:					
With Fiscal Agent	1,135,993	-	-	546,178	1,682,171
Receivables:					
Taxes - Current	74,088,564	13,333,447	-	1,628,555	89,050,566
Taxes - Delinquent	16,099,140	3,098,395	-	372,429	19,569,964
Accounts	248,270	-	-	218,417	466,687
Intergovernmental	60,686	-	144,280,152	11,491,541	155,832,379
Interest	19,163	725	447,842	57,540	525,270
Due from Other Funds	1,927,204	-	-	75,953	2,003,157
Prepaid Items	627,449	-	831,461	105,037	1,563,947
Inventory of Supplies and Materials	410,292	-	-	-	410,292
Inventory Held for Resale	-	-	-	170,132	170,132
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	7,300,000	-	5,100,000	-	12,400,000
Total Assets	\$ 138,309,505	\$ 30,648,309	\$ 369,128,676	\$ 83,069,635	\$ 621,156,125
<u>Liabilities and Fund Balances:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$ 1,286,122	\$ -	\$ -	\$ 1,208,477	\$ 2,494,599
Accrued Wages and Benefits	6,018,703	-	-	1,580,707	7,599,410
Intergovernmental Payable	2,444,382	-	-	597,582	3,041,964
Due to Other Funds	9,065	-	442	1,993,673	2,003,180
Deferred Revenue	85,019,064	15,142,314	144,727,994	11,135,767	256,025,139
Matured Compensated Absences Payable	53,268	-	-	17,076	70,344
Total Liabilities	94,830,604	15,142,314	144,728,436	16,533,282	271,234,636
<u>Fund Balances:</u>					
<u>Reserved for:</u>					
Encumbrances	2,440,921	-	36,566,325	16,444,132	55,451,378
Supplies Inventory	410,292	-	-	170,132	580,424
Property Taxes	5,187,803	1,290,253	-	145,708	6,623,764
Prepaid Items	627,449	-	831,461	105,037	1,563,947
Contingencies	7,300,000	-	-	-	7,300,000
<u>Unreserved, Undesignated:</u>					
General Fund	27,512,436	-	-	-	27,512,436
Special Revenue Funds	-	-	-	3,104,442	3,104,442
Debt Service Fund	-	14,215,742	-	-	14,215,742
Capital Projects Funds	-	-	187,002,454	46,566,902	233,569,356
Total Fund Balances	43,478,901	15,505,995	224,400,240	66,536,353	349,921,489
Total Liabilities and Fund Balances	\$ 138,309,505	\$ 30,648,309	\$ 369,128,676	\$ 83,069,635	\$ 621,156,125

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, 2005

Total Governmental Fund Balances:		\$ 349,921,489
<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.		60,895,616
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Taxes	19,569,964	
Interest	525,270	
State and federal grants	9,315,798	
School construction grants	<u>144,280,152</u>	
		173,691,184
Bond issuance costs associated with bonds payable, are recorded as a deferred charged on the accrual basis but are not reported in the funds.		2,339,128
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.		1,926,288
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	(3,500,000)	
General obligation bonds	(240,430,000)	
Premium on G.O. bonds	(11,700,265)	
Certificates of participation	(16,205,000)	
QZAB bonds	(10,000,000)	
Accrued interest on long-term obligations	(1,011,469)	
Compensated absences	(12,235,220)	
Intergovernmental payable	(4,249,786)	
Capital leases payable	<u>(4,973,343)</u>	
Total		<u>(304,305,083)</u>
Net Assets of Governmental Activities		<u>\$ 284,468,622</u>

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, 2005

	General Fund	Bond Retirement	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 79,688,146	\$ 14,221,894	\$ -	\$ 1,738,747	\$ 95,648,787
Intergovernmental	118,595,566	1,617,100	4,250,000	60,152,674	184,615,340
Interest	1,505,489	34,083	3,717,628	1,287,411	6,544,611
Tuition and Fees	1,208,524	-	-	45,602	1,254,126
Charges for Services	-	-	-	3,109,357	3,109,357
Gifts and Donations	-	-	-	263,500	263,500
Extracurricular Activities	-	-	-	821,735	821,735
Miscellaneous	3,365,719	-	8,960	3,185,253	6,559,932
Total Revenues	<u>204,363,444</u>	<u>15,873,077</u>	<u>7,976,588</u>	<u>70,604,279</u>	<u>298,817,388</u>
Expenditures:					
Current:					
Instruction:					
Regular	51,021,299	-	-	9,466,002	60,487,301
Special	21,104,787	-	-	14,672,748	35,777,535
Vocational	4,770,973	-	-	639,420	5,410,393
Adult/Continuing	392,869	-	-	617,269	1,010,138
Other Instruction	853,272	-	-	-	853,272
Support Services:					
Pupils	6,820,985	-	-	5,533,070	12,354,055
Instructional Staff	8,676,244	-	-	8,660,719	17,336,963
Board of Education	465,090	-	-	3,078	468,168
Administration	11,605,311	-	-	1,244,791	12,850,102
Fiscal	3,351,202	192,144	-	808,723	4,352,069
Business	1,073,208	-	-	-	1,073,208
Plant Operation and Maintenance	20,622,099	-	-	4,195,921	24,818,020
Pupil Transportation	16,502,357	-	-	285,554	16,787,911
Central	6,866,079	-	-	1,901,614	8,767,693
Non-Instructional Services	-	-	-	13,561,096	13,561,096
Extracurricular Activities	799,866	-	-	722,947	1,522,813
Capital Outlay	2,013,422	-	16,837,320	17,824,038	36,674,780
Intergovernmental	45,080,652	-	-	4,644,357	49,725,009
Debt Service:					
Principal Retirement	1,277,068	10,625,000	-	19,943	11,922,011
Interest and Fiscal Charges	1,000,598	11,290,616	-	130,352	12,421,566
Total Expenditures	<u>204,297,381</u>	<u>22,107,760</u>	<u>16,837,320</u>	<u>84,931,642</u>	<u>328,174,103</u>
Excess of Revenues Over(Under)					
Expenditures	<u>66,063</u>	<u>(6,234,683)</u>	<u>(8,860,732)</u>	<u>(14,327,363)</u>	<u>(29,356,715)</u>
Other Financing Sources (Uses):					
Proceeds from Sale of Capital Assets	23,096	-	-	-	23,096
Inception of Capital Lease	3,024,185	-	-	-	3,024,185
Transfers-In	463	-	-	473,926	474,389
Transfers-Out	<u>(1,140,127)</u>	<u>-</u>	<u>-</u>	<u>(463)</u>	<u>(1,140,590)</u>
Total Other Financing Sources (Uses)	<u>1,907,617</u>	<u>-</u>	<u>-</u>	<u>473,463</u>	<u>2,381,080</u>
Net Change in Fund Balance	1,973,680	(6,234,683)	(8,860,732)	(13,853,900)	(26,975,635)
Fund Balance at Beginning of Year	<u>41,505,221</u>	<u>21,740,678</u>	<u>233,260,972</u>	<u>80,390,253</u>	<u>376,897,124</u>
Fund Balance at End of Year	<u>\$ 43,478,901</u>	<u>\$ 15,505,995</u>	<u>\$ 224,400,240</u>	<u>\$ 66,536,353</u>	<u>\$ 349,921,489</u>

See accompanying notes to the basic financial statements

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

Net Change in Fund Balances - Total Governmental Funds \$ (26,975,635)

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 net difference between capital outlay and depreciation expense in the current period.

Capital asset additions	22,648,921	
Current year depreciation	<u>(2,591,924)</u>	
Total		20,056,997

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	(23,096)	
Loss on disposal of capital assets	<u>(99,342)</u>	
Total		(122,438)

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

Taxes	(2,922,388)	
Interest	195,403	
State and federal grants	(750,776)	
School construction grants	<u>83,343,190</u>	
Total		79,865,429

Some capital asset 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. (3,024,185)

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. 11,922,011

Some expenses reported in the statement of activities, such as compensated absences and inter-governmental 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	73,559	
Compensated absences payable	(3,403,255)	
Claims payable	150,072	
Accrued interest	193,077	
Amortization of bond issuance costs	(100,070)	
Amortization of bond premium	<u>525,992</u>	
Total		(2,560,625)

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. 257,624

Change in Net Assets of Governmental Activities \$ 79,419,178

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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Taxes	\$ 74,319,060	\$ 77,667,373	\$ 77,667,373	\$ -
Intergovernmental	113,478,706	118,514,459	118,591,288	76,829
Interest	1,440,586	1,504,448	1,505,489	1,041
Tuition and Fees	1,000,765	1,045,130	1,045,853	723
Charges for Services	-	-	-	-
Rentals	-	-	-	-
Miscellaneous	3,033,339	3,167,810	3,170,001	2,191
Total Revenues	193,272,456	201,899,220	201,980,004	80,784
Expenditures:				
Current:				
Instruction:				
Regular	51,846,383	52,021,212	51,726,495	294,717
Special	21,194,226	21,265,694	21,145,216	120,478
Vocational	4,936,464	4,953,110	4,925,049	28,061
Adult/Continuing	394,440	395,770	393,528	2,242
Other Instruction	1,247,074	1,251,280	1,244,191	7,089
Support Services:				
Pupils	6,922,349	6,945,691	6,906,341	39,350
Instructional Staff	8,805,231	8,834,923	8,784,870	50,053
Board of Education	597,709	599,725	596,327	3,398
Administration	11,734,839	11,774,409	11,707,703	66,706
Fiscal	3,367,424	3,378,779	3,359,637	19,142
Business	2,714,230	2,723,383	2,707,954	15,429
Operation and Maintenance of Plant	21,049,837	21,120,818	21,001,162	119,656
Pupil Transportation	16,842,207	16,898,999	16,803,262	95,737
Central	8,310,747	8,338,771	8,291,529	47,242
Extracurricular Activities	804,009	806,810	802,239	4,571
Capital Outlay	1,477,190	1,482,171	1,473,774	8,397
Total Expenditures	162,244,359	162,791,545	161,869,277	922,268
Excess of Revenues Over(Under) Expenditures	31,028,097	39,107,675	40,110,727	1,003,052
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	22,100	23,080	23,096	16
Inception of Capital Lease Obligation	1,435,334	1,498,963	1,500,000	1,037
Pass Through Payments	(46,063,622)	(46,218,951)	(45,957,106)	261,845
Advances-In	1,735,318	1,812,246	1,813,500	1,254
Advances-Out	(1,639,190)	(1,644,718)	(1,635,400)	9,318
Transfers-In	443	463	463	-
Transfers-Out	(475,023)	(476,626)	(473,926)	2,700
Total Other Financing Sources (Uses)	(44,984,640)	(45,005,543)	(44,729,373)	276,170
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(13,956,543)	(5,897,868)	(4,618,646)	1,279,222
Fund Balance at Beginning of Year	39,423,174	42,376,122	42,376,122	-
Prior Year Encumbrances Appropriated	12,583,580	3,338,527	3,338,527	-
Fund Balance at End of Year	\$ 38,050,211	\$ 39,816,781	\$ 41,096,003	\$ 1,279,222

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, 2005

	Governmental Activities
	Internal Service Funds
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$ 974,688
Accounts Receivable	2,232
Due from Other Funds	23
Inventory Held for Resale	1,034,997
Total Current Assets	2,011,940
 Capital Assets, Net	 167,824
 Total Assets	 2,179,764
<u>Liabilities:</u>	
Accounts Payable	27,865
Accrued Wages and Benefits	28,459
Intergovernmental Payable	22,152
Claims Payable	175,000
Total Current Liabilities	253,476
 Total Liabilities	 253,476
<u>Net Assets:</u>	
Invested in Capital Assets	167,824
Unrestricted	1,758,464
 Total Net Assets	 \$ 1,926,288

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, 2005

	Governmental Activities
	Internal Service Funds
Operating Revenues:	
Charges for Services	1,273,019
Materials and Supplies	879,076
Total Operating Revenue	2,152,095
Operating Expenses:	
Salaries and Wages	489,674
Fringe Benefits	179,320
Purchased Services	141,033
Claims	1,251,639
Supplies and Materials	16,076
Cost of Sales	597,149
Depreciation	9,924
Total Operating Expenses	2,684,815
Operating Loss	(532,720)
Nonoperating Expense:	
Loss on Disposal of Capital Assets	(6,171)
Loss before Contributions and Transfers	(538,891)
Capital Contributions	130,334
Transfers In	666,201
Change in Net Assets	257,644
Net Assets - Beginning of Year	1,668,644
Net Assets - End of Year	\$ 1,926,288

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, 2005

	Governmental Activities
	Internal Service Funds
<u>Increase (Decrease) in Cash and Cash Equivalents</u>	
Cash Flows from Operating Activities:	
Cash Received from Interfund Services Provided	\$ 2,149,863
Cash Payments to Suppliers for Goods and Services	(991,458)
Cash Payments to Employees for Services	(487,981)
Cash Payments for Employee Benefits	(178,220)
Cash Payments for Claims	(1,233,073)
Net Cash Used in Operating Activities	(740,869)
Cash Flows from Noncapital Financing Activities:	
Transfers In	666,201
Net Cash Provided from Noncapital Financing Activities	666,201
Net Decrease in Cash and Cash Equivalents	(74,668)
Cash and Cash Equivalents Beginning of Year	1,049,356
Cash and Cash Equivalents End of Year	\$ 974,688
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:	
Operating Loss	\$ (532,720)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Depreciation	9,924
Changes in Assets and Liabilities	
Increase in Accounts Receivable	(2,232)
Increase in Due from Other Funds	(23)
Increase in Inventory Held for Resale	(197,867)
Decrease in Accounts Payable	(39,282)
Increase in Accrued Wages and Benefits	1,693
Increase in Intergovernmental Payable	1,100
Decrease in Due to Other Funds	(28)
Increase in Claims Payable	18,566
Net Cash Used in Operating Activities	\$ (740,869)

Noncash Capital Financing Activities:

The warehouse fund received \$130,334 in capital assets from the governmental funds.

See accompanying notes to the basic financial statements

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2005

	<u>Agency Funds</u>
Assets:	
Equity in Pooled Cash	\$ 8,496,614
Accounts Receivable	<u>140,157</u>
 Total Assets	 <u>\$ 8,636,771</u>
Liabilities:	
Accounts Payable	\$ 1,001
Due to Students	148,606
Undistributed Monies	<u>8,486,864</u>
 Total Liabilities	 <u>\$ 8,636,471</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, 2005

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 1,766 certificated employees and 1,816 classified employees who provide services to student enrollment totaling 17,677.

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, 2005

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. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements to avoid "doubling up" revenues and expenses. Interfund services provided and used are not eliminated as this would distort expenses and revenues reported for the various functions concerned.

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, the Bond Retirement Debt Service Fund, and the Classroom Facilities Capital Project Funds.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

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 financial resources, including intergovernmental capital grants and proceeds from the sale of debt obligations, and construction costs associated with the basic requirements of the master plan 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. The School District has two agency funds which are used to account for the monies managed on behalf of the student managed activities throughout the District and for monies collected for workers compensation payments under a previously used retrospective rating plan.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

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.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

On a modified accrual basis, revenue from 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, operating and capital grants, investment earnings, tuition, student fees and various miscellaneous revenues.

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, 2005, but which were levied to finance fiscal year 2006 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 2005.

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, 2005

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 are maintained in this pool. Individual fund integrity is maintained through the School District's 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 educational foundation special revenue fund. In addition, the School District has deposited money in a trust account for future repayment of debt obligations as they become due. This is presented on the balance sheet as "Restricted Assets – Cash and Cash Equivalents" and represents deposits and short-term investments.

Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements and nonnegotiable certificates of deposit are reported at cost. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost.

The Ohio Revised Code authorizes the School District to invest in United States and State of Ohio bonds, notes, and other obligations; bank certificate of deposits; banker's acceptances; commercial paper notes rated prime and issued by United States Corporations; and STAROhio.

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, 2005. The Education Foundation monies are also invested in an outside investment pool, the Dayton Foundation. The Dayton Foundation operates in a similar manner to STAROhio.

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 2005 amounted to \$1,505,489, which includes \$553,267 assigned from other School District funds. Interest was also recorded in the Bond Retirement, Classroom Facilities and non-major funds in the amounts of \$34,083, \$3,717,628, and \$1,287,411 respectively. On the accrual basis of accounting, the School District reported investment earnings of \$7,266,006 on the Statement of Activities.

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 consumed or used. 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

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Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2005, 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. Reported prepaid items are equally offset by a fund balance reserve in the governmental funds, which indicates that it does not constitute available resources even though it is a component of net current assets.

I. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents whose use is limited by legal requirements. Restricted assets represent a contingency reserve required to be established per the desegregation lawsuit settlement agreement. See Note 17 for additional information.

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

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

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 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 has matured (i.e. 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 with current available resources. Long-term notes, general obligation bonds, and capital leases are recognized as a liability on the governmental fund financial statements when due.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

O. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the School District's internal service funds are charges made to other funds for the purchase of goods from the warehouse and premiums for the self-insured dental program. Operating expenses for the internal service funds include the cost of goods sold from the warehouse, cost of managing and delivering those goods, and claims paid from the self-insured dental program. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

P. 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.

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

Q. 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, supplies inventory, prepaid items, 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 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 – DEFICIT FUND BALANCES

The following special revenue funds have fund equity deficits as of June 30, 2005:

	<u>Fund Deficit</u>
Teacher Development	\$ 8,283
Disadvantaged Pupil Impact Aid	317,205
Summer Intervention	74,480
Alternative School	423
Title I	10,689
Drug Free Schools	13,454

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Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

The deficits in these special revenue funds resulted from adjustments for accrued liabilities. Management expects the deficits in these funds to be corrected in early fiscal year 2006. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

NOTE 4 - 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.

Net Change in Fund Balance General Fund	
GAAP Basis	\$ 1,973,680
Revenue Accruals	(2,383,440)
Expenditure Accruals	(1,326,144)
Advances	178,100
Transfers	666,201
Encumbrances	<u>(3,727,043)</u>
Budget Basis	<u>\$ (4,618,646)</u>

NOTE 5 - DEPOSITS AND INVESTMENTS

State statutes require the classification of monies held by the School District into three categories.

Active Monies – Those monies required to be kept in a “cash” or “near-cash” status for the immediate use of the district. Such monies must be maintained either as cash in the treasury, in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive Monies – Those monies not required for use within the current five-year period of designation of depositories. Inactive monies may be deposited or invested as certificate of deposit maturing no later than the end of the current period of designation of depositories, or as savings or deposit accounts including, but not limited to, passbook accounts.

DAYTON CITY SCHOOL DISTRICT

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Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

Interim Monies – 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. Ohio law permits interim monies to be invested in legal securities (see Note 2F).

Deposits

Custodial credit risk is the risk that in the event of bank failure, the School District’s deposits may not be returned to it. Protection of the School District’s deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. By Ohio law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds on deposit with that specific institution. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year end, the carrying amount of the School District’s deposits was \$72,032,826 and the bank balance was \$74,972,333. Of the bank balance, \$418,424 was covered by federal depository insurance and \$75,553,909 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

Investments are reported at fair value. As of June 30, 2005, the School District had the following investments:

	Fair Value	Percent of Total Portfolio	Credit Rating	Weighted Average Maturity
Commercial Paper	\$ 11,220,418	3.88%	A-1	0.08 years
Federal Farm Credit Bank (FFCB)	7,014,296	2.43%	AAA	1.09 years
Federal Home Loan Bank (FHLB)	62,058,826	21.47%	AAA	0.74 years
Federal National Mortgage Association (FNMA)	96,710,852	33.46%	AAA	0.52 years
Federal Home Loan Mortgage Corporation (FHLMC)	90,899,282	31.45%	AAA	0.33 years
U.S. Treasury Securities	17,261,749	5.97%	N/A	3.52 years
Money Market Mutual Funds	3,169,965	1.10%	Not Rated	N/A
Outside Investment Pools	<u>666,819</u>	<u>0.24%</u>	**	N/A
Total Investments	<u>\$289,002,207</u>	<u>100.00%</u>		
Portfolio Weighted Average Maturity				0.67 years

** - Star Ohio is rated AAA and the Dayton Foundation is not rated

The School District’s investment policy permits the purchase of any security specifically authorized by the Ohio Revised Code and includes the following:

Custodial Credit Risk – All investments shall be issued in the name of the School District.

Interest Rate Risk – The Ohio Revised Code and the Investment and Depository Policy of the School District limits the purchase of securities to those with a maturity of no more than five years from the date of purchase unless matched to a specific obligation or debt of the School District.

DAYTON CITY SCHOOL DISTRICT

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Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

Concentration of Credit Risk – Diversification shall ensure potential losses on individual securities do not exceed the income generated from the remainder of the initial investment.

NOTE 6 - 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 2005 for real and public utility property taxes represents collections of calendar 2004 taxes. Property tax payments received during calendar 2004 for tangible personal property (other than public utility property) is for calendar 2004 taxes.

2005 real property taxes are levied after April 1, 2005, on the assessed value as of January 1, 2005, 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. 2005 public utility property taxes became a lien December 31, 2004, are levied after April 1, 2005, and are collected in 2005 with real property taxes.

2005 tangible personal property taxes are levied after April 1, 2005, on the value as of December 31, 2004. Collections are made in 2005. 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 2005 taxes were collected are:

	<u>2005 First Half Collections</u>		<u>2004 Second Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$1,719,716,110	81.60%	\$1,712,346,690	81.49%
Public Utility	104,566,770	4.96%	109,740,800	5.22%
Tangible Personal Property	<u>283,321,748</u>	<u>13.44%</u>	<u>279,165,476</u>	<u>13.29%</u>
Total Assessed Value	<u>\$2,107,604,628</u>	<u>100.00%</u>	<u>\$2,101,252,966</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$70.85		\$70.85	

DAYTON CITY SCHOOL DISTRICT

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Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

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, 2005, are available to finance fiscal year 2005 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, 2005. 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, 2005, was \$5,187,803, \$1,290,253 and \$145,708 in the General, Bond Retirement and non-major funds, respectively.

NOTE 7 - RECEIVABLES

Receivables at June 30, 2005, consisted of current and delinquent property taxes, accrued interest, accounts (tuition 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	\$ 60,686
Classroom facilities capital grants	144,280,152
Miscellaneous federal grants	3,146,997
Title I grant	2,385,340
Headstart grant	1,714,753
Title VI-B grant	1,233,245
Title VI-R grant	897,742
Other Non-major Funds	2,113,464
Total Intergovernmental Receivables	<u>\$155,832,379</u>

The \$144.3 million intergovernmental receivable recorded in the Classroom Facilities Capital Project Fund at June 30, 2005 consists of amounts committed by the State of Ohio to the School District for the school facilities construction project currently underway. Under this program, the State approves the projects, and associated funding, in different segments. Total State funding for the project was originally set at \$357.5 million and the amount segments approved by the State to date total the \$144.3 million. The remaining \$213.2 million of State capital grants will be approved as the project progresses.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2005 was as follows:

	Balance 6/30/2004	Additions	Deductions	Balance 6/30/2005
<u>Capital Assets, not being depreciated</u>				
Land	\$ 4,191,965	\$ 2,915,833	\$ -	\$ 7,107,798
Construction in Progress	12,084,006	9,185,167	-	21,269,173
	<u>16,275,971</u>	<u>12,101,000</u>	<u>-</u>	<u>28,376,971</u>
<u>Capital Assets, being depreciated</u>				
Buildings and Improvements	37,289,164	6,312,283	-	43,601,447
Furniture and Equipment	7,429,750	405,565	(493,586)	7,341,729
Vehicles	11,030,205	3,960,407	(552,560)	14,438,052
	<u>55,749,119</u>	<u>10,678,255</u>	<u>(1,046,146)</u>	<u>65,381,228</u>
<u>Less: Accumulated Depreciation</u>				
Buildings and Improvements	(20,435,202)	(1,557,901)	-	(21,993,103)
Furniture and Equipment	(4,594,860)	(434,580)	421,496	(4,607,944)
Vehicles	(5,980,386)	(609,367)	496,041	(6,093,712)
	<u>(31,010,448)</u>	<u>(2,601,848) *</u>	<u>917,537</u>	<u>(32,694,759)</u>
Governmental Activities Capital Assets, Net	<u>\$ 41,014,642</u>	<u>\$ 20,177,407</u>	<u>\$ (128,609)</u>	<u>\$ 61,063,440</u>

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

Instruction:	
Regular	\$ 46,325
Special	23,059
Vocational	11,463
Support Services:	
Pupil	12,910
Instructional Staff	30,266
Administration	43,511
Fiscal	1,329
Business	32,438
Operation and Maintenance of Plant	52,238
Pupil Transportation	580,152
Central	215,996
Operation of Non-Instructional Services	30,118
Extracurricular Activities	37,202
	<u>1,117,007</u>
Unallocated Depreciation	1,484,841
Total Depreciation Expense	<u>\$ 2,601,848</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, 2005

NOTE 9 - 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 2005 the School District contracted with Clarendon Insurance Company for general liability/school leaders errors and omissions insurance with a \$1 million single occurrence limit and a \$2 million annual policy 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 Clarendon Insurance Company for primary coverage. This policy carries a \$1 million limit for bodily injury and property damage to third parties. The auto liability self insured retention is \$150,000 per accident. The School District self insures the physical damage coverage on all units. The School District has excess liability coverage with Lexington Insurance with a \$4 million 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. Self-Insured Dental Benefits

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 \$22.15 per month for single employees and \$55.46 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 \$175,000 reported in the fund at June 30, 2005, 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 2004 and 2005 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>
2004	\$178,286	\$1,199,342	\$1,221,194	\$156,434
2005	\$156,434	\$1,270,205	\$1,251,639	\$175,000

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

NOTE 10 - 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 10 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 2005, 9.09 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, 2005, 2004 and 2003 were \$3,792,227, \$5,633,844 and \$5,087,782 respectively; 45.43 percent has been contributed for fiscal year 2005 and 100 percent for fiscal years 2004 and 2003.

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, 2005

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, 2005, plan members were required to contribute 10.0 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. 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, 2005, 2004, and 2003 were \$11,046,278, \$11,842,603, and \$10,787,207 respectively; 83.12 percent has been contributed for fiscal year 2005 and 100 percent for fiscal years 2004 and 2003.

NOTE 11 – 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, 2005 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 \$3.1 billion on June 30, 2004. For the School District, this amount equaled \$849,714 during the 2005 fiscal year.

For the year ended June 30, 2004, net health care costs paid by STRS Ohio were \$268,739,000. There were 111,853 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. Effective January 1, 2004, all retirees and beneficiaries are required to pay a portion of their health care premium. The portion is based on years of service, Medicare eligibility and retirement status. A safety net is in place for retirees whose household income falls below federal poverty levels. Premiums are reduced by 50 percent for those who apply.

DAYTON CITY SCHOOL DISTRICT

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Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

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, 2005, the allocation rate is 4.91 percent. In 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 2005 the minimum pay was established at \$24,500. For the School, the amount to fund health care benefits, including the surcharge, was \$2,646,816 for fiscal year 2005.

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, 2004, were \$223,443,805 and the target level was \$335.2 million. At June 30, 2004, the Retirement System's net assets available for payment of health care benefits of \$300.8 million. The number of benefit recipients currently receiving health care benefits is approximately 62,000.

NOTE 12 - 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

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Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

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 13 - LONG-TERM OBLIGATIONS

General Obligation Bonds

In the prior fiscal years, the School District has issued general obligation bonds with original principal totaling \$251.1 million, in three separate 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 2004-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. The Series 2004-D serial bonds, totaling \$151.6 million, has a final maturity date of December 1, 2022 with interest rates ranging from 2.0 percent to 5.0 percent.

These general obligation 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,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2006	\$ 4,870,000	\$ 11,135,666	\$ 16,005,666
2007	5,415,000	11,032,816	16,447,816
2008	5,500,000	10,879,291	16,379,291
2009	5,675,000	10,698,216	16,373,216
2010	6,295,000	10,475,144	16,770,144
2011-2015	37,265,000	47,508,574	84,773,574
2016-2020	47,475,000	37,404,565	84,879,565
2021-2025	51,690,000	24,683,709	76,373,709
2026-2030	51,765,000	12,787,938	64,552,938
2031-2032	24,480,000	1,239,000	25,719,000
Total	<u>\$ 240,430,000</u>	<u>\$ 177,844,919</u>	<u>\$ 418,274,919</u>

Certificates of Participation

During fiscal year 2004, the School District issued \$16.36 million of certificates of participation to finance the purchase of an administrative office building and to provide financing for the acquisition of additional office space. These certificates mature on December 31, 2028 and have interest rates ranging from 2.0 percent to 6.0 percent.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

Annual debt service requirements to maturity for the certificate of participation are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2006	\$ 180,000	\$ 820,258	\$ 1,000,258
2007	200,000	816,157	1,016,157
2008	225,000	810,764	1,035,764
2009	250,000	803,795	1,053,795
2010	280,000	795,020	1,075,020
2011-2015	1,915,000	3,766,764	5,681,764
2016-2020	3,060,000	3,168,869	6,228,869
2021-2025	4,755,000	2,072,625	6,827,625
2026-2029	5,340,000	586,425	5,926,425
Total	<u>\$ 16,205,000</u>	<u>\$ 13,640,677</u>	<u>\$ 29,845,677</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 restricted cash and cash equivalents on the Statement of Net Assets, as well as the Classroom Facilities Capital Project Fund.

Long-Term Tax Anticipation Notes

On June 9, 2004 the School District issued \$3.5 million of long-term tax anticipation notes to provide financing for various capital improvements throughout the District. These notes, which mature on December 1, 2014, were issued in anticipation of the collection of half of the proceeds of the one mill permanent improvement levy approved by electors of the School District on November 5, 2002. These notes carry an annual interest rate of 3.66 percent.

Annual debt service requirements to maturity for the long-term tax anticipation notes are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2006	\$ 350,000	\$ 121,695	\$ 471,695
2007	350,000	108,885	458,885
2008	350,000	96,075	446,075
2009	350,000	83,265	433,265
2010	350,000	70,455	420,455
2011-2015	1,750,000	160,125	1,910,125
Total	<u>\$ 3,500,000</u>	<u>\$ 640,500</u>	<u>\$ 4,140,500</u>

DAYTON CITY SCHOOL DISTRICT
 Montgomery County, Ohio
 Notes to the Basic Financial Statements
 For the Fiscal Year Ended June 30, 2005

Changes in Long-Term Liabilities

Long- term liability activity for the year ended June 30, 2005, was as follows:

	Balance 6/30/2004	Increase	Decrease	Balance 6/30/2005	Due within One Year
<u>General Obligation Bonds:</u>					
2003-A School Construction:					
2.0-5.0 percent	\$ 93,500,000	\$ -	\$ 5,000	\$ 93,495,000	\$ 5,000
2003-B School Construction:					
2.0-4.23 percent	6,000,000	-	230,000	5,770,000	235,000
2003-D School Construction:					
2.0-5.0 percent	151,555,000	-	10,390,000	141,165,000	4,630,000
Add: Unamortized Bond Premium	12,226,257	-	525,992	11,700,265	-
Total General Obligation Bonds	263,281,257	-	11,150,992	252,130,265	4,870,000
QZAB Bonds - 0.0 percent	10,000,000	-	-	10,000,000	-
Certificates of Participation	16,360,000	-	155,000	16,205,000	180,000
Long-Term Tax Anticipation Notes	3,500,000	-	-	3,500,000	350,000
Capital Lease Obligations	3,091,169	3,024,185	1,142,011	4,973,343	923,166
Compensated Absences Payable	8,831,965	3,809,146	405,891	12,235,220	350,000
Long-Term Obligations	<u>\$ 305,064,391</u>	<u>\$ 6,833,331</u>	<u>\$ 12,853,894</u>	<u>\$ 299,043,828</u>	<u>\$ 6,673,166</u>

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.

Due to the magnitude of the school facilities construction project, the debt issued by the School District exceeded the overall debt margin as permitted by Ohio statute. However, the School District was declared a "special needs" school district by the Superintendent of Public Instruction as defined by Section 133.06 of the Ohio Revised Code. Under this special exemption, the School Districts capacity for addition debt is approximately \$16.5 million.

NOTE 14 - CAPITAL LEASES - LESSEE DISCLOSURE

During fiscal year 2005, the School District entered into capitalized leases for the purchase of copier equipment as well as school buses and other vehicles. These 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. These lease agreements are reported in the General Fund as other financing sources, inception of capital lease. As of June 30, 2005 only \$364,007 of school buses and other vehicles have been acquired utilizing the lease agreement, therefore, the uncapitalized portion of the lease (\$1.1 million) has been reported as cash and cash equivalent with fiscal agent. 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, 2005

In addition to the leases entered into during fiscal year 2005, the School District has acquired certain equipment and vehicles through capital leases in prior years. The capital assets acquired by lease have been capitalized in the statement of net assets for governmental activities in the amount of \$6,485,851 (\$4,760,559 of vehicles and \$1,725,292 of equipment), 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 2005 totaled \$1,142,010.

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, 2005.

Fiscal Year Ended June 30,	
2006	\$ 1,115,162
2007	1,091,901
2008	551,900
2009	551,901
2010	551,900
2011-2015	<u>1,923,800</u>
Total	5,786,564
Less: Amount Representing Interest	<u>(813,221)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 4,973,343</u>

NOTE 15 - INTERFUND ACTIVITY

As of June 30, 2005 principal components of interfund balances and transactions were as follows:

<u>Fund Due To</u>	<u>Fund Due From</u>	<u>Amount</u>
General Fund:	Summer Intervention Grant	\$ 300,000
	Adult Basic Education Grant	150,000
	Vocational Education Grant	152,735
	Head Start Grant	150,000
	Title VI Grant	350,000
	Drug Free Schools Grants	200,000
	Other Non-Major Funds	624,469
Non-Major Funds:	General Fund	9,065
	Classroom Facilities Fund	442
	Other Non-Major Funds	66,446
	Internal Service Fund	<u>23</u>
	Total Amount Due To/From	<u>\$2,003,180</u>

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

Majority of due to represents cash advances to grant funds for cash flow purposes by the general fund. The remainder of the due to and due from other funds represent corrections in accounting entries applicable to fiscal year 2005 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:	Non-Major Funds	\$ 473,926
	Internal Service Fund	666,201
Non-Major Funds:	General Fund	<u>463</u>
	Total Transfers Out/In	<u>\$ 1,140,590</u>

The transfers represent permanently transfers of funds to different programs and operations with general fund unrestricted revenues and as allowed by statute. During fiscal year 2005, the School District transferred Funds from the General Fund to three separate non-major special revenue funds to provide financing for programs or activities, the most significant of which was \$350,000 to the District Managed Student Activities Fund.

In addition, the transfer to the internal service fund represents financial resources spent by the General Fund for warehouse operating expenses which were reclassified for reporting purposes. The small transfers from two of the School District's non-major governmental funds to the General Fund were made to adjust the cash balances of these funds for two posting errors discovered during the year.

NOTE 16 - 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.

NOTE 17 - 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

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

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>
Set-aside Reserve Balance as of June 30, 2004	\$ -	\$ -
Carry-over from Prior Year	(70,314)	(5,628,181)
Current Year Set-aside Requirement	2,619,287	2,619,287
Current Year Revenue Off-Sets	-	(1,685,299)
Qualifying Disbursements	<u>(4,498,535)</u>	<u>(41,119,160)</u>
Set-aside Balances Carried Forward to Future Fiscal Years	<u>\$ (1,949,562)</u>	<u>\$(45,813,353)</u>
Set-aside Reserve Balances as of June 30, 2005	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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.

NOTE 18 - 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, 2005.

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.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

NOTE 19 – CONSTRUCTION COMMITMENTS

At June 30, 2005 the School District had open purchase orders associated with the school facilities construction project totaling \$46.3 million; \$44.0 million in the Classroom Facilities capital project fund and \$2.3 million in the Building capital project fund. Significant individual commitments include:

<u>Vendor/Contractor</u>	<u>Amount</u>
Dayton School Design	\$ 6,078,712
Thomas & Marker Construction	5,056,201
Staffco Construction Inc.	4,845,000
Slagle Mechanical Contractors	4,416,657
Pezzo Construction Inc.	4,085,337
Mardis and Meehan Construction	3,776,064
DNK Architects, Inc.	1,773,542
Champion Structural Systems	1,551,339
Settle Muter Electric	1,107,398
Saturn Electric Inc.	1,066,045

NOTE 20 – CHANGE IN ACCOUNTING PRINCIPLE

For fiscal year 2005, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 40, "Deposits and Investment Risk Disclosure". GASB Statement No. 40 establishes and modifies the disclosure requirements related to risk associated with deposits and investments. The implementation of this Statement did not result in any change to the School District's financial statements.

DAYTON

A stylized sun icon with a yellow semi-circle and several short yellow lines radiating upwards, positioned over the letter 'O' in 'DAYTON'. A light blue horizontal line is positioned below the sun icon.

PUBLIC SCHOOLS

Combining Statements and Individual Fund Schedules

Major Governmental Funds

MAJOR GOVERNMENTAL FUNDS

The focus of the fund financial statements presented in the basic financial statements is on the School District most significant funds (major funds). Therefore these fund financial statements present the major funds separate from the other governmental funds of the School District. As required by Generally Accepted Accounting Principles for state and local governments, budgetary comparison statements in the basic financial statements are limited to the General Fund and any major special revenue funds. The School District has no major special revenue funds.

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 the State of Ohio.

Since the Statement of Revenues, Expenditures and Changes in Fund Balance presented in the basic financial statements for the General Fund presents budgetary comparisons at a greater level of detail than the legal level of control established by the Board of Education, no additional schedules are necessary to demonstrate budgetary compliance.

Bond Retirement Fund

The Bond Retirement Fund is used to account for the accumulation of resources for, and the repayment of, the School District's general obligation debt, including the school improvement bonds previously approved by voters within the School District's boundaries.

Classroom Facilities Fund

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

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BOND RETIREMENT FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	\$ 13,183,824	\$ 13,720,164	\$ 13,720,164	\$ -
Intergovernmental	1,553,885	1,617,100	1,617,100	-
Interest	33,520	-	34,891	34,891
Total Revenues	14,771,229	15,337,264	15,372,155	34,891
Expenditures:				
Current:				
Support Services:				
Fiscal	377,524	310,966	192,144	118,822
Debt Service:				
Principal Retirement	20,875,963	17,195,503	10,625,000	6,570,503
Interest and Fiscal Charges	22,183,763	18,272,736	11,290,616	6,982,120
Total Expenditures	43,437,250	35,779,205	22,107,760	13,671,445
Excess of Revenues Over(Under) Expenditures	(28,666,021)	(20,441,941)	(6,735,605)	13,706,336
Fund Balance at Beginning of Year	28,666,021	20,952,756	20,952,756	-
Fund Balance at End of Year	\$ -	\$ 510,815	\$ 14,217,151	\$ 13,706,336

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
CLASSROOM FACILITIES FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 914,243	\$ 41,959,338	\$ 4,250,000	\$ (37,709,338)
Interest	808,757	79,450,366	3,759,632	(75,690,734)
Miscellaneous	-	313,296	8,960	(304,336)
Total Revenues	<u>1,723,000</u>	<u>121,723,000</u>	<u>8,018,592</u>	<u>(113,704,408)</u>
Expenditures:				
Current:				
Support Services:				
Fiscal	707,857	707,857	-	707,857
Capital Outlay	222,177,299	342,112,613	54,235,127	287,877,486
Total Expenditures	<u>222,885,156</u>	<u>342,820,470</u>	<u>54,235,127</u>	<u>288,585,343</u>
Excess of Revenues Over(Under) Expenditures	<u>(221,162,156)</u>	<u>(221,097,470)</u>	<u>(46,216,535)</u>	<u>174,880,935</u>
Other Financing Sources (Uses):				
Other Financing Uses	(53,277)	(53,277)	-	53,277
Total Other Financing Sources (Uses)	<u>(53,277)</u>	<u>(53,277)</u>	<u>-</u>	<u>53,277</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(221,215,433)	(221,150,747)	(46,216,535)	174,934,212
Fund Balance at Beginning of Year	213,462,152	220,761,161	220,761,161	-
Prior Year Encumbrances Appropriated	<u>7,753,281</u>	<u>7,688,593</u>	<u>7,688,593</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ 7,299,007</u></u>	<u><u>\$ 182,233,219</u></u>	<u><u>\$ 174,934,212</u></u>

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.

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.

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.

Nonmajor Governmental Funds

(Continued)

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Public School Preschool

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

Entry Year Program

A fund to account for State grants aimed at providing funding to school district for structured training of entry level teachers.

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

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

Summer Intervention

A fund used to account for summer intervention services satisfying criteria defined in division (E) of section 3313.608 of the Ohio Revised Code.

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.

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.

Nonmajor Governmental Funds

(Continued)

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

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

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.

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.

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.

Nonmajor Governmental Funds

(Continued)

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Uniform 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

The Building Fund is used to account for financial resources, including proceeds from the sale of debt obligations, other local funds, and construction costs associated with the local initiatives involved in the School District's school facilities projects.

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 CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2005

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 11,206,918	\$ 57,196,935	\$ 68,403,853
Cash and Cash Equivalents with Fiscal Agent	546,178	-	546,178
<u>Receivables:</u>			
Taxes - Current	815,061	813,494	1,628,555
Taxes - Delinquent	186,214	186,215	372,429
Accounts	218,417	-	218,417
Intergovernmental	11,012,614	478,927	11,491,541
Interest	-	57,540	57,540
Due from other Funds	75,953	-	75,953
Prepays	1,855	103,182	105,037
Inventory held for Resale	170,132	-	170,132
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 24,233,342</u>	<u>\$ 58,836,293</u>	<u>\$ 83,069,635</u>
<u>Liabilities and Fund Balance:</u>			
<u>Liabilities:</u>			
Accounts Payable	\$ 1,139,845	\$ 68,632	\$ 1,208,477
Accrued Wages and Benefits	1,566,563	14,144	1,580,707
Intergovernmental Payable	585,870	11,712	597,582
Due to Other Funds	1,993,587	86	1,993,673
Deferred Revenue	9,672,445	1,463,322	11,135,767
Compensated Absences Payable	17,076	-	17,076
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>14,975,386</u>	<u>1,557,896</u>	<u>16,533,282</u>
<u>Fund Balance:</u>			
<u>Reserved for:</u>			
Encumbrances	5,908,673	10,535,459	16,444,132
Supplies Inventory	170,132	-	170,132
Property Taxes	72,854	72,854	145,708
Prepaid Items	1,855	103,182	105,037
Unreserved, Undesignated	3,104,442	46,566,902	49,671,344
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balance	<u>9,257,956</u>	<u>57,278,397</u>	<u>66,536,353</u>
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balance	<u>\$ 24,233,342</u>	<u>\$ 58,836,293</u>	<u>\$ 83,069,635</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2005

	Other Grant Rotary	Public School Support	Other Grants	Computer Networks
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 148,410	\$ 584,786	\$ 286,056	\$ -
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
Receivables:				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	1,850	-	72,368	-
Intergovernmental	-	-	460,000	-
Due from other Funds	-	5	368	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	-	-
Total Assets	<u>\$ 150,260</u>	<u>\$ 584,791</u>	<u>\$ 818,792</u>	<u>\$ -</u>
<u>Liabilities and Fund Balances:</u>				
Liabilities:				
Accounts Payable	\$ 262	\$ 8,530	\$ 18,643	\$ -
Accrued Wages and Benefits	-	-	15,206	-
Intergovernmental Payable	-	-	6,064	-
Due to Other Funds	-	3,776	2,846	-
Deferred Revenue	-	-	398,347	-
Compensated Absences Payable	-	-	-	-
Total Liabilities	<u>262</u>	<u>12,306</u>	<u>441,106</u>	<u>-</u>
Fund Balances:				
Reserved for:				
Encumbrances	156	36,622	58,882	-
Supplies Inventory	-	-	-	-
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Unreserved, Undesignated	<u>149,842</u>	<u>535,863</u>	<u>318,804</u>	<u>-</u>
Total Fund Balances	<u>149,998</u>	<u>572,485</u>	<u>377,686</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 150,260</u>	<u>\$ 584,791</u>	<u>\$ 818,792</u>	<u>\$ -</u>

Education Foundation	Maintenance of Classroom Facilities	District Managed Student Activities	Auxiliary Services	Teacher Development	Management Information Systems
\$ -	\$ 2,230,830	\$ 1,061,763	\$ 1,340,798	\$ 96,500	\$ 49,764
546,178	-	-	-	-	-
-	815,061	-	-	-	-
-	186,214	-	-	-	-
-	-	3,500	-	-	-
-	-	-	389,893	-	-
-	-	-	-	-	-
-	-	1,855	-	-	-
-	-	-	-	-	-
<u>546,178</u>	<u>3,232,105</u>	<u>1,067,118</u>	<u>1,730,691</u>	<u>96,500</u>	<u>49,764</u>
\$ -	\$ -	\$ 9,499	\$ 126,204	\$ 4,783	\$ 522
-	-	4,636	44,101	-	1,978
-	-	1,514	12,782	-	1,774
-	-	263	11,941	100,000	-
-	928,421	-	389,893	-	-
-	-	-	-	-	-
<u>-</u>	<u>928,421</u>	<u>15,912</u>	<u>584,921</u>	<u>104,783</u>	<u>4,274</u>
-	-	56,872	1,084,527	34,732	-
-	-	-	-	-	-
-	72,854	-	-	-	-
-	-	1,855	-	-	-
<u>546,178</u>	<u>2,230,830</u>	<u>992,479</u>	<u>61,243</u>	<u>(43,015)</u>	<u>45,490</u>
<u>546,178</u>	<u>2,303,684</u>	<u>1,051,206</u>	<u>1,145,770</u>	<u>(8,283)</u>	<u>45,490</u>
<u>546,178</u>	<u>3,232,105</u>	<u>1,067,118</u>	<u>1,730,691</u>	<u>96,500</u>	<u>49,764</u>

(Continued)

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2005
 (Continued)

	Public School Preschool	Entry Year Program	Disadvantaged Pupil Impact Aid	Data Communications
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 89,108	\$ 9,080	\$ 401,531	\$ 194,574
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
Receivables:				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	30,976	1,100	-	33,526
Due from other Funds	-	-	-	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	-	-
Total Assets	<u>\$ 120,084</u>	<u>\$ 10,180</u>	<u>\$ 401,531</u>	<u>\$ 228,100</u>
<u>Liabilities and Fund Balances:</u>				
Liabilities:				
Accounts Payable	\$ 4,376	\$ 1,111	\$ 31,403	\$ -
Accrued Wages and Benefits	4,400	-	510,749	-
Intergovernmental Payable	5,138	-	164,228	-
Due to Other Funds	52,309	-	68	-
Deferred Revenue	1,461	1,100	-	33,526
Compensated Absences Payable	-	-	12,288	-
Total Liabilities	<u>67,684</u>	<u>2,211</u>	<u>718,736</u>	<u>33,526</u>
Fund Balances:				
Reserved for:				
Encumbrances	20,103	7,957	370,126	188,172
Supplies Inventory	-	-	-	-
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Unreserved, Undesignated	<u>32,297</u>	<u>12</u>	<u>(687,331)</u>	<u>6,402</u>
Total Fund Balances	<u>52,400</u>	<u>7,969</u>	<u>(317,205)</u>	<u>194,574</u>
Total Liabilities and Fund Balances	<u>\$ 120,084</u>	<u>\$ 10,180</u>	<u>\$ 401,531</u>	<u>\$ 228,100</u>

SchoolNet Professional Development	Textbooks/ Instructional Material Subsidy	Ohio Reads	Summer Intervention	Vocational Education Enhancement	Alternative Schools
\$ 14,637	\$ 59,837	\$ 9,078	\$ 322,027	\$ 721	\$ 46,599
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	5,728	-	4,264	334,026
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 14,637</u>	<u>\$ 59,837</u>	<u>\$ 14,806</u>	<u>\$ 322,027</u>	<u>\$ 4,985</u>	<u>\$ 380,625</u>
\$ -	\$ -	\$ 1,925	\$ 31,418	\$ -	\$ 456
-	-	-	21,400	473	533
-	-	-	42,504	120	414
468	-	5,400	301,185	-	85,000
-	-	5,728	-	-	294,645
-	-	-	-	-	-
<u>468</u>	<u>-</u>	<u>13,053</u>	<u>396,507</u>	<u>593</u>	<u>381,048</u>
14,637	59,837	5,041	116,498	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(468)</u>	<u>-</u>	<u>(3,288)</u>	<u>(190,978)</u>	<u>4,392</u>	<u>(423)</u>
<u>14,169</u>	<u>59,837</u>	<u>1,753</u>	<u>(74,480)</u>	<u>4,392</u>	<u>(423)</u>
<u>\$ 14,637</u>	<u>\$ 59,837</u>	<u>\$ 14,806</u>	<u>\$ 322,027</u>	<u>\$ 4,985</u>	<u>\$ 380,625</u>

(Continued)

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2005
 (Continued)

	Miscellaneous State Grants	Adult Basic Education	Title VI-B	Vocational Education
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 149,057	\$ 201,004	\$ 46,911	\$ 229,448
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
Receivables:				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	-	105	-	-
Intergovernmental	60,000	265,103	1,233,245	-
Due from other Funds	-	-	-	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	-	-
Total Assets	<u>\$ 209,057</u>	<u>\$ 466,212</u>	<u>\$ 1,280,156</u>	<u>\$ 229,448</u>
<u>Liabilities and Fund Balances:</u>				
Liabilities:				
Accounts Payable	\$ 54,957	\$ 1,402	\$ 93,259	\$ 40,362
Accrued Wages and Benefits	-	4,478	87,216	11,523
Intergovernmental Payable	202	3,862	36,068	8,592
Due to Other Funds	1,649	150,000	-	153,481
Deferred Revenue	30,000	185,961	331,825	-
Compensated Absences Payable	-	-	3,661	-
Total Liabilities	<u>86,808</u>	<u>345,703</u>	<u>552,029</u>	<u>213,958</u>
Fund Balances:				
Reserved for:				
Encumbrances	23,782	802	456,572	34,432
Supplies Inventory	-	-	-	-
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Unreserved, Undesignated	98,467	119,707	271,555	(18,942)
Total Fund Balances	<u>122,249</u>	<u>120,509</u>	<u>728,127</u>	<u>15,490</u>
Total Liabilities and Fund Balances	<u>\$ 209,057</u>	<u>\$ 466,212</u>	<u>\$ 1,280,156</u>	<u>\$ 229,448</u>

Headstart	Dropout Prevention and Intervention	Title I	Title VI	Drug Free Schools Program	EHA Preschool Grants for the Handicapped
\$ 64,557	\$ 21,387	\$ 809,600	\$ 529,350	\$ 196,237	\$ 10,383
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,714,753	-	2,385,340	-	140,325	-
-	-	-	-	14,257	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,779,310</u>	<u>21,387</u>	<u>3,194,940</u>	<u>529,350</u>	<u>350,819</u>	<u>10,383</u>
\$ 9,174	\$ -	\$ 254,059	\$ 2,162	\$ 140,063	\$ 467
7,910	-	399,718	81,678	18,814	-
11,558	-	125,902	19,746	5,396	1,872
157,863	20,000	175,083	350,000	200,000	-
1,543,865	-	2,249,740	-	-	-
-	-	1,127	-	-	-
<u>1,730,370</u>	<u>20,000</u>	<u>3,205,629</u>	<u>453,586</u>	<u>364,273</u>	<u>2,339</u>
32,729	8,385	1,299,745	19,876	377,684	5,488
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>16,211</u>	<u>(6,998)</u>	<u>(1,310,434)</u>	<u>55,888</u>	<u>(391,138)</u>	<u>2,556</u>
<u>48,940</u>	<u>1,387</u>	<u>(10,689)</u>	<u>75,764</u>	<u>(13,454)</u>	<u>8,044</u>
<u>1,779,310</u>	<u>21,387</u>	<u>3,194,940</u>	<u>529,350</u>	<u>350,819</u>	<u>10,383</u>

(Continued)

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2005
(Continued)

	E-Rate Grant	Title VI-R Classroom Size Reduction	Miscellaneous Federal Grants	Special Trust
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 253,261	\$ 351,603	\$ 228,840	\$ 68,179
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
<u>Receivables:</u>				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	897,742	3,146,997	-
Due from other Funds	-	-	-	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 253,261</u>	<u>\$ 1,249,345</u>	<u>\$ 3,375,837</u>	<u>\$ 68,179</u>
<u>Liabilities and Fund Balances:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ 72,603	\$ 35,822	\$ 87,210	\$ -
Accrued Wages and Benefits	2,953	191,117	103,347	-
Intergovernmental Payable	2,138	51,736	39,152	-
Due to Other Funds	-	20,737	201,026	-
Deferred Revenue	-	897,742	2,380,191	-
Compensated Absences Payable	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>77,694</u>	<u>1,197,154</u>	<u>2,810,926</u>	<u>-</u>
<u>Fund Balances:</u>				
<u>Reserved for:</u>				
Encumbrances	88,386	29,397	1,034,244	-
Supplies Inventory	-	-	-	-
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Unreserved, Undesignated	<u>87,181</u>	<u>22,794</u>	<u>(469,333)</u>	<u>68,179</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>175,567</u>	<u>52,191</u>	<u>564,911</u>	<u>68,179</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 253,261</u>	<u>\$ 1,249,345</u>	<u>\$ 3,375,837</u>	<u>\$ 68,179</u>

	Food Service	Uniformed School Supplies	Total
\$	1,092,107	\$ 8,895	\$ 11,206,918
	-	-	546,178
	-	-	815,061
	-	-	186,214
	269	-	218,417
	35,664	-	11,012,614
	75,580	-	75,953
	-	-	1,855
	<u>170,132</u>	<u>-</u>	<u>170,132</u>
\$	<u>1,373,752</u>	<u>\$ 8,895</u>	<u>\$ 24,233,342</u>

\$	107,978	\$ 1,195	\$ 1,139,845
	54,333	-	1,566,563
	45,108	-	585,870
	19	473	1,993,587
	-	-	9,672,445
	<u>-</u>	<u>-</u>	<u>17,076</u>
	<u>207,438</u>	<u>1,668</u>	<u>14,975,386</u>

	442,402	587	5,908,673
	170,132	-	170,132
	-	-	72,854
	-	-	1,855
	<u>553,780</u>	<u>6,640</u>	<u>3,104,442</u>
	<u>1,166,314</u>	<u>7,227</u>	<u>9,257,956</u>
\$	<u>1,373,752</u>	<u>\$ 8,895</u>	<u>\$ 24,233,342</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2005

	Permanent Improvement	Building	Replacement	SchoolNet
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 4,740,563	\$ 50,308,975	\$ 210,756	\$ 13,264
Receivables:				
Taxes - Current	813,494	-	-	-
Taxes - Delinquent	186,215	-	-	-
Intergovernmental	-	-	-	478,927
Interest	-	52,826	-	-
Prepaid Items	-	103,182	-	-
Total Assets	\$ 5,740,272	\$ 50,464,983	\$ 210,756	\$ 492,191
<u>Liabilities and Fund Equity:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ 66,560	\$ 2,072	\$ -	\$ -
Accrued Salaries Payable	-	14,144	-	-
Intergovernmental Payable	-	11,712	-	-
Due to Other Funds	-	86	-	-
Deferred Revenue	926,855	52,826	-	478,927
Total Liabilities	993,415	80,840	-	478,927
<u>Fund Balance:</u>				
Reserved for Encumbrances	548,659	9,787,365	-	8,966
Reserved for Taxes	72,854	-	-	-
Reserved for Prepays	-	103,182	-	-
Unreserved	4,125,344	40,493,596	210,756	4,298
Total Fund Balance	4,746,857	50,384,143	210,756	13,264
Total Liabilities and Fund Balance	\$ 5,740,272	\$ 50,464,983	\$ 210,756	\$ 492,191

Interactive Video Distance Learning	School Building Assistance Limited	Total Nonmajor Capital Projects Funds
\$ 11,142	\$ 1,912,235	\$ 57,196,935
-	-	813,494
-	-	186,215
-	-	478,927
-	4,714	57,540
<u>-</u>	<u>-</u>	<u>103,182</u>
<u>\$ 11,142</u>	<u>\$ 1,916,949</u>	<u>\$ 58,836,293</u>
\$ -	\$ -	\$ 68,632
-	-	14,144
-	-	11,712
-	-	86
<u>-</u>	<u>4,714</u>	<u>1,463,322</u>
<u>-</u>	<u>4,714</u>	<u>1,557,896</u>
-	190,469	10,535,459
-	-	72,854
-	-	103,182
<u>11,142</u>	<u>1,721,766</u>	<u>46,566,902</u>
<u>11,142</u>	<u>1,912,235</u>	<u>57,278,397</u>
<u>\$ 11,142</u>	<u>\$ 1,916,949</u>	<u>\$ 58,836,293</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, 2005

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$ 869,373	\$ 869,374	\$ 1,738,747
Intergovernmental	60,058,257	94,417	60,152,674
Interest	134,639	1,152,772	1,287,411
Tuition and Fees	45,602	-	45,602
Charges for Services	3,109,357	-	3,109,357
Gifts and Donations	263,500	-	263,500
Extracurricular Activities	821,735	-	821,735
Miscellaneous	1,185,253	2,000,000	3,185,253
	<u>66,487,716</u>	<u>4,116,563</u>	<u>70,604,279</u>
Total Revenues			
Expenditures:			
Current:			
Instruction:			
Regular	9,171,337	294,665	9,466,002
Special	14,672,748	-	14,672,748
Vocational	639,420	-	639,420
Adult/Continuing	617,269	-	617,269
Support Services:			
Pupils	5,533,070	-	5,533,070
Instructional Staff	8,660,719	-	8,660,719
Board of Education	3,078	-	3,078
Administration	1,218,935	25,856	1,244,791
Fiscal	544,007	264,716	808,723
Plant Operation and Maintenance	1,558,488	2,637,433	4,195,921
Pupil Transportation	285,554	-	285,554
Central	1,265,981	635,633	1,901,614
Non-Instructional Services	13,561,096	-	13,561,096
Extracurricular Activities	722,947	-	722,947
Intergovernmental	4,644,357	-	4,644,357
Capital Outlay	-	17,824,038	17,824,038
Debt Service:			
Principal Retirement	19,943	-	19,943
Interest and Fiscal Charges	3,319	127,033	130,352
	<u>63,122,268</u>	<u>21,809,374</u>	<u>84,931,642</u>
Total Expenditures			
Excess of Revenues Over(Under)			
Expenditures	3,365,448	(17,692,811)	(14,327,363)
Other Financing Sources:			
Transfers In	473,926	-	473,926
Transfers Out	(463)	-	(463)
	<u>473,463</u>	<u>-</u>	<u>473,463</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	3,838,911	(17,692,811)	(13,853,900)
Fund Balance at Beginning of Year	<u>5,419,045</u>	<u>74,971,208</u>	<u>80,390,253</u>
Fund Balance at End of Year	<u>\$ 9,257,956</u>	<u>\$ 57,278,397</u>	<u>\$ 66,536,353</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, 2005

	Other Grant Rotary	Public School Support	Other Grants	Computer Networks
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	46,836	-
Interest	-	-	-	-
Tuition and Fees	45,602	-	-	-
Charges for Services	-	-	-	-
Gifts and Donations	-	-	-	-
Extracurricular Activities	-	299,179	-	-
Miscellaneous	1,850	10,406	1,029,016	-
Total Revenues	<u>47,452</u>	<u>309,585</u>	<u>1,075,852</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	20,096	347,413	28,426	-
Special	-	-	1,475	-
Vocational	-	-	1,443	-
Adult/Continuing	-	-	171	-
Support Services:				
Pupils	-	2,919	517,548	-
Instructional Staff	-	3,728	391,757	-
Board of Education	-	-	3,078	-
Administration	-	-	24,834	-
Fiscal	-	-	-	-
Plant Operation and Maintenance	-	-	-	-
Pupil Transportation	-	-	-	-
Central	-	-	-	2,742
Non-Instructional Services	-	-	-	-
Extracurricular Activities	-	-	27,551	-
Intergovernmental	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	<u>20,096</u>	<u>354,060</u>	<u>996,283</u>	<u>2,742</u>
Excess of Revenues Over(Under) Expenditures	27,356	(44,475)	79,569	(2,742)
Other Financing Sources:				
Transfers-In	-	114,000	9,926	-
Transfers-Out	-	-	(421)	-
Net Change in Fund Balance	27,356	69,525	89,074	(2,742)
Fund Balance at Beginning of Year	<u>122,642</u>	<u>502,960</u>	<u>288,612</u>	<u>2,742</u>
Fund Balance at End of Year	<u>\$ 149,998</u>	<u>\$ 572,485</u>	<u>\$ 377,686</u>	<u>\$ -</u>

Education Foundation	Maintenance of Classroom Facilities	District Managed Student Activities	Auxiliary Services	Teacher Development	Management Information Systems
\$ -	\$ 869,373	\$ -	\$ -	\$ -	\$ -
-	94,390	-	2,159,275	183,700	57,708
48,204	-	-	36,384	-	-
-	-	-	-	-	-
-	-	-	-	-	-
260,000	-	-	-	-	-
-	-	522,556	-	-	-
-	-	-	-	-	-
<u>308,204</u>	<u>963,763</u>	<u>522,556</u>	<u>2,195,659</u>	<u>183,700</u>	<u>57,708</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	110,606	-
-	-	-	-	-	-
330,102	-	-	-	-	-
-	11,560	-	-	-	-
-	-	47,413	-	-	-
-	-	-	-	-	-
-	-	-	-	-	71,795
100,969	-	-	1,624,039	-	-
-	-	695,396	-	-	-
-	-	-	-	-	-
-	-	19,943	-	-	-
-	-	3,319	-	-	-
<u>431,071</u>	<u>11,560</u>	<u>766,071</u>	<u>1,624,039</u>	<u>110,606</u>	<u>71,795</u>
(122,867)	952,203	(243,515)	571,620	73,094	(14,087)
-	-	350,000	-	-	-
-	-	-	-	-	-
(122,867)	952,203	106,485	571,620	73,094	(14,087)
<u>669,045</u>	<u>1,351,481</u>	<u>944,721</u>	<u>574,150</u>	<u>(81,377)</u>	<u>59,577</u>
<u>\$ 546,178</u>	<u>\$ 2,303,684</u>	<u>\$ 1,051,206</u>	<u>\$ 1,145,770</u>	<u>\$ (8,283)</u>	<u>\$ 45,490</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, 2005
(Continued)

	Public School Preschool	Entry Year Program	Disadvantaged Pupil Impact Aid	Data Communications
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	320,085	55,000	16,745,170	170,040
Interest	-	-	-	-
Tuition and Fees	-	-	-	-
Charges for Services	-	-	-	-
Gifts and Donations	-	-	-	-
Extracurricular Activities	-	-	-	-
Miscellaneous	3,377	-	-	-
Total Revenues	<u>323,462</u>	<u>55,000</u>	<u>16,745,170</u>	<u>170,040</u>
Expenditures:				
Current:				
Instruction:				
Regular	103,495	-	8,459,891	-
Special	-	-	1,523,335	-
Vocational	-	-	60,808	-
Adult/Continuing	-	-	-	-
Support Services:				
Pupils	55,463	-	18,741	-
Instructional Staff	126,571	47,031	19,056	-
Board of Education	-	-	-	-
Administration	-	-	983	-
Fiscal	855	-	-	-
Plant Operation and Maintenance	-	-	1,385,652	-
Pupil Transportation	-	-	26,354	-
Central	-	-	89,060	166,733
Non-Instructional Services	-	-	-	-
Extracurricular Activities	-	-	-	-
Intergovernmental	-	-	4,644,357	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	<u>286,384</u>	<u>47,031</u>	<u>16,228,237</u>	<u>166,733</u>
Excess of Revenues Over(Under)				
Expenditures	37,078	7,969	516,933	3,307
Other Financing Sources:				
Transfers-In	-	-	-	-
Transfers-Out	-	-	-	-
Net Change in Fund Balance	37,078	7,969	516,933	3,307
Fund Balance at Beginning of Year	<u>15,322</u>	<u>-</u>	<u>(834,138)</u>	<u>191,267</u>
Fund Balance at End of Year	<u>\$ 52,400</u>	<u>\$ 7,969</u>	<u>\$ (317,205)</u>	<u>\$ 194,574</u>

SchoolNet Professional Development	Textbooks/ Instructional Material Subsidy	Ohio Reads	Summer Intervention	Vocational Education Enhancement	Alternative Schools
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11,250	-	87,956	481,923	35,272	323,007
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>11,250</u>	<u>-</u>	<u>87,956</u>	<u>481,923</u>	<u>35,272</u>	<u>323,007</u>
-	-	76,740	81,106	-	-
-	-	-	277,037	-	-
-	-	-	-	16,379	-
-	-	-	-	-	-
-	-	33,833	-	14,500	310,630
15,874	-	-	90,407	-	331
-	-	-	-	-	-
-	-	-	-	-	20,848
-	-	-	-	-	-
-	-	910	6,264	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>15,874</u>	<u>-</u>	<u>111,483</u>	<u>454,814</u>	<u>30,879</u>	<u>331,809</u>
(4,624)	-	(23,527)	27,109	4,393	(8,802)
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>(42)</u>	<u>-</u>	<u>-</u>	<u>-</u>
(4,624)	-	(23,569)	27,109	4,393	(8,802)
<u>18,793</u>	<u>59,837</u>	<u>25,322</u>	<u>(101,589)</u>	<u>(1)</u>	<u>8,379</u>
<u>\$ 14,169</u>	<u>\$ 59,837</u>	<u>\$ 1,753</u>	<u>\$ (74,480)</u>	<u>\$ 4,392</u>	<u>\$ (423)</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, 2005
(Continued)

	Miscellaneous State Grants	Adult Basic Education	Title VI-B	Vocational Education
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	102,252	831,293	4,909,790	781,154
Interest	-	-	-	-
Tuition and Fees	-	-	-	-
Charges for Services	-	-	-	-
Gifts and Donations	-	-	-	-
Extracurricular Activities	-	-	-	-
Miscellaneous	-	279	-	-
Total Revenues	<u>102,252</u>	<u>831,572</u>	<u>4,909,790</u>	<u>781,154</u>
Expenditures:				
Current:				
Instruction:				
Regular	4,816	-	-	-
Special	-	-	991,569	-
Vocational	-	-	-	560,790
Adult/Continuing	-	549,649	-	-
Support Services:				
Pupils	68,614	-	443,102	89,311
Instructional Staff	18,509	149,737	1,913,750	21,498
Board of Education	-	-	-	-
Administration	-	-	117,556	37,272
Fiscal	1,140	-	70,071	-
Plant Operation and Maintenance	-	-	-	-
Pupil Transportation	-	4,650	-	-
Central	-	-	-	49,053
Non-Instructional Services	-	-	524,305	-
Extracurricular Activities	-	-	-	-
Intergovernmental	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	<u>93,079</u>	<u>704,036</u>	<u>4,060,353</u>	<u>757,924</u>
Excess of Revenues Over(Under)				
Expenditures	9,173	127,536	849,437	23,230
Other Financing Sources:				
Transfers-In	-	-	-	-
Transfers-Out	-	-	-	-
Net Change in Fund Balance	9,173	127,536	849,437	23,230
Fund Balance at Beginning of Year	<u>113,076</u>	<u>(7,027)</u>	<u>(121,310)</u>	<u>(7,740)</u>
Fund Balance at End of Year	<u>\$ 122,249</u>	<u>\$ 120,509</u>	<u>\$ 728,127</u>	<u>\$ 15,490</u>

Headstart	Dropout Prevention and Intervention	Title I	Title VI	Drug Free Schools Program	EHA Preschool Grants for the Handicapped
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,491,082	25,889	10,723,374	1,574,031	2,747,435	155,272
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	140,325	-
<u>1,491,082</u>	<u>25,889</u>	<u>10,723,374</u>	<u>1,574,031</u>	<u>2,887,760</u>	<u>155,272</u>
-	-	19,255	-	-	-
1,433,389	4,860	5,636,850	1,528,808	-	7,635
-	-	-	-	-	-
-	-	67,449	-	-	-
2,646	-	761,702	-	2,227,788	846
24,575	4,021	3,074,762	42,611	284,714	138,283
-	-	-	-	-	-
8,101	-	400,471	-	69,035	-
-	-	269,449	-	113,611	-
-	-	-	-	-	-
-	-	165,376	-	-	-
-	-	-	-	-	-
-	-	324,174	19,272	6,045	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,468,711</u>	<u>8,881</u>	<u>10,719,488</u>	<u>1,590,691</u>	<u>2,701,193</u>	<u>146,764</u>
22,371	17,008	3,886	(16,660)	186,567	8,508
-	-	-	-	-	-
-	-	-	-	-	-
22,371	17,008	3,886	(16,660)	186,567	8,508
<u>26,569</u>	<u>(15,621)</u>	<u>(14,575)</u>	<u>92,424</u>	<u>(200,021)</u>	<u>(464)</u>
<u>\$ 48,940</u>	<u>\$ 1,387</u>	<u>\$ (10,689)</u>	<u>\$ 75,764</u>	<u>\$ (13,454)</u>	<u>\$ 8,044</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, 2005
(Continued)

	E-Rate Grant	Title VI-R Classroom Size Reduction	Miscellaneous Federal Grants	Special Trust
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	782,336	3,083,199	4,253,792	-
Interest	-	-	-	-
Tuition and Fees	-	-	-	-
Charges for Services	-	-	-	-
Gifts and Donations	-	-	-	3,500
Extracurricular Activities	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>782,336</u>	<u>3,083,199</u>	<u>4,253,792</u>	<u>3,500</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	-	-	-
Special	-	2,499,864	767,926	-
Vocational	-	-	-	-
Adult/Continuing	-	-	-	-
Support Services:				
Pupils	-	-	985,427	-
Instructional Staff	-	602,282	1,578,860	1,756
Board of Education	-	-	-	-
Administration	-	-	209,733	-
Fiscal	-	27,984	49,337	-
Plant Operation and Maintenance	-	-	-	-
Pupil Transportation	-	-	82,000	-
Central	886,598	-	-	-
Non-Instructional Services	-	29,241	7,978	-
Extracurricular Activities	-	-	-	-
Intergovernmental	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	<u>886,598</u>	<u>3,159,371</u>	<u>3,681,261</u>	<u>1,756</u>
Excess of Revenues Over(Under)				
Expenditures	(104,262)	(76,172)	572,531	1,744
Other Financing Sources:				
Transfers-In	-	-	-	-
Transfers-Out	-	-	-	-
Net Change in Fund Balance	(104,262)	(76,172)	572,531	1,744
Fund Balance at Beginning of Year	<u>279,829</u>	<u>128,363</u>	<u>(7,620)</u>	<u>66,435</u>
Fund Balance at End of Year	<u>\$ 175,567</u>	<u>\$ 52,191</u>	<u>\$ 564,911</u>	<u>\$ 68,179</u>

Food Service	Uniformed School Supplies	Total
\$ -	\$ -	\$ 869,373
7,825,746	-	60,058,257
50,051	-	134,639
-	-	45,602
3,080,464	28,893	3,109,357
-	-	263,500
-	-	821,735
-	-	1,185,253
<u>10,956,261</u>	<u>28,893</u>	<u>66,487,716</u>
-	30,099	9,171,337
-	-	14,672,748
-	-	639,420
-	-	617,269
-	-	5,533,070
-	-	8,660,719
-	-	3,078
-	-	1,218,935
-	-	544,007
125,423	-	1,558,488
-	-	285,554
-	-	1,265,981
10,925,073	-	13,561,096
-	-	722,947
-	-	4,644,357
-	-	19,943
-	-	3,319
<u>11,050,496</u>	<u>30,099</u>	<u>63,122,268</u>
(94,235)	(1,206)	3,365,448
-	-	473,926
-	-	(463)
(94,235)	(1,206)	3,838,911
<u>1,260,549</u>	<u>8,433</u>	<u>5,419,045</u>
<u>\$ 1,166,314</u>	<u>\$ 7,227</u>	<u>\$ 9,257,956</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, 2005

	Permanent Improvement	Building	Replacement	SchoolNet
Revenues:				
Taxes	\$ 869,374	\$ -	\$ -	\$ -
Intergovernmental	94,417	-	-	-
Interest	-	1,051,063	6,320	-
Miscellaneous	2,000,000	-	-	-
Total Revenues	<u>2,963,791</u>	<u>1,051,063</u>	<u>6,320</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	294,665	-	-
Support Services:				
Administration	-	25,856	-	-
Fiscal	11,761	252,955	-	-
Plant Operation and Maintenance	2,527,274	-	-	-
Central	9,254	511,884	-	114,495
Capital Outlay	226,040	16,979,682	-	-
Debt Service:				
Interest and Fiscal Charges	127,033	-	-	-
Total Expenditures	<u>2,901,362</u>	<u>18,065,042</u>	<u>-</u>	<u>114,495</u>
Net Change in Fund Balance	62,429	(17,013,979)	6,320	(114,495)
Fund Balance at Beginning of Year	<u>4,684,428</u>	<u>67,398,122</u>	<u>204,436</u>	<u>127,759</u>
Fund Balance at End of Year	<u>\$ 4,746,857</u>	<u>\$ 50,384,143</u>	<u>\$ 210,756</u>	<u>\$ 13,264</u>

Interactive Video Distance Learning	School Building Assistance Limited	Total Nonmajor Capital Projects Funds
\$ -	\$ -	\$ 869,374
-	-	94,417
-	95,389	1,152,772
-	-	2,000,000
-	95,389	4,116,563
-	-	294,665
-	-	25,856
-	-	264,716
-	110,159	2,637,433
-	-	635,633
-	618,316	17,824,038
-	-	127,033
-	728,475	21,809,374
-	(633,086)	(17,692,811)
11,142	2,545,321	74,971,208
<u>\$ 11,142</u>	<u>\$ 1,912,235</u>	<u>\$ 57,278,397</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
OTHER GRANT ROTARY FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Extracurricular Activities	\$ 40,500	\$ 45,602	\$ 45,602	\$ -
Total Revenues	<u>40,500</u>	<u>45,602</u>	<u>45,602</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	<u>162,680</u>	<u>168,944</u>	<u>21,033</u>	<u>147,911</u>
Total Expenditures	<u>162,680</u>	<u>168,944</u>	<u>21,033</u>	<u>147,911</u>
Excess of Revenues Over(Under) Expenditures	<u>(122,180)</u>	<u>(123,342)</u>	<u>24,569</u>	<u>147,911</u>
Other Financing Sources (Uses):				
Transfers-Out	<u>(81)</u>	<u>(81)</u>	<u>-</u>	<u>81</u>
Total Other Financing Sources (Uses)	<u>(81)</u>	<u>(81)</u>	<u>-</u>	<u>81</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(122,261)</u>	<u>(123,423)</u>	<u>24,569</u>	<u>147,992</u>
Fund Balance at Beginning of Year	121,342	122,641	122,641	-
Prior Year Encumbrances Appropriated	<u>1,261</u>	<u>782</u>	<u>782</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 342</u>	<u>\$ -</u>	<u>\$ 147,992</u>	<u>\$ 147,992</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
PUBLIC SCHOOL SUPPORT FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Extracurricular Activities	\$ 321,908	\$ 412,764	\$ 413,767	\$ 1,003
Miscellaneous	8,092	10,376	10,401	25
Total Revenues	<u>330,000</u>	<u>423,140</u>	<u>424,168</u>	<u>1,028</u>
Expenditures:				
Current:				
Instruction:				
Regular	840,136	907,905	389,117	518,788
Support Services:				
Pupils	24,026	25,964	11,128	14,836
Instructional Staff	8,048	8,697	3,727	4,970
Total Expenditures	<u>872,210</u>	<u>942,566</u>	<u>403,972</u>	<u>538,594</u>
Excess of Revenues Over(Under) Expenditures	(542,210)	(519,426)	20,196	539,622
Fund Balance at Beginning of Year	493,233	483,844	483,844	-
Prior Year Encumbrances Appropriated	<u>52,210</u>	<u>35,594</u>	<u>35,594</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 3,233</u>	<u>\$ 12</u>	<u>\$ 539,634</u>	<u>\$ 539,622</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
OTHER GRANTS FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Miscellaneous	\$ 1,280,483	\$ 963,564	\$ 982,064	\$ 18,500
Total Revenues	<u>1,280,483</u>	<u>963,564</u>	<u>982,064</u>	<u>18,500</u>
Expenditures:				
Current:				
Instruction:				
Regular	49,862	40,029	31,271	8,758
Special	1,148	922	720	202
Vocational	2,301	1,847	1,443	404
Adult/Continuing	273	219	171	48
Support Services:				
Pupils	945,381	758,947	592,898	166,049
Instructional Staff	657,823	528,097	412,555	115,542
Board of Education	4,907	3,940	3,078	862
Administration	33,443	26,848	20,974	5,874
Central	518	416	325	91
Extracurricular Activities	43,930	35,267	27,551	7,716
Total Expenditures	<u>1,739,586</u>	<u>1,396,532</u>	<u>1,090,986</u>	<u>305,546</u>
Excess of Revenues Over(Under) Expenditures	<u>(459,103)</u>	<u>(432,968)</u>	<u>(108,922)</u>	<u>324,046</u>
Other Financing Sources (Uses):				
Transfers-Out	<u>(671)</u>	<u>(539)</u>	<u>(421)</u>	<u>118</u>
Total Other Financing Sources (Uses)	<u>(671)</u>	<u>(539)</u>	<u>(421)</u>	<u>118</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(459,774)	(433,507)	(109,343)	324,164
Fund Balance at Beginning of Year	371,163	304,578	304,578	-
Prior Year Encumbrances Appropriated	<u>90,258</u>	<u>13,297</u>	<u>13,297</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,647</u>	<u>\$ (115,632)</u>	<u>\$ 208,532</u>	<u>\$ 324,164</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
COMPUTER NETWORKS FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

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

**DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
MAINTENANCE OF CLASSROOM FACILITIES FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	\$ 838,174	\$ 840,986	\$ 840,986	\$ -
Intergovernmental	94,074	94,390	94,390	-
Total Revenues	932,248	935,376	935,376	-
Expenditures:				
Current:				
Support Services:				
Fiscal	-	11,560	11,560	-
Capital Outlay	1,337,000	1,325,440	-	1,325,440
Total Expenditures	1,337,000	1,337,000	11,560	1,325,440
Excess of Revenues Over(Under) Expenditures	(404,752)	(401,624)	923,816	1,325,440
Fund Balance at Beginning of Year	1,292,927	1,307,013	1,307,013	-
Fund Balance at End of Year	<u>\$ 888,175</u>	<u>\$ 905,389</u>	<u>\$ 2,230,829</u>	<u>\$ 1,325,440</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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Extracurricular Activities	\$ 1,000,000	\$ 871,056	\$ 871,056	\$ -
Total Revenues	<u>1,000,000</u>	<u>871,056</u>	<u>871,056</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Plant Operation and Maintenance	80,000	85,468	70,649	14,819
Extracurricular Activities	2,047,263	1,718,682	760,566	958,116
Total Expenditures	<u>2,127,263</u>	<u>1,804,150</u>	<u>831,215</u>	<u>972,935</u>
Excess of Revenues Over(Under) Expenditures	<u>(1,127,263)</u>	<u>(933,094)</u>	<u>39,841</u>	<u>972,935</u>
Other Financing Sources (Uses):				
Transfers-Out	(15,353)	(15,353)	-	15,353
Total Other Financing Sources (Uses)	<u>(15,353)</u>	<u>(15,353)</u>	<u>-</u>	<u>15,353</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(1,142,616)	(948,447)	39,841	988,288
Fund Balance at Beginning of Year	1,022,974	831,961	831,961	-
Prior Year Encumbrances Appropriated	<u>120,616</u>	<u>123,592</u>	<u>123,592</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 974</u>	<u>\$ 7,106</u>	<u>\$ 995,394</u>	<u>\$ 988,288</u>

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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 3,184,236	\$ 2,164,722	\$ 2,162,905	\$ (1,817)
Interest	53,565	31,178	36,384	5,206
Total Revenues	<u>3,237,801</u>	<u>2,195,900</u>	<u>2,199,289</u>	<u>3,389</u>
Expenditures:				
Current:				
Non-Instructional Services	3,998,274	3,186,754	3,038,175	148,579
Total Expenditures	<u>3,998,274</u>	<u>3,186,754</u>	<u>3,038,175</u>	<u>148,579</u>
Excess of Revenues Over(Under) Expenditures	(760,473)	(990,854)	(838,886)	151,968
Fund Balance at Beginning of Year	434,282	400,797	400,797	-
Prior Year Encumbrances Appropriated	<u>592,774</u>	<u>568,156</u>	<u>568,156</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 266,583</u>	<u>\$ (21,901)</u>	<u>\$ 130,067</u>	<u>\$ 151,968</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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 292,804	\$ 233,194	\$ 233,194	\$ -
Total Revenues	<u>292,804</u>	<u>233,194</u>	<u>233,194</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	29,649	-	29,649
Support Services:				
Instructional Staff	465,178	386,684	202,018	184,666
Total Expenditures	<u>465,178</u>	<u>416,333</u>	<u>202,018</u>	<u>214,315</u>
Excess of Revenues Over(Under) Expenditures	<u>(172,374)</u>	<u>(183,139)</u>	<u>31,176</u>	<u>214,315</u>
Other Financing Sources (Uses):				
Advances-In	-	100,000	100,000	-
Advances-Out	(80,000)	(80,000)	(80,000)	-
Total Other Financing Sources (Uses)	<u>(80,000)</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(252,374)	(163,139)	51,176	214,315
Fund Balance at Beginning of Year	182,527	(95,108)	(95,108)	-
Prior Year Encumbrances Appropriated	<u>70,178</u>	<u>100,917</u>	<u>100,917</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 331</u>	<u>\$ (157,330)</u>	<u>\$ 56,985</u>	<u>\$ 214,315</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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 70,000	\$ 57,708	\$ 57,708	\$ -
Total Revenues	<u>70,000</u>	<u>57,708</u>	<u>57,708</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Central	<u>130,400</u>	<u>120,913</u>	<u>71,349</u>	<u>49,564</u>
Total Expenditures	<u>130,400</u>	<u>120,913</u>	<u>71,349</u>	<u>49,564</u>
Excess of Revenues Over(Under) Expenditures	(60,400)	(63,205)	(13,641)	49,564
Fund Balance at Beginning of Year	64,205	62,958	62,958	-
Prior Year Encumbrances Appropriated	<u>400</u>	<u>247</u>	<u>247</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 4,205</u>	<u>\$ -</u>	<u>\$ 49,564</u>	<u>\$ 49,564</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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 424,736	\$ 290,570	\$ 290,570	\$ -
Miscellaneous	7,000	5,662	5,662	-
Total Revenues	431,736	296,232	296,232	-
Expenditures:				
Current:				
Instruction:				
Regular	155,118	127,963	121,337	6,626
Support Services:				
Pupils	69,008	56,928	53,980	2,948
Instructional Staff	157,327	129,786	123,065	6,721
Fiscal	1,430	1,180	1,119	61
Total Expenditures	382,883	315,857	299,501	16,356
Excess of Revenues Over(Under) Expenditures	48,853	(19,625)	(3,269)	16,356
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(2,921)	(2,410)	(2,285)	125
Advances-In	50,000	50,000	50,000	-
Advances-Out	(63,920)	(52,730)	(50,000)	2,730
Total Other Financing Sources (Uses)	(16,841)	(5,140)	(2,285)	2,855
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	32,012	(24,765)	(5,554)	19,211
Fund Balance at Beginning of Year	58,723	67,066	67,066	-
Prior Year Encumbrances Appropriated	3,225	3,117	3,117	-
Fund Balance at End of Year	\$ 93,960	\$ 45,418	\$ 64,629	\$ 19,211

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ENTRY YEAR PROGRAM FUND - BUDGET (NON-GAAP) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 11,000	\$ 44,000	\$ 44,000	\$ -
Total Revenues	<u>11,000</u>	<u>44,000</u>	<u>44,000</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Instructional Staff	<u>11,000</u>	<u>44,000</u>	<u>43,988</u>	<u>12</u>
Total Expenditures	<u>11,000</u>	<u>44,000</u>	<u>43,988</u>	<u>12</u>
Excess of Revenues Over(Under) Expenditures	-	-	12	12
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>\$ 12</u></u>	<u><u>\$ 12</u></u>

**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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 15,000,000	\$ 16,745,170	\$ 16,745,170	\$ -
Total Revenues	<u>15,000,000</u>	<u>16,745,170</u>	<u>16,745,170</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	7,674,169	8,540,289	8,540,289	-
Special	1,766,688	1,966,079	1,966,079	-
Vocational	50,135	55,793	55,793	-
Support Services:				
Pupils	16,416	18,269	18,269	-
Instructional Staff	20,114	22,384	22,384	-
Administration	1,157	1,287	1,287	-
Plant Operation and Maintenance	1,300,974	1,447,804	1,447,804	-
Central	80,028	89,060	89,060	-
Total Expenditures	<u>10,909,681</u>	<u>12,140,965</u>	<u>12,140,965</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	<u>4,090,319</u>	<u>4,604,205</u>	<u>4,604,205</u>	<u>-</u>
Other Financing Sources (Uses):				
Pass Through Payments	<u>(4,173,345)</u>	<u>(4,644,357)</u>	<u>(4,644,357)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(4,173,345)</u>	<u>(4,644,357)</u>	<u>(4,644,357)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(83,026)	(40,152)	(40,152)	-
Fund Balance at Beginning of Year	-	2	2	-
Prior Year Encumbrances Appropriated	<u>83,026</u>	<u>40,150</u>	<u>40,150</u>	<u>-</u>
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
DATA COMMUNICATION FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 344,588	\$ 170,040	\$ 170,040	\$ -
Total Revenues	<u>344,588</u>	<u>170,040</u>	<u>170,040</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Central	<u>598,249</u>	<u>407,171</u>	<u>400,768</u>	<u>6,403</u>
Total Expenditures	<u>598,249</u>	<u>407,171</u>	<u>400,768</u>	<u>6,403</u>
Excess of Revenues Over(Under) Expenditures	(253,661)	(237,131)	(230,728)	6,403
Fund Balance at Beginning of Year	81,978	81,978	81,978	-
Prior Year Encumbrances Appropriated	<u>172,249</u>	<u>155,153</u>	<u>155,153</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 566</u>	<u>\$ -</u>	<u>\$ 6,403</u>	<u>\$ 6,403</u>

**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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 50,000	\$ 11,250	\$ 11,250	\$ -
Total Revenues	<u>50,000</u>	<u>11,250</u>	<u>11,250</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Instructional Staff	<u>59,465</u>	<u>30,161</u>	<u>15,524</u>	<u>14,637</u>
Total Expenditures	<u>59,465</u>	<u>30,161</u>	<u>15,524</u>	<u>14,637</u>
Excess of Revenues Over(Under) Expenditures	(9,465)	(18,911)	(4,274)	14,637
Fund Balance at Beginning of Year	7,404	18,911	18,911	-
Prior Year Encumbrances Appropriated	<u>2,465</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 404</u>	<u>\$ -</u>	<u>\$ 14,637</u>	<u>\$ 14,637</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 TEXTBOOKS/INSTRUCTIONAL MATERIALS SUBSIDY FUND - BUDGET (NON-GAAP) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	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	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 123,500	\$ 91,772	\$ 91,772	\$ -
Total Revenues	<u>123,500</u>	<u>91,772</u>	<u>91,772</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	122,144	97,872	96,142	1,730
Support Services:				
Pupils	44,224	35,436	34,810	626
Pupil Transportation	1,156	926	910	16
Total Expenditures	<u>167,524</u>	<u>134,234</u>	<u>131,862</u>	<u>2,372</u>
Excess of Revenues Over(Under) Expenditures	<u>(44,024)</u>	<u>(42,462)</u>	<u>(40,090)</u>	<u>2,372</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipt	(4,846)	(3,883)	(3,815)	68
Advances-In	-	5,400	5,400	-
Transfers-Out	(54)	(43)	(43)	-
Total Other Financing Sources (Uses)	<u>(4,900)</u>	<u>1,474</u>	<u>1,542</u>	<u>68</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(48,924)</u>	<u>(40,988)</u>	<u>(38,548)</u>	<u>2,440</u>
Fund Balance at Beginning of Year	22,785	4,478	4,478	-
Prior Year Encumbrances Appropriated	<u>26,425</u>	<u>36,183</u>	<u>36,183</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 286</u>	<u>\$ (327)</u>	<u>\$ 2,113</u>	<u>\$ 2,440</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SUMMER INTERVENTION FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 545,625	\$ 481,923	\$ 481,923	\$ -
Total Revenues	<u>545,625</u>	<u>481,923</u>	<u>481,923</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	162,918	211,267	128,638	82,629
Special	461,862	598,930	364,681	234,249
Support Services:				
Instructional Staff	195,660	253,726	154,491	99,235
Pupil Transportation	10,732	13,917	8,474	5,443
Total Expenditures	<u>831,172</u>	<u>1,077,840</u>	<u>656,284</u>	<u>421,556</u>
Excess of Revenues Over(Under) Expenditures	<u>(285,547)</u>	<u>(595,917)</u>	<u>(174,361)</u>	<u>421,556</u>
Other Financing Sources (Uses):				
Advances-Out	(189,972)	(246,350)	(150,000)	96,350
Advances-In	300,000	300,000	300,000	-
Total Other Financing Sources (Uses)	<u>110,028</u>	<u>53,650</u>	<u>150,000</u>	<u>96,350</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(175,519)</u>	<u>(542,267)</u>	<u>(24,361)</u>	<u>517,906</u>
Fund Balance at Beginning of Year	3,135	118,042	118,042	-
Prior Year Encumbrances Appropriated	<u>175,517</u>	<u>80,430</u>	<u>80,430</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 3,133</u>	<u>\$ (343,795)</u>	<u>\$ 174,111</u>	<u>\$ 517,906</u>

**DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
VOCATIONAL EDUCATION ENHANCEMENT FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 45,479	\$ 35,272	\$ 35,272	\$ -
Total Revenues	<u>45,479</u>	<u>35,272</u>	<u>35,272</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Vocational	19,168	16,719	16,379	340
Support Services:				
Pupils	<u>16,274</u>	<u>14,196</u>	<u>13,907</u>	<u>289</u>
Total Expenditures	<u>35,442</u>	<u>30,915</u>	<u>30,286</u>	<u>629</u>
Excess of Revenues Over(Under) Expenditures	<u>10,037</u>	<u>4,357</u>	<u>4,986</u>	<u>629</u>
Other Financing Sources (Uses):				
Advances-Out	<u>(5,266)</u>	<u>(4,593)</u>	<u>(4,500)</u>	<u>93</u>
Total Other Financing Sources (Uses)	<u>(5,266)</u>	<u>(4,593)</u>	<u>(4,500)</u>	<u>93</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	4,771	(236)	486	722
Fund Balance at Beginning of Year	18,315	236	236	-
Prior Year Encumbrances Appropriated	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 23,586</u>	<u>\$ -</u>	<u>\$ 722</u>	<u>\$ 722</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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 359,150	\$ 333,526	\$ 333,526	\$ -
Total Revenues	<u>359,150</u>	<u>333,526</u>	<u>333,526</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Pupils	321,100	312,099	310,546	1,553
Instructional Staff	342	332	331	1
Administration	22,984	22,340	22,229	111
Total Expenditures	<u>344,426</u>	<u>334,771</u>	<u>333,106</u>	<u>1,665</u>
Excess of Revenues Over(Under) Expenditures	<u>14,724</u>	<u>(1,245)</u>	<u>420</u>	<u>1,665</u>
Other Financing Sources (Uses):				
Advances-In	75,000	85,000	85,000	-
Advances-Out	<u>(77,549)</u>	<u>(75,375)</u>	<u>(75,000)</u>	<u>375</u>
Total Other Financing Sources (Uses)	<u>(2,549)</u>	<u>9,625</u>	<u>10,000</u>	<u>375</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	12,175	8,380	10,420	2,040
Fund Balance at Beginning of Year	(40,904)	34,470	34,470	-
Prior Year Encumbrances Appropriated	<u>61,337</u>	<u>1,337</u>	<u>1,337</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 32,608</u></u>	<u><u>\$ 44,187</u></u>	<u><u>\$ 46,227</u></u>	<u><u>\$ 2,040</u></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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 98,113	\$ 137,689	\$ 137,689	\$ -
Total Revenues	<u>98,113</u>	<u>137,689</u>	<u>137,689</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	9,546	17,977	10,520	7,457
Support Services:				
Pupils	71,802	135,219	79,134	56,085
Instructional Staff	25,498	48,019	28,102	19,917
Fiscal	614	1,157	677	480
Total Expenditures	<u>107,460</u>	<u>202,372</u>	<u>118,433</u>	<u>83,939</u>
Excess of Revenues Over(Under) Expenditures	<u>(9,347)</u>	<u>(64,683)</u>	<u>19,256</u>	<u>83,939</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	<u>(59,374)</u>	<u>(111,815)</u>	<u>(65,437)</u>	<u>46,378</u>
Total Other Financing Sources (Uses)	<u>(59,374)</u>	<u>(111,815)</u>	<u>(65,437)</u>	<u>46,378</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(68,721)	(176,498)	(46,181)	130,317
Fund Balance at Beginning of Year	130,495	107,741	107,741	-
Prior Year Encumbrances Appropriated	<u>14,361</u>	<u>8,756</u>	<u>8,756</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 76,135</u>	<u>\$ (60,001)</u>	<u>\$ 70,316</u>	<u>\$ 130,317</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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 1,235,676	\$ 796,603	\$ 796,603	\$ -
Miscellaneous	-	279	279	-
Total Revenues	1,235,676	796,882	796,882	-
Expenditures:				
Current:				
Instruction:				
Adult/Continuing	813,107	620,271	559,745	60,526
Support Services:				
Instructional Staff	223,268	170,318	153,698	16,620
Pupil Transportation	6,755	5,153	4,650	503
Total Expenditures	1,043,130	795,742	718,093	77,649
Excess of Revenues Over(Under) Expenditures	192,546	1,140	78,789	77,649
Other Financing Sources (Uses):				
Advances-In	100,000	150,000	150,000	-
Advances-Out	(145,264)	(110,813)	(100,000)	10,813
Total Other Financing Sources (Uses)	(45,264)	39,187	50,000	10,813
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	147,282	40,327	128,789	88,462
Fund Balance at Beginning of Year	(22,178)	62,911	62,911	-
Prior Year Encumbrances Appropriated	10,037	7,100	7,100	-
Fund Balance at End of Year	\$ 135,141	\$ 110,338	\$ 198,800	\$ 88,462

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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 3,285,000	\$ 4,014,502	\$ 4,014,502	\$ -
Total Revenues	<u>3,285,000</u>	<u>4,014,502</u>	<u>4,014,502</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	1,290,583	2,030,186	1,670,126	360,060
Support Services:				
Pupils	355,499	559,227	460,047	99,180
Instructional Staff	1,467,180	2,307,788	1,898,659	409,129
Administration	100,742	158,474	130,368	28,106
Fiscal	54,147	85,177	70,071	15,106
Non-Instructional Services	<u>390,651</u>	<u>614,525</u>	<u>505,537</u>	<u>108,988</u>
Total Expenditures	<u>3,658,802</u>	<u>5,755,377</u>	<u>4,734,808</u>	<u>1,020,569</u>
Excess of Revenues Over(Under) Expenditures	<u>(373,802)</u>	<u>(1,740,875)</u>	<u>(720,306)</u>	<u>1,020,569</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	<u>(4,738)</u>	<u>(7,454)</u>	<u>(6,132)</u>	<u>1,322</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(378,540)	(1,748,329)	(726,438)	1,021,891
Fund Balance at Beginning of Year	(75,328)	(137,875)	(137,875)	-
Prior Year Encumbrances Appropriated	<u>454,540</u>	<u>361,122</u>	<u>361,122</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 672</u>	<u>\$ (1,525,082)</u>	<u>\$ (503,191)</u>	<u>\$ 1,021,891</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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 2,777,765	\$ 875,456	\$ 875,456	\$ -
Total Revenues	<u>2,777,765</u>	<u>875,456</u>	<u>875,456</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Vocational	1,671,010	663,933	614,002	49,931
Support Services:				
Pupils	217,886	86,571	80,061	6,510
Instructional Staff	36,462	14,487	13,398	1,089
Administration	101,436	40,303	37,272	3,031
Central	131,422	52,217	48,290	3,927
Total Expenditures	<u>2,158,216</u>	<u>857,511</u>	<u>793,023</u>	<u>64,488</u>
Excess of Revenues Over(Under) Expenditures	<u>619,549</u>	<u>17,945</u>	<u>82,433</u>	<u>64,488</u>
Other Financing Sources (Uses):				
Advances-In	150,000	150,000	150,000	-
Advances-Out	(408,226)	(162,198)	(150,000)	12,198
Total Other Financing Sources (Uses)	<u>(258,226)</u>	<u>(12,198)</u>	<u>-</u>	<u>12,198</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	361,323	5,747	82,433	76,686
Fund Balance at Beginning of Year	(123,789)	73,246	73,246	-
Prior Year Encumbrances Appropriated	21,477	-	-	-
Fund Balance at End of Year	<u>\$ 259,011</u>	<u>\$ 78,993</u>	<u>\$ 155,679</u>	<u>\$ 76,686</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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 2,397,644	\$ 1,518,009	\$ 1,518,009	\$ -
Total Revenues	<u>2,397,644</u>	<u>1,518,009</u>	<u>1,518,009</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	2,183,344	2,167,319	1,481,788	685,531
Support Services:				
Pupils	3,600	3,574	2,443	1,131
Instructional Staff	46,400	46,060	31,491	14,569
Administration	19,707	19,562	13,375	6,187
Total Expenditures	<u>2,253,051</u>	<u>2,236,515</u>	<u>1,529,097</u>	<u>707,418</u>
Excess of Revenues Over(Under) Expenditures	144,593	(718,506)	(11,088)	707,418
Other Financing Sources (Uses):				
Advances-In	150,000	150,000	150,000	-
Advances-Out	(221,018)	(219,396)	(150,000)	69,396
Total Other Financing Sources (Uses)	<u>(71,018)</u>	<u>(69,396)</u>	<u>-</u>	<u>69,396</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	73,575	(787,902)	(11,088)	776,814
Fund Balance at Beginning of Year	(122,520)	(15,234)	(15,234)	-
Prior Year Encumbrances Appropriated	49,069	48,974	48,974	-
Fund Balance at End of Year	<u>\$ 124</u>	<u>\$ (754,162)</u>	<u>\$ 22,652</u>	<u>\$ 776,814</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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 72,909	\$ 30,302	\$ 30,302	\$ -
Total Revenues	<u>72,909</u>	<u>30,302</u>	<u>30,302</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	29,993	61,969	21,486	40,483
Support Services:				
Instructional Staff	<u>10,438</u>	<u>26,056</u>	<u>7,477</u>	<u>18,579</u>
Total Expenditures	<u>40,431</u>	<u>88,025</u>	<u>28,963</u>	<u>59,062</u>
Excess of Revenues Over(Under) Expenditures	32,478	(57,723)	1,339	59,062
Other Financing Sources (Uses):				
Advances-Out	(34,897)	(25,000)	(25,000)	-
Advances-In	<u>25,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(9,897)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	22,581	(62,723)	(3,661)	59,062
Fund Balance at Beginning of Year	(31,500)	3,760	3,760	-
Prior Year Encumbrances Appropriated	<u>13,286</u>	<u>12,903</u>	<u>12,903</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 4,367</u>	<u>\$ (46,060)</u>	<u>\$ 13,002</u>	<u>\$ 59,062</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TITLE I FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 16,300,000	\$ 10,876,766	\$ 10,876,766	\$ -
Total Revenues	<u>16,300,000</u>	<u>10,876,766</u>	<u>10,876,766</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	64,454	45,831	36,338	9,493
Special	12,482,236	8,875,717	7,037,337	1,838,380
Adult/Continuing	119,668	85,092	67,467	17,625
Support Services:				
Pupils	1,569,308	1,115,885	884,757	231,128
Instructional Staff	6,773,082	4,816,121	3,818,584	997,537
Administration	847,925	602,932	478,050	124,882
Fiscal	477,927	339,838	269,449	70,389
Pupil Transportation	19,067	13,558	10,750	2,808
Central	-	-	-	-
Non-Instructional Services	<u>617,555</u>	<u>439,124</u>	<u>348,170</u>	<u>90,954</u>
Total Expenditures	<u>22,971,222</u>	<u>16,334,098</u>	<u>12,950,902</u>	<u>3,383,196</u>
Excess of Revenues Over(Under) Expenditures	<u>(6,671,222)</u>	<u>(5,457,332)</u>	<u>(2,074,136)</u>	<u>3,383,196</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	<u>(5,919)</u>	<u>(4,209)</u>	<u>(3,337)</u>	<u>872</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(6,677,141)	(5,461,541)	(2,077,473)	3,384,068
Fund Balance at Beginning of Year	(1,060,636)	(879,513)	(879,513)	-
Prior Year Encumbrances Appropriated	<u>2,771,796</u>	<u>2,212,782</u>	<u>2,212,782</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (4,965,981)</u>	<u>\$ (4,128,272)</u>	<u>\$ (744,204)</u>	<u>\$ 3,384,068</u>

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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 1,593,352	\$ 1,574,031	\$ 1,574,031	\$ -
Total Revenues	<u>1,593,352</u>	<u>1,574,031</u>	<u>1,574,031</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	1,666,382	1,578,932	1,480,153	98,779
Support Services:				
Instructional Staff	52,797	50,441	47,286	3,155
Non-Instructional Services	28,608	27,113	25,417	1,696
Total Expenditures	<u>1,747,787</u>	<u>1,656,486</u>	<u>1,552,856</u>	<u>103,630</u>
Excess of Revenues Over(Under) Expenditures	<u>(154,435)</u>	<u>(82,455)</u>	<u>21,175</u>	<u>103,630</u>
Other Financing Sources (Uses):				
Advances-In	<u>-</u>	<u>350,000</u>	<u>350,000</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(154,435)</u>	<u>267,545</u>	<u>371,175</u>	<u>103,630</u>
Fund Balance at Beginning of Year	129,224	(90,772)	(90,772)	-
Prior Year Encumbrances Appropriated	<u>6,910</u>	<u>226,906</u>	<u>226,906</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (18,301)</u>	<u>\$ 403,679</u>	<u>\$ 507,309</u>	<u>\$ 103,630</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DRUG FREE SCHOOLS PROGRAM FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 5,723,192	\$ 2,779,784	\$ 2,778,469	\$ (1,315)
Total Revenues	<u>5,723,192</u>	<u>2,779,784</u>	<u>2,778,469</u>	<u>(1,315)</u>
Expenditures:				
Current:				
Support Services:				
Pupils	3,791,984	3,005,783	2,773,647	232,136
Instructional Staff	376,509	298,446	275,397	23,049
Administration	103,828	82,301	75,945	6,356
Fiscal	155,322	123,119	113,611	9,508
Non-Instructional Services	<u>9,027</u>	<u>7,155</u>	<u>6,603</u>	<u>552</u>
Total Expenditures	<u>4,436,670</u>	<u>3,516,804</u>	<u>3,245,203</u>	<u>271,601</u>
Excess of Revenues Over(Under) Expenditures	<u>1,286,522</u>	<u>(737,020)</u>	<u>(466,734)</u>	<u>270,286</u>
Other Financing Sources (Uses):				
Advances-In	-	198,685	200,000	1,315
Advances-Out	<u>(1,298,790)</u>	<u>(1,029,509)</u>	<u>(950,000)</u>	<u>79,509</u>
Total Other Financing Sources (Uses)	<u>(1,298,790)</u>	<u>(830,824)</u>	<u>(750,000)</u>	<u>80,824</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(12,268)	(1,567,844)	(1,216,734)	351,110
Fund Balance at Beginning of Year	(810,333)	522,727	522,727	-
Prior Year Encumbrances Appropriated	<u>459,870</u>	<u>372,496</u>	<u>372,496</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (362,731)</u>	<u>\$ (672,621)</u>	<u>\$ (321,511)</u>	<u>\$ 351,110</u>

**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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 143,000	\$ 157,743	\$ 157,743	\$ -
Total Revenues	<u>143,000</u>	<u>157,743</u>	<u>157,743</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	11,141	14,738	12,098	2,640
Support Services:				
Instructional Staff	127,349	168,461	138,283	30,178
Fiscal	826	1,092	897	195
Total Expenditures	<u>139,316</u>	<u>184,291</u>	<u>151,278</u>	<u>33,013</u>
Excess of Revenues Over(Under) Expenditures	<u>3,684</u>	<u>(26,548)</u>	<u>6,465</u>	<u>33,013</u>
Other Financing Sources (Uses):				
Advances-In	-	-	-	-
Advances-Out	<u>(3,684)</u>	<u>(4,873)</u>	<u>(4,000)</u>	<u>873</u>
Total Other Financing Sources (Uses)	<u>(3,684)</u>	<u>(4,873)</u>	<u>(4,000)</u>	<u>873</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	-	(31,421)	2,465	33,886
Fund Balance at Beginning of Year	<u>-</u>	<u>1,962</u>	<u>1,962</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ (29,459)</u></u>	<u><u>\$ 4,427</u></u>	<u><u>\$ 33,886</u></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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 849,579	\$ 782,336	\$ 782,336	\$ -
Total Revenues	<u>849,579</u>	<u>782,336</u>	<u>782,336</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Central	<u>1,255,968</u>	<u>1,080,525</u>	<u>988,302</u>	<u>92,223</u>
Total Expenditures	<u>1,255,968</u>	<u>1,080,525</u>	<u>988,302</u>	<u>92,223</u>
Excess of Revenues Over(Under) Expenditures	(406,389)	(298,189)	(205,966)	92,223
Fund Balance at Beginning of Year	118,639	116,412	116,412	-
Prior Year Encumbrances Appropriated	<u>302,161</u>	<u>181,827</u>	<u>181,827</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 14,411</u>	<u>\$ 50</u>	<u>\$ 92,273</u>	<u>\$ 92,223</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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 2,937,000	\$ 3,083,199	\$ 3,083,199	\$ -
Total Revenues	<u>2,937,000</u>	<u>3,083,199</u>	<u>3,083,199</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	2,620,070	3,258,512	2,520,867	737,645
Support Services:				
Instructional Staff	655,089	814,717	630,286	184,431
Fiscal	29,086	36,173	27,984	8,189
Non-Instructional Services	<u>33,111</u>	<u>41,179</u>	<u>31,857</u>	<u>9,322</u>
Total Expenditures	<u>3,337,356</u>	<u>4,150,581</u>	<u>3,210,994</u>	<u>939,587</u>
Excess of Revenues Over(Under) Expenditures	(400,356)	(1,067,382)	(127,795)	939,587
Fund Balance at Beginning of Year	410,961	359,836	359,836	-
Prior Year Encumbrances Appropriated	<u>59,480</u>	<u>53,257</u>	<u>53,257</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 70,085</u>	<u>\$ (654,289)</u>	<u>\$ 285,298</u>	<u>\$ 939,587</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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 5,197,000	\$ 3,597,138	\$ 3,589,986	\$ (7,152)
Total Revenues	<u>5,197,000</u>	<u>3,597,138</u>	<u>3,589,986</u>	<u>(7,152)</u>
Expenditures:				
Current:				
Instruction:				
Special	1,406,504	1,776,805	1,231,957	544,848
Support Services:				
Pupils	1,370,666	1,731,531	1,200,567	530,964
Instructional Staff	2,158,937	2,727,337	1,891,014	836,323
Administration	262,277	331,329	229,729	101,600
Fiscal	14,969	18,910	13,111	5,799
Non-Instructional Services	17,816	22,507	15,605	6,902
Total Expenditures	<u>5,231,169</u>	<u>6,608,419</u>	<u>4,581,983</u>	<u>2,026,436</u>
Excess of Revenues Over(Under) Expenditures	<u>(34,169)</u>	<u>(3,011,281)</u>	<u>(991,997)</u>	<u>2,019,284</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(34,073)	(43,043)	(29,844)	13,199
Advances-Out	(85,626)	(108,170)	(75,000)	33,170
Transfers-In	-	67,848	75,000	7,152
Total Other Financing Sources (Uses)	<u>(119,699)</u>	<u>(83,365)</u>	<u>(29,844)</u>	<u>53,521</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(153,868)</u>	<u>(3,094,646)</u>	<u>(1,021,841)</u>	<u>2,072,805</u>
Fund Balance at Beginning of Year	(824,313)	(748,488)	(748,488)	-
Prior Year Encumbrances Appropriated	<u>978,868</u>	<u>877,713</u>	<u>877,713</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 687</u>	<u>\$ (2,965,421)</u>	<u>\$ (892,616)</u>	<u>\$ 2,072,805</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL TRUST FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Miscellaneous	\$ 7,000	\$ 3,500	\$ 3,500	\$ -
Total Revenues	<u>7,000</u>	<u>3,500</u>	<u>3,500</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Pupils	861	861	-	861
Instructional Staff	29,045	25,825	1,801	24,024
Administration	1,952	1,952	-	1,952
Central	41,341	41,342	-	41,342
Total Expenditures	<u>73,199</u>	<u>69,980</u>	<u>1,801</u>	<u>68,179</u>
Excess of Revenues Over(Under) Expenditures	(66,199)	(66,480)	1,699	68,179
Fund Balance at Beginning of Year	<u>66,780</u>	<u>66,480</u>	<u>66,480</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 581</u>	<u>\$ -</u>	<u>\$ 68,179</u>	<u>\$ 68,179</u>

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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 8,095,730	\$ 9,462,047	\$ 7,528,719	\$ (1,933,328)
Interest	53,820	62,903	50,051	(12,852)
Charges for Services	3,251,224	1,060,823	3,023,514	1,962,691
Total Revenues	11,400,774	10,585,773	10,602,284	16,511
Expenditures:				
Current:				
Support Services:				
Plant Operation and Maintenance	160,696	151,770	144,749	7,021
Non-Instructional Services	11,860,627	11,201,827	10,683,632	518,195
Total Expenditures	12,021,323	11,353,597	10,828,381	525,216
Excess of Revenues Over(Under) Expenditures	(620,549)	(767,824)	(226,097)	541,727
Fund Balance at Beginning of Year	-	307,746	307,746	-
Prior Year Encumbrances Appropriated	620,549	460,078	460,078	-
Fund Balance at End of Year	\$ -	\$ -	\$ 541,727	\$ 541,727

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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Charges for Services	30,000	28,893	28,893	-
Total Revenues	30,000	28,893	28,893	-
Expenditures:				
Current:				
Instruction:				
Regular	47,354	43,599	36,484	7,115
Total Expenditures	47,354	43,599	36,484	7,115
Excess of Revenues Over(Under) Expenditures	(17,354)	(14,706)	(7,591)	7,115
Fund Balance at Beginning of Year	11,168	6,857	6,857	-
Prior Year Encumbrances Appropriated	6,354	7,849	7,849	-
Fund Balance at End of Year	\$ 168	\$ -	\$ 7,115	\$ 7,115

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
PERMANENT IMPROVEMENT FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	\$ 837,831	\$ 840,987	\$ 840,987	\$ -
Intergovernmental	94,417	94,417	94,417	-
Total Revenues	932,248	935,404	935,404	-
Expenditures:				
Current:				
Support Services:				
Fiscal	26,175	25,626	11,761	13,865
Plant Operation and Maintenance	6,542,066	6,404,612	2,939,310	3,465,302
Central	20,596	20,165	9,254	10,911
Capital Outlay	853,618	835,737	383,550	452,187
Debt Service:				
Interest and Fiscal Charges	282,720	276,798	127,033	149,765
Total Expenditures	7,725,175	7,562,938	3,470,908	4,092,030
Excess of Revenues Over(Under) Expenditures	(6,792,927)	(6,627,534)	(2,535,504)	4,092,030
Other Financing Sources (Uses):				
Transfers-In	2,000,000	2,000,000	2,000,000	-
Total Other Financing Sources (Uses)	2,000,000	2,000,000	2,000,000	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(4,792,927)	(4,627,534)	(535,504)	4,092,030
Fund Balance at Beginning of Year	3,074,172	3,017,910	3,017,910	-
Prior Year Encumbrances Appropriated	1,718,755	1,642,938	1,642,938	-
Fund Balance at End of Year	\$ -	\$ 33,314	\$ 4,125,344	\$ 4,092,030

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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Interest	\$ 2,003,465	\$ 877,396	\$ 1,075,992	\$ 198,596
Total Revenues	<u>2,003,465</u>	<u>877,396</u>	<u>1,075,992</u>	<u>198,596</u>
Expenditures:				
Current:				
Instruction:				
Regular	753,251	732,102	299,416	432,686
Support Services:				
Fiscal	636,367	618,499	252,955	365,544
Central	1,314,110	1,277,214	522,357	754,857
Capital Outlay	<u>67,668,539</u>	<u>65,768,610</u>	<u>26,898,162</u>	<u>38,870,448</u>
Total Expenditures	<u>70,372,267</u>	<u>68,396,425</u>	<u>27,972,890</u>	<u>40,423,535</u>
Excess of Revenues Over(Under) Expenditures	<u>(68,368,802)</u>	<u>(67,519,029)</u>	<u>(26,896,898)</u>	<u>40,622,131</u>
Fund Balance at Beginning of Year	66,782,161	65,946,442	65,946,442	-
Prior Year Encumbrances Appropriated	<u>1,586,641</u>	<u>1,572,735</u>	<u>1,572,735</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 148</u>	<u>\$ 40,622,279</u>	<u>\$ 40,622,131</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
REPLACEMENT FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Interest	\$ 508,000	\$ 5,762	\$ 6,320	\$ 558
Total Revenues	<u>508,000</u>	<u>5,762</u>	<u>6,320</u>	<u>558</u>
Expenditures:				
Current:				
Support Services:				
Plant Operation and Maintenance	36,492	40,703	-	40,703
Capital Outlay	<u>680,136</u>	<u>176,394</u>	<u>-</u>	<u>176,394</u>
Total Expenditures	<u>716,628</u>	<u>217,097</u>	<u>-</u>	<u>217,097</u>
Excess of Revenues Over(Under) Expenditures	(208,628)	(211,335)	6,320	217,655
Fund Balance at Beginning of Year	<u>213,133</u>	<u>213,864</u>	<u>213,864</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 4,505</u>	<u>\$ 2,529</u>	<u>\$ 220,184</u>	<u>\$ 217,655</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SCHOOLNET FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 540,000	\$ -	\$ -	\$ -
Total Revenues	<u>540,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Central	920,568	483,227	478,926	4,301
Total Expenditures	<u>920,568</u>	<u>483,227</u>	<u>478,926</u>	<u>4,301</u>
Excess of Revenues Over(Under) Expenditures	(380,568)	(483,227)	(478,926)	4,301
Fund Balance at Beginning of Year	122,659	122,658	122,658	-
Prior Year Encumbrances Appropriated	<u>360,569</u>	<u>360,569</u>	<u>360,569</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 102,660</u>	<u>\$ -</u>	<u>\$ 4,301</u>	<u>\$ 4,301</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 INTERACTIVE VIDEO DISTANCE LEARNING FUND - BUDGET (NON-GAAP) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	<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	11,142	11,142	-	11,142
Total Expenditures	11,142	11,142	-	11,142
Excess of Revenues Over(Under) Expenditures	(11,142)	(11,142)	-	11,142
Fund Balance at Beginning of Year	11,142	11,142	11,142	-
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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Interest	\$ 100,000	\$ 88,377	\$ 97,614	\$ 9,237
Miscellaneous	-	-	-	-
Total Revenues	<u>100,000</u>	<u>88,377</u>	<u>97,614</u>	<u>9,237</u>
Expenditures:				
Current:				
Support Services:				
Plant Operation and Maintenance	712,078	651,517	121,806	529,711
Capital Outlay	<u>2,057,798</u>	<u>1,980,471</u>	<u>797,138</u>	<u>1,183,333</u>
Total Expenditures	<u>2,769,876</u>	<u>2,631,988</u>	<u>918,944</u>	<u>1,713,044</u>
Excess of Revenues Over(Under) Expenditures	<u>(2,669,876)</u>	<u>(2,543,611)</u>	<u>(821,330)</u>	<u>1,722,281</u>
Other Financing Sources (Uses):				
Other Financing Uses	<u>(1,458)</u>	<u>(1,458)</u>	<u>-</u>	<u>1,458</u>
Total Other Financing Sources (Uses)	<u>(1,458)</u>	<u>(1,458)</u>	<u>-</u>	<u>1,458</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(2,671,334)	(2,545,069)	(821,330)	1,723,739
Fund Balance at Beginning of Year	2,022,752	2,041,258	2,041,258	-
Prior Year Encumbrances Appropriated	<u>648,582</u>	<u>510,693</u>	<u>510,693</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 6,882</u>	<u>\$ 1,730,621</u>	<u>\$ 1,723,739</u>

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 School 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, 2005

	Warehouse	Self-Insurance	Total
<u>Assets:</u>			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 816,187	\$ 158,501	\$ 974,688
Accounts Receivable	-	2,232	2,232
Due from Other Funds	23	-	23
Inventory Held for Resale	1,034,997	-	1,034,997
Total Current Assets	1,851,207	160,733	2,011,940
Capital Assets	326,343	-	326,343
Less: Accumulated Depreciation	(158,519)	-	(158,519)
Total Assets	2,019,031	160,733	2,179,764
<u>Liabilities:</u>			
Liabilities:			
Current Liabilities:			
Accounts Payable	27,865	-	27,865
Accrued Wages and Benefits	28,459	-	28,459
Intergovernmental Payable	22,152	-	22,152
Claims Payable	-	175,000	175,000
Total Current Liabilities	78,476	175,000	253,476
Total Liabilities	78,476	175,000	253,476
<u>Net Assets</u>			
Invested in Capital Assets	167,824	-	167,824
Unrestricted	1,772,731	(14,267)	1,758,464
Total Net Assets	\$ 1,940,555	\$ (14,267)	\$ 1,926,288

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, 2005

	<u>Warehouse</u>	<u>Self-Insurance</u>	<u>Total</u>
Operating Revenues:			
Charges for Services	\$ -	\$ 1,273,019	\$ 1,273,019
Materials and Supplies	879,076	-	879,076
	<u>879,076</u>	<u>1,273,019</u>	<u>2,152,095</u>
Total Operating Revenues			
Operating Expenses:			
Salaries and Wages	489,674	-	489,674
Fringe Benefits	179,320	-	179,320
Purchased Services	54,904	86,129	141,033
Claims	-	1,251,639	1,251,639
Supplies and Materials	16,076	-	16,076
Cost of Sales	597,149	-	597,149
Depreciation	9,924	-	9,924
	<u>1,347,047</u>	<u>1,337,768</u>	<u>2,684,815</u>
Total Operating Expenses			
Operating Loss	(467,971)	(64,749)	(532,720)
Nonoperating Expenses:			
Loss on Disposal of Capital Assets	(6,171)	-	(6,171)
	<u>(6,171)</u>	<u>-</u>	<u>(6,171)</u>
Loss before Contributions and Transfers	(474,142)	(64,749)	(538,891)
Capital Contributions	130,334	-	130,334
Transfers In	666,201	-	666,201
	<u>796,535</u>	<u>-</u>	<u>796,535</u>
Change in Net Assets	322,393	(64,749)	257,644
Net Assets - Beginning of Year	<u>1,618,162</u>	<u>50,482</u>	<u>1,668,644</u>
Net Assets - End of Year	<u>\$ 1,940,555</u>	<u>\$ (14,267)</u>	<u>\$ 1,926,288</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	<u>Warehouse</u>	<u>Self-Insurance</u>	<u>Total</u>
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities:			
Cash Received from Interfund Services Provided	\$ 879,076	\$ 1,270,787	\$ 2,149,863
Cash Payments to Suppliers for Goods and Services	(905,329)	(86,129)	(991,458)
Cash Payments to Employees for Services	(487,981)	-	(487,981)
Cash Payments for Employee Benefits	(178,220)	-	(178,220)
Cash Payments for Claims	-	(1,233,073)	(1,233,073)
Net Cash Provided Used in Operating Activities	<u>(692,454)</u>	<u>(48,415)</u>	<u>(740,869)</u>
Cash Flows from Noncapital Financing Activities:			
Operating Transfers-In	<u>666,201</u>	<u>-</u>	<u>666,201</u>
Net Cash Provided from Noncapital Financing Activities	<u>666,201</u>	<u>-</u>	<u>666,201</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(26,253)	(48,415)	(74,668)
Cash and Cash Equivalents Beginning of Year	<u>842,440</u>	<u>206,916</u>	<u>1,049,356</u>
Cash and Cash Equivalents End of Year	<u>\$ 816,187</u>	<u>\$ 158,501</u>	<u>\$ 974,688</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:			
Operating Loss	\$ (467,971)	\$ (64,749)	\$ (532,720)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:			
Depreciation	9,924	-	9,924
Changes in Assets and Liabilities			
Increase in Due from other Funds	(23)	-	(23)
Increase in Accounts Receivable	-	(2,232)	(2,232)
Increase in Inventory Held for Resale	(197,867)	-	(197,867)
Decrease in Accounts Payable	(39,282)	-	(39,282)
Increase in Accrued Wages and Benefits Payable	1,693	-	1,693
Increase in Intergovernmental Payable	1,100	-	1,100
Decrease in Due to Other Funds	(28)	-	(28)
Increase in Claims Payable	-	18,566	18,566
Net Cash Used in Operating Activities	<u>\$ (692,454)</u>	<u>\$ (48,415)</u>	<u>\$ (740,869)</u>

Noncash Capital Financing Activities:

The warehouse fund received \$130,334 in capital assets from the governmental funds.

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
WAREHOUSE FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Sales	\$ 850,000	\$ 876,394	\$ 879,076	\$ 2,682
Total Revenues	850,000	876,394	879,076	2,682
Expenses:				
Materials and Supplies	1,667,193	1,718,834	971,729	747,105
Total Expenses	1,667,193	1,718,834	971,729	747,105
Excess of Revenues Over(Under) Expenses	(817,193)	(842,440)	(92,653)	749,787
Fund Equity at Beginning of Year	711,310	736,557	736,557	-
Prior Year Encumbrances Appropriated	105,883	105,883	105,883	-
Fund Equity at End of Year	\$ -	\$ -	\$ 749,787	\$ 749,787

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
SELF-INSURANCE FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Charges for Services	\$ 1,300,000	\$ 1,269,441	\$ 1,270,787	\$ 1,346
Total Revenues	1,300,000	1,269,441	1,270,787	1,346
Expenses:				
Purchased Services	210,694	86,129	86,129	-
Claims	1,217,306	1,389,342	1,233,073	156,269
Total Expenses	1,428,000	1,475,471	1,319,202	156,269
Excess of Revenues Over(Under) Expenses before Transfers	(128,000)	(206,030)	(48,415)	157,615
Fund Equity at Beginning of Year	318,021	206,916	206,916	-
Fund Equity at End of Year	<u>\$ 190,021</u>	<u>\$ 886</u>	<u>\$ 158,501</u>	<u>\$ 157,615</u>

Fiduciary Funds

AGENCY FUNDS

Agency funds are used to account for assets held by the School District in a trustee capacity or 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, 2005

	Balance July 1, 2004	Additions	Deletions	Balance June 30, 2005
<u>District Agency:</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 9,658,277	\$ 3,919,386	\$ 5,230,235	\$ 8,347,428
Accounts Receivable	-	140,157	-	140,157
Intergovernmental Receivable	608	-	608	-
Total Assets	\$ 9,658,885	\$ 4,059,543	\$ 5,230,843	\$ 8,487,585
Liabilities:				
Accounts Payable	\$ 1,449	\$ 421	\$ 1,449	\$ 421
Undistributed Monies	9,657,436	4,059,122	5,229,694	8,486,864
Total Liabilities	\$ 9,658,885	\$ 4,059,543	\$ 5,231,143	\$ 8,487,285
<u>Student Managed Activities</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 131,139	\$ 97,034	\$ 78,987	\$ 149,186
Total Assets	\$ 131,139	\$ 97,034	\$ 78,987	\$ 149,186
Liabilities:				
Accounts Payable	\$ 6,952	\$ 580	\$ 6,952	\$ 580
Due to Students	124,187	96,454	72,035	148,606
Total Liabilities	\$ 131,139	\$ 97,034	\$ 78,987	\$ 149,186
<u>Total All Agency Funds</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 9,789,416	\$ 4,016,420	\$ 5,309,222	\$ 8,496,614
Accounts Receivable	-	140,157	-	140,157
Intergovernmental Receivable	608	-	608	-
Total Assets	\$ 9,790,024	\$ 4,156,577	\$ 5,309,830	\$ 8,636,771
Liabilities:				
Accounts Payable	\$ 8,401	\$ 1,001	\$ 8,401	\$ 1,001
Due to Students	124,187	96,454	72,035	148,606
Undistributed Monies	9,657,436	4,059,122	5,229,694	8,486,864
Total Liabilities	\$ 9,790,024	\$ 4,156,577	\$ 5,310,130	\$ 8,636,471

STATISTICAL SECTION

STATISTICAL SECTION

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

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

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Instruction	\$ 105,911,991	\$ 103,512,054	\$ 104,713,536	\$ 103,238,352
Support Services:				
Pupils	12,672,265	11,741,172	11,475,516	10,079,837
Instructional Staff	17,534,083	17,929,198	14,111,108	12,453,911
Board of Education	465,405	433,358	331,687	312,390
Administration	13,219,010	14,587,381	16,318,592	14,702,327
Fiscal and Business	5,793,337	5,535,963	7,817,331	5,545,499
Plant Operation & Maintenance	38,952,420	33,902,014	21,879,322	20,655,626
Pupil Transportation	17,542,113	16,613,992	14,803,426	14,701,497
Central	9,033,096	9,241,713	14,063,768	11,867,414
Operation of Non-Instructional				
Services	13,664,650	13,807,736	13,577,536	13,624,779
Extracurricular Activities	1,562,922	1,444,007	1,737,120	1,621,199
Intergovernmental	49,725,009	44,689,965	31,107,656	19,318,687
Interest and Fiscal Charges	12,228,489	12,440,143	1,178,038	145,568
Unallocated Depreciation	1,484,841	1,449,773	1,142,910	409,628
Total	<u>\$ 299,789,631</u>	<u>\$ 287,328,469</u>	<u>\$ 254,257,546</u>	<u>\$ 228,676,714</u>

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 FOUR FISCAL YEARS (1)**

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<u>Program Revenues:</u>				
Charges for Services	\$ 5,591,607	\$ 6,159,448	\$ 5,389,941	\$ 5,357,734
Operating Grants and Contributions	55,846,887	53,248,257	36,362,935	36,465,863
Capital Grants and Contributions	87,750,501	79,832,438	1,104,640	3,127,179
<u>General Revenues:</u>				
Property Taxes	92,726,399	97,401,217	89,557,094	79,139,322
Grants and Entitlements not restricted to Specific Programs	123,873,866	121,593,221	130,643,396	144,182,250
Investment Earnings	7,266,006	4,460,091	3,193,064	2,217,766
Miscellaneous	<u>6,153,543</u>	<u>2,613,108</u>	<u>4,982,301</u>	<u>2,229,456</u>
Total Revenue	<u>\$ 379,208,809</u>	<u>\$ 365,307,780</u>	<u>\$ 271,233,371</u>	<u>\$ 272,719,570</u>

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>2005 (2)</u>	<u>2004 (2)</u>	<u>2003</u>	<u>2002</u>
Current:				
Instruction	\$ 103,538,639	\$ 103,477,512	\$ 104,726,305	\$ 103,000,885
Support Services:				
Pupils	12,354,055	11,729,581	11,471,369	10,315,659
Instructional Staff	17,336,963	17,688,523	13,926,825	12,420,172
Board of Education	468,168	420,250	333,427	312,464
Administration	12,850,102	14,469,635	16,114,130	15,162,672
Fiscal and Business	5,425,277	6,346,153	6,540,052	5,030,235
Plant Operation & Maintenance	24,818,020	22,350,251	21,904,855	22,359,986
Pupil Transportation	16,787,911	15,941,719	14,323,042	14,358,592
Central	8,767,693	8,980,337	13,905,066	13,026,036
Operation of Non-Instructional				
Services	13,561,096	13,564,279	13,429,431	13,614,740
Extracurricular Activities	1,522,813	1,404,780	1,710,110	1,609,997
Capital Outlay	36,674,780	32,301,407	4,802,769	3,256,093
Intergovernmental	49,725,009	44,689,965	31,107,656	19,318,687
Debt Service	<u>24,343,577</u>	<u>163,454,492</u>	<u>1,978,409</u>	<u>2,921,052</u>
Total	<u>\$ 328,174,103</u>	<u>\$ 456,818,884</u>	<u>\$ 256,273,446</u>	<u>\$ 236,707,270</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 1996 thru 2001 includes general, special revenue, capital projects and expendable trust funds.
- (2) Significant increases in capital outlay and debt service expenditures noted during fiscal year 2005 and 2004 are attributed to the School District's school facilities construction project, which includes the construction of 34 new school buildings and the renovation of certain existing facilities, and the debt instruments used to finance these projects.

<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
\$ 106,357,786	\$ 96,134,133	\$ 114,897,399	\$ 110,005,011	\$ 112,262,954	\$ 107,459,792
11,253,152	12,758,274	13,133,013	12,944,250	11,898,689	10,737,255
13,718,922	13,354,221	15,544,619	15,001,729	13,628,183	12,774,126
263,034	279,817	197,164	168,496	218,587	254,331
13,930,237	13,742,589	14,432,110	15,334,799	13,654,195	13,408,442
4,873,971	4,953,809	4,829,815	4,048,719	3,937,885	3,772,082
25,552,232	24,525,462	29,626,634	25,980,547	22,353,405	19,461,376
12,681,960	13,839,664	13,385,166	13,333,822	12,018,599	12,211,312
8,236,150	8,660,828	10,329,737	12,592,316	8,528,504	7,260,337
3,505,815	2,831,692	2,715,657	2,355,173	2,359,352	2,151,857
1,388,728	1,765,593	2,195,122	2,752,850	1,754,129	1,949,515
383,970	2,475,010	4,441,688	326,777	247,093	2,248,982
17,132,482	13,880,417	294,696	350,004	712,827	643,550
1,648,180	1,502,358	374,171	-	-	47,825
<u>\$ 220,926,619</u>	<u>\$ 210,703,867</u>	<u>\$ 226,396,991</u>	<u>\$ 215,194,493</u>	<u>\$ 203,574,402</u>	<u>\$ 194,380,782</u>

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

	<u>2005 (2)</u>	<u>2004 (2)</u>	<u>2003</u>	<u>2002</u>
Taxes	\$ 95,648,787	\$ 93,575,521	\$ 84,625,054	\$ 79,139,322
Intergovernmental	184,615,340	194,297,398	165,608,661	178,886,128
Interest	6,544,611	4,202,413	2,594,893	2,217,766
Tuition and Fees	1,254,126	1,415,883	1,009,180	691,382
All Other	<u>10,754,524</u>	<u>7,362,155</u>	<u>9,400,448</u>	<u>6,895,808</u>
Total	<u>\$ 298,817,388</u>	<u>\$ 300,853,370</u>	<u>\$ 263,238,236</u>	<u>\$ 267,830,406</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 1996 thru 2001 includes general, special revenue, capital projects and expendable trust funds.
- (2) Significant increases in the tax and intergovernmental revenue sources are attributable to the school facilities construction project. Fiscal year 2004 was the first year in which the full collections of levies approved for the construction, maintenance of the new buildings and local initiatives. In addition to the tax revenue, the School District began receiving State assistance for the project in fiscal year 2004.

<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
\$ 81,202,187	\$ 82,082,275	\$ 77,748,879	\$ 78,610,526	\$ 76,059,444	\$ 77,153,316
142,719,648	139,691,584	129,782,093	122,126,544	112,988,520	111,664,569
3,041,588	2,345,172	2,746,560	2,644,095	3,127,366	2,506,664
671,857	901,057	1,220,650	723,596	1,184,579	1,278,700
<u>6,516,586</u>	<u>3,873,339</u>	<u>6,960,352</u>	<u>9,624,468</u>	<u>5,834,798</u>	<u>4,699,495</u>
<u>\$ 234,151,866</u>	<u>\$ 228,893,427</u>	<u>\$ 218,458,534</u>	<u>\$ 213,729,229</u>	<u>\$ 199,194,707</u>	<u>\$ 197,302,744</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
2005 (4)	\$ 100,644,046	\$ 89,410,441	88.8%	\$ 9,807,078
2004 (4)	100,545,821	92,118,706	91.6%	6,868,829
2003 (4)	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

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. 2005 information represents tax levies and collections through November 1, 2005.
- (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.
- (4) Increase in levy and collection amounts in 2003 to 2005 attributed to increase tax rates approved for school construction project.

	Total Tax Collections	Total Collection As a Percent of Current Levy	Outstanding Delinquent Taxes (3)	Percent of Outstanding Delinquent Taxes to Current Tax Levy
\$	99,217,519	98.6%	\$ 19,569,964	19.4%
	98,987,535	98.5%	23,453,127	23.3%
	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%

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
2005	\$ 1,719,716,110	\$ 4,913,474,600	\$ 104,566,770	\$ 268,546,478
2004	1,712,346,690	4,892,419,114	109,740,800	281,834,327
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

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 1996 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 2005, 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	
\$ 283,321,748	\$ 1,133,286,992	\$ 2,107,604,628	\$ 6,315,308,070	33.4%
279,165,476	1,116,661,904	2,101,252,966	6,290,915,345	33.4%
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%

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

<u>YEAR</u>	<u>Dayton City School District</u>	<u>Montgomery County</u>	<u>Dayton Montgomery County Library</u>	<u>Operating Millage (3)</u>	<u>City of Dayton Debt Service Millage (3)</u>
2005	\$ 70.85	\$ 18.24	\$ 1.25	\$ 5.00	\$ 4.67
2004	70.85	18.24	0.26	5.00	4.67
2003	70.85	17.24	0.26	8.05	1.95
2002	62.65	17.24	0.26	6.35	3.65
2001	62.65	17.24	0.26	6.35	3.65
2000	62.65	16.64	0.26	6.35	3.65
1999	62.65	16.64	0.26	6.35	3.65
1998	62.65	16.64	0.26	6.35	3.65
1997	62.65	16.64	0.26	6.35	3.65
1996	62.65	16.64	0.72	6.35	3.65

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>Street Maintenance Millage (3)</u>	<u>Total City Millage</u>	<u>Total (1)</u>	<u>Harrison Township (2)</u>	<u>Jefferson Township (2)</u>	<u>Trotwood Corporation (2) (5)</u>	<u>Riverside Corporation (2) (4)</u>
\$ 0.33	\$ 10.00	\$ 100.34	\$ 18.33	\$ 18.59	\$ 17.39	\$ 6.39
0.33	10.00	99.35	18.33	18.59	17.39	6.39
-	10.00	98.35	17.53	18.59	17.39	6.39
-	10.00	90.15	17.53	18.59	17.39	6.39
-	10.00	90.15	16.63	18.59	11.64	6.39
-	10.00	89.55	16.63	18.59	15.14	6.39
-	10.00	89.55	16.63	18.59	15.14	6.39
-	10.00	89.55	16.63	18.59	15.14	6.39
-	10.00	89.55	13.68	18.59	15.14	6.39
-	10.00	90.01	13.68	18.59	15.14	6.39

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMPUTATION OF LEGAL DEBT MARGIN
 JUNE 30, 2005

Total Assessed Value	\$ 2,107,604,628	
<u>Overall Direct Debt Limitation</u>		
Bonded Debt Limit - 9% of Assessed Value (1)	189,684,417	
Net Bond Indebtedness	<u>(226,214,258)</u>	
Overall Debt Margin	<u>(36,529,841)</u>	(2)
<u>Unvoted Direct Debt Limitation</u>		
Unvoted Debt Limit - .10% of Assessed Value (1)	2,107,605	
Gross indebtedness authorized by the Board	<u>-</u>	
Unvoted Debt Margin	<u>2,107,605</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.
- (2) The Superintendent of Public Instruction in Ohio, in accordance with Ohio Revised Code Section 133.06(E), certified the School District as a "Approved Special Needs District" which enabled the School District to issue bonded debt in excess of the statutorily limits set by the Ohio Bond Law.

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 JUNE 30, 2005

Jurisdiction	Net Debt	Percentage Applicable to School District (1)	Amount Applicable to School District
Dayton City School District	\$ 226,214,258	100.00%	\$ 226,214,258
Montgomery County	32,892,640	28.97%	9,528,998
City of Dayton	49,762,889	86.75%	43,169,306
City of Riverside	1,714,909	14.19%	243,346
City of Trotwood	3,645,000	15.65%	570,443
Miami Valley Regional Transit Authority	12,880,000	28.97%	<u>3,731,336</u>
			<u>\$ 283,457,686</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 Annual Debt Service Expenditures
For General Bonded Debt to Total General Fund Expenditures
For the Last Two Fiscal Years (1)

Fiscal Year	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures (%)
2005	\$ 10,625,000	\$ 11,290,616	\$ 21,915,616	\$ 204,297,381	10.72%
2004	-	10,096,962	10,096,962	200,799,253	5.02%

Source: School District's financial records

- (1) Fiscal year 2004 was the first fiscal year in the last ten fiscal years that the School District had debt service payments related to bonded debt. Principal repayment began in fiscal year 2005.

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

COLLECTION YEAR	NET GENERAL OBLIGATION BONDED DEBT	ASSESSED VALUE (2)	POPULATION (3)	RATIO OF NET DEBT TO ASSESSED VALUE	NET DEBT PER CAPITA
2005	\$ 226,214,258	\$ 2,107,604,628	166,179	10.73%	\$ 1,361
2004	230,102,845	2,101,252,966	166,179	10.95%	1,385
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: U.S. Census Bureau.

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

Year	City of Dayton Population (1)	ADM (2)	Unemployment Rate (3)
2005	166,179	17,677	7.4%
2004	166,179	17,463	6.2
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

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 CALENDAR TEN YEARS

Year	Number of Building Permits All Types (1)	Valuation of Construction (1)	Certified Bank Deposits (2)	Property Value (3)
2004	1,020	\$ 174,560,405	\$ 1,756,510,000	\$ 4,913,474,600
2003	1,407	133,241,900	249,614,000	4,892,419,114
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

- 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, 2004

Name of Taxpayer	Type of Business	Assessed Values (1)	Percent of Total Assessed Value
National Cash Register	Computer Technology	\$ 16,897,860	0.98%
Arts Center Foundation	Non-profit	16,082,190	0.94%
City of Dayton	Government	9,751,050	0.57%
Marriot Division American	Hotels	8,461,750	0.49%
Heart Hospital of DTO	Health Care	7,142,490	0.42%
Virgina Kettering Trust	Trust	6,595,500	0.38%
Danis Realty Co., Inc.	Development	6,037,060	0.35%
BEHR Dayton Thermal	Automotive	5,041,610	0.29%
Nikides, Joanne H. etal	Development	4,715,120	0.27%
Ducru Limited Partnership	Development	<u>3,986,400</u>	<u>0.23%</u>
Subtotal		84,711,030	4.93%
All Other Taxpayers		<u>1,635,005,080</u>	<u>95.07%</u>
Total Assessed Valuation		<u>\$ 1,719,716,110</u>	<u>100.00%</u>

Source: Montgomery County Auditor

(1) Assessed Values are for collection year 2005

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
PRINCIPAL TAXPAYERS
TANGIBLE PERSONAL PROPERTY TAX
DECEMBER 31, 2004**

<u>Name of Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Values (1)</u>	<u>Percent of Total Assessed Value</u>
Delphi Automotive Systems LLC	Automotive	\$ 33,868,140	11.95%
Behr Dayton Thermal Products	Automotive	15,505,500	5.47%
National Cash Register	Computer Technology	11,770,080	4.15%
Reynolds and Reynolds	Manufacturing	9,414,470	3.32%
Time Warner Cable Inc.	Communications	6,427,900	2.27%
Standard Register Company	Manufacturing	5,173,490	1.83%
Dupont Electronic Polymers	Manufacturing	4,199,190	1.48%
Dayton Reliable Tool Manufacturing	Manufacturing	3,935,650	1.39%
Gem City Engineering Company	Engineering	3,673,040	1.30%
Cooper Power Tools Inc.	Manufacturing	<u>3,651,240</u>	<u>1.29%</u>
Subtotal		97,618,700	34.46%
All Other Taxpayers		<u>185,703,048</u>	<u>65.54%</u>
Total Assessed Valuation		<u>\$ 283,321,748</u>	<u>100.00%</u>

Source: Montgomery County Auditor

(1) Assessed Values are for collection year 2005

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
PRINCIPAL TAXPAYERS
PUBLIC UTILITY TAX
DECEMBER 31, 2004

Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Dayton Power and Light Co.	\$ 48,807,060	46.68%
Ohio Bell Telephone Company	29,688,070	28.39%
Vectren Energy	<u>8,304,180</u>	<u>7.94%</u>
Subtotal	86,799,310	83.01%
All Other Taxpayers	<u>17,767,460</u>	<u>16.99%</u>
Total Assessed Valuation	<u>\$ 104,566,770</u>	<u>100.00%</u>

Source: Montgomery County Auditor

(1) Assessed Values are for collection year 2005

**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
2005	\$ 204,297,381	17,677	\$ 11,557
2004	200,799,253	17,463	11,499
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

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 1996 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, 2005**

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	507	33.73%
Bachelor's + 18 Semester Hours of Graduate Credit	199	13.24%
Master's Degree	560	37.26%
Master's Degree + 30 Semester Hours of Graduate Credit	145	9.65%
Doctorate Degree	<u>92</u>	<u>6.12%</u>
Total	<u><u>1,503</u></u>	<u><u>100.00%</u></u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 4	241	16.03%
5 - 9	210	13.97%
10 - 14	307	20.43%
15 - 19	213	14.17%
20 - 29	405	26.95%
30 and over	<u>127</u>	<u>8.45%</u>
Total	<u><u>1,503</u></u>	<u><u>100.00%</u></u>

Source: Dayton City School District Human Resources Records



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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
MARCH 21, 2006**