



**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2006



Mary Taylor, CPA
Auditor of State

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Federal Awards Receipts and Expenditures Schedule.....	1
Notes to the Federal Awards Receipts and Expenditures Schedule	4
Independent Accountants' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	5
Independent Accountants' Report on Compliance with Requirements Applicable Each Major Federal Program and Internal Control Over Compliance In Accordance with OMB Circular A-133.....	7
Schedule of Findings.....	9
Schedule of Prior Audit Findings.....	12

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**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2006**

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						
<i>Direct</i>						
Food Donation - Cash in Lieu of Commodities <i>Passed Through Ohio Department of Education</i>	10.550	N/A	\$403,608		\$403,608	
Food Distribution Program - Commodities		N/A		396,519		396,519
Total Food Distribution Program			403,608	396,519	403,608	396,519
<i>Nutrition Cluster:</i>						
National School Breakfast Program	10.553	05-PU 05	294,963		294,963	
		05-PU 06	1,578,957		1,578,957	
Total National School Breakfast Program			1,873,920		1,873,920	
National School Lunch	10.555	LLP1 06	2,846		2,846	
		LLP4 05	626,915		626,915	
		LLP4 06	3,404,680		3,404,680	
Total National School Lunch			4,034,441		4,034,441	
Summer Food Service Program	10.559	23-PU 05	170,153		170,153	
		24-PU 05	19,028		19,028	
		24-PU 06	52,600		52,600	
Total Summer Food Service Program			241,781		241,781	
Total Nutrition Cluster			6,150,142		6,150,142	
Team Nutrition	10.574	TWNT-04	490		490	
Total United States Department of Agriculture			6,554,240	396,519	6,554,240	396,519
UNITED STATES DEPARTMENT OF EDUCATION						
<i>Direct</i>						
Magnet School Grant	84.165	N/A	606,326		628,313	
		N/A	20,644		20,644	
Total Magnet School Grant			626,970		648,957	
<i>Passed Through Ohio Department of Education</i>						
Adult Basic Education	84.002	AB-S1-05	(42,756)		10,800	
		AB-S1-04	(39,571)		(2,220)	
		AB-S1-05	39,571			
		AB-S1-06	658,084		640,211	
Total Adult Basic Education			615,328		648,791	
Title I Grants to Local Educational Agencies	84.010	C1-SK-05	54,575		135,000	
		C1-S1-05	274,822		927,569	
		C1-SD-05	8,329		27,117	
		C1-SD-06	53,006		92,722	
		C1-S1-06	7,784,832		7,325,273	
		C1-SK-06	842,819		987,100	
Total Title I Grants to Local Educational Agencies			9,018,383		9,494,781	
Title II - Part D Education Technology	84.318	TJ-SL-05			6,973	
		TJ-S1-05	(12,531)		76,289	
		TJ-S1-06	184,457		177,561	
		TJ-SL-06	188,717		181,730	
Total Title II - Part D Education Technology			360,643		442,553	
<i>Special Education Cluster:</i>						
Special Education Grants to States (IDEA Part B)	84.027	6B-SF-05	702,844		749,754	
		6B-SF-06	3,829,573		3,938,502	
Total Special Education Grants to States (IDEA Part B)			4,532,417		4,688,256	
Special Education Preschool Grants	84.173	PG-S1-06	155,278		147,375	
		PG-S1-05	19,257		29,802	
Total Special Education Preschool Grants			174,535		177,177	
Total Special Education Cluster			4,706,952		4,865,433	

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2006**

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	48,132		26,429	
					1,070	
		20-C1-05	32,766		117,375	
		20-C1-06	543,911		465,219	
Total Vocational Education Basic Grant			624,809		610,093	
Safe and Drug Free Schools	84.186	DR-S1-05	(9,747)		9,547	
		DR-S1-04			1,301	
		DR-S1-06	114,156		98,470	
Total Safe and Drug Free Schools			104,409		109,318	
<i>Passed Through Ohio Department of Education</i> Safe and Drug Free Environment	84.184	T4-S1-04	29,414		1,537	
		T4-S1-04	792,550		748,603	
		T4-S1-04	(22,310)			
			209,667		209,673	
Total Safe and Drug Free Environment			1,009,321		959,813	
Education for Homeless Children and Youth	84.196	HC-S1-06	92,607		93,475	
		HC-S1-05	58,618		68,255	
Total Education for Homeless Children and Youth			151,225		161,730	
Even Start State Educational Agencies	84.213	EV-S1-06	159,860		153,469	
		EV-S1-05	(6,663)		1,205	
Total Even Start State Educational Agencies			153,197		154,674	
Fund for the Improvement of Education	84.215	CX-X1-00	371,295		445,343	
		N/A	226,368		227,367	
Total Fund for the Improvement of Education			597,663		672,710	
Twenty-First Century Community Learning Centers	84.287	T1-SI-05	111,778		6,957	
		T1-SI-06	223,818		214,996	
Total Twenty-First Century Community Learning Centers			335,596		221,953	
State Grants for Innovative Programs	84.298	C2-S1-05	7,528		6,911	
Comprehensive School Reform Demonstration	84.332	RF-K2-04	38,824		40,497	
		RF-K3-05	19,775		13,536	
		RF-CC-05	(1,806)		28,044	
		RF-S3-04	39,589		43,877	
		RF-CC-06	294,150		277,496	
Total Comprehensive School Reform Demonstration			390,532		403,450	
Improving Teacher Quality	84.367	TR-S1-05	(207,370)		144,232	
		TR-S1-05	350,000			
		TR-S1-05	(495,662)		33,761	
		TR-S1-06	2,882,145		2,822,662	
Total Improving Teacher Quality			2,529,113		3,000,655	
English Language Acquisition Grants	84.365	T3-S1-05	2,673		4,060	
		TS-S1-06	50,639		35,496	
Total English Language Acquisition Grants			53,312		39,556	
Hurricane Education Recovery	84.938	HR-01-06	40,349		40,349	
Reading First	84.357	RS-SI-05	647,782		800,961	
		RS-S1-06	1,839,685		1,774,230	
Total Reading First			2,487,467		2,575,191	
Total United States Department of Education			23,812,797		25,056,918	

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY

FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2006

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	925,852		990,408	
		05CH54444	567,300		584,024	
Total Head Start			<u>1,493,152</u>		<u>1,574,432</u>	
<i>Passed through Ohio Department of Mental Retardation and Developmental Disabilities</i>						
Medical Assistance Program	93.778	N/A	408,818		408,818	
<i>Passed through Montgomery County Educational Service Center</i>						
Medical Assistance Program	93.778		749		749	
Total Medical Assistance Program			<u>409,567</u>		<u>409,567</u>	
<i>Passed through Ohio Department of Mental Retardation and Developmental Disabilities</i>						
State Children's Insurance Program Title XIX	93.767	N/A	25,038		25,038	
Total United States Department of Health and Human Services			<u>1,927,757</u>		<u>2,009,037</u>	
Total Federal Assistance			<u>\$32,294,794</u>	<u>\$396,519</u>	<u>\$33,620,195</u>	<u>\$396,519</u>

N/A - Project number unknown

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

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2006**

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B -- U.S. DEPARTMENT OF AGRICULTURE

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.



Mary Taylor, CPA

Auditor of State

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 45402-1812

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, 2006, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 29, 2007. 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 to express our opinions on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting 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 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. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the District's management dated January 29, 2007, we reported other matters involving internal control over financial reporting 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 an instance of noncompliance or other matters that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2006-001. In a separate letter to the District's management dated January 29, 2007, we reported other matters related to noncompliance we deemed immaterial.

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Dayton City School District
Montgomery County
Independent Accountants' Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

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.

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

Mary Taylor, CPA
Auditor of State

January 29, 2007



Mary Taylor, CPA

Auditor of State

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 45402-1812

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, 2006. 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, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2006.

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.

Federal Awards Receipts and 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, 2006, and have issued our report thereon dated January 29, 2007. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying federal awards receipts and 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.



Mary Taylor, CPA
Auditor of State

January 29, 2007

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2006**

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)?	No
(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# 84.010: Title I CFDA# 84.367: Improving Teacher Quality
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$1,020,501 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 2006-001

Ohio Rev. Code Section 5705.41(D) prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in §5705.41(D)(1) and §5705.41(D)(3), respectively, of the Ohio Revised Code.

A. "Then and Now" certificate – If the fiscal officer can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the District can authorize the drawing of a warrant for the payment of the amount due. The District has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the District.

B. Blanket certificate – Fiscal officers may prepare "blanket" certificates not exceeding an amount established by resolution or ordinance adopted by the legislative authority, against any specific line item account, and not running beyond the current year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

Super Blanket certificate – The District may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any one line item appropriation.

The District did not properly certify the availability of funds prior to purchase commitments for 14 out of the 60 expenditure items tested, which represented 23.33% or \$61,044, during the disbursement cycle. Also, it was noted that mileage reimbursements are not processed through the purchase order process. There was no evidence that the District followed the aforementioned exceptions. Failure to properly certify the availability of funds can result in overspending and negative cash fund balances.

**FINDING NUMBER 2006-001
(Continued)**

The District should ensure that all expenditures have been encumbered before an order or contract has been made. Mileage reimbursements should be encumbered through a blanket purchase order. Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of District's funds exceeding budgetary spending limitations, the Fiscal Officer should certify that the funds are or will be available prior to the obligation by the District. When prior certification is not possible, "then and now" certification should be used.

The most convenient certification method is to use purchase orders that include the certification language § 5705.41(D) requires to authorize disbursements. The fiscal officer should sign the certification at the time the District incurs a commitment, and only when the requirements of §5705.41(D) are satisfied. The fiscal officer should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

Official's Response:

We agree with your comment regarding O.R.C. 5705.41 that requires the treasurer to certify any contract or order to expend any money prior to the commitment being made. During 2006 the district took aggressive steps to ensure all purchases were properly certified in accordance with the O.R.C. In the event that prior certification was not obtained, a "Then and Now" certificate was issued by the treasurer and approved by the Dayton Board of Education if the amount exceeded \$3,000. In addition, we have conducted appropriate training at various levels of the district and provided information to district managers regarding those transactions that were not in compliance. We will continue to work diligently to ensure that all employees who have purchasing responsibilities follow both the state regulations and the board's policies.

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
JUNE 30, 2006**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2005-001	ORC Sec. 9.39 - Finding For Recovery against Sharon Hutchinson for \$202 for money collected but not accounted for.	Yes	
2005-002	ORC Sec. 9.39 - Finding For Recovery against Jacqueline Ringer for \$138 for money collected but not accounted for.	Yes	
2005-003	ORC Sec. 9.39 - Finding For Recovery against Mary Molnar for \$3,809 for money collected but not accounted for.	Yes	
2005-004	ORC Sec. 149.351 – Failure to maintain supporting documentation for all expenditures.	Yes	
2005-005	Improve controls for cash secured in buildings at Belmont High School for ROTC.	Yes	
2005-006	Review and amend District's capital asset policy.	Yes	
2005-007	Review procedures for reporting theft or unaccounted for monies	Yes	
2005-008	Review control of cash secured in buildings at Welcome Stadium	Yes	
2005-009	Review cash management procedures at Dunbar High School Daycare Program	Yes	

DAYTON CITY SCHOOL DISTRICT

COMPREHENSIVE

ANNUAL FINANCIAL REPORT

for the

FISCAL YEAR ENDED JUNE 30, 2006



Dayton, Ohio

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
of the
DAYTON CITY SCHOOL DISTRICT
for the
FISCAL YEAR ENDED JUNE 30, 2006

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, 2006



Gail A.
Littlejohn, J.D.
President



Yvonne V.
Isaacs
Vice President



Ann Marie
Gallin



Joe
Lacey



Clayton R.
Luckie II



Lelia "Lee"
Massoud



Stacy M.
Thompson



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, 2006**

TABLE OF CONTENTS

INTRODUCTORY SECTION

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

FINANCIAL SECTION

Independent Accountants’ Report.....	1
Management’s Discussion and Analysis.....	3
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets	11
Statement of Activities.....	13
Fund Financial Statements:	
Balance Sheet – Governmental Funds	14
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities.....	15
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis) – General Fund	18
Statement of Fund Net Assets – Internal Service Funds.....	19
Statement of Revenues, Expenses and Changes in Fund Net Assets – Internal Service Funds	20
Statement of Cash Flows – Internal Service Funds	21

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2006**

TABLE OF CONTENTS

Statement of Assets and Liabilities – Agency Funds	22
Notes to the Basic Financial Statements	23
<i>Supplementary Information</i>	
Combining Statements and Individual Fund Schedules:	
Major Governmental Funds:	
Fund Descriptions	50
Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in Fund Balance/Fund Equity – Budget to Actual (Budget Basis):	
Bond Retirement Fund	51
Classroom Facilities Fund	52
Nonmajor Governmental Funds:	
Fund Descriptions	53
Combining Balance Sheet – Nonmajor Governmental Funds	57
Combining Balance Sheet – Nonmajor Special Revenue Funds	58
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	66
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	69
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	70
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	78
Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in Fund Balance/Fund Equity – Budget to Actual (Budget Basis):	
Other Grant Rotary Fund.....	80
Public School Support Fund.....	81
Other Grants Fund.....	82
Computer Networks Fund	83
Maintenance of Classroom Facilities Fund	84
District Managed Student Activities Fund	85
Auxiliary Services Fund.....	86

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2006**

TABLE OF CONTENTS

Teacher Development Fund	87
Management Information Systems Fund.....	88
Public School Preschool Fund.....	89
Entry Year Program Fund	90
Disadvantaged Pupil Impact Aid Fund.....	91
Data Communications Fund	92
SchoolNet Professional Development Fund.....	93
Textbooks/Instructional Materials Subsidy Fund.....	94
Ohio Reads Fund	95
Summer Intervention Fund.....	96
Vocational Education Enhancement Fund	97
Alternative Schools Fund	98
Miscellaneous State Grants Fund	99
Adult Basic Education Fund.....	100
Title VI-B Fund	101
Vocational Education Fund	102
Headstart Grant Fund	103
Dropout Prevention and Intervention Fund.....	104
Title I Fund.....	105
Title VI Fund	106
Drug Free Schools Program Fund	107
EHA Preschool Grant for the Handicapped Fund	108
E-Rate Grant Fund.....	109
Title VI-R Classroom Size Reduction Fund.....	110
Miscellaneous Federal Grants Fund	111
Special Trust Fund.....	112
Food Service Fund.....	113
Uniform School Supplies Fund	114
Parity Aid Fund	115
Follow Through Fund.....	116
Permanent Improvement Fund	117
Building Fund.....	118
Replacement Fund.....	119
SchoolNet Fund.....	120
Interactive Video Distance Learning Fund.....	121
School Building Assistance Limited Fund	122
 Internal Service Funds:	
Fund Descriptions	123
Combining Statement of Fund Net Assets – All Internal Service Funds.....	124
Combining Statement of Revenues, Expenses and Changes in Net Assets – All Internal Service Funds	125

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2006**

TABLE OF CONTENTS

Combining Statement of Cash Flows – All Internal Service Funds	126
Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in Fund Equity – Budget to Actual (Budget Basis):	
Warehouse Fund.....	127
Self-Insurance Fund	128
Fiduciary Funds:	
Fund Descriptions	129
Combining Statement of Changes in Assets and Liabilities - All Agency Funds	130
 <u>STATISTICAL SECTION</u>	
Statistical Section Description	131
Net Assets by Component – Last Five Fiscal Years	133
Expenses, Program Revenues, and Net Expense – Last Five Fiscal Years	134
General Revenues and Total Changes in Net Assets – Last Five Fiscal Years	135
Fund Balance of Governmental Funds – Last Ten Fiscal Years.....	136
Revenues, Expenditures and Debt Service Ratio of Governmental Funds - Last Ten Fiscal Years	138
Other Financing Sources(Uses) and Change in Fund Balances for Governmental Funds – Last Ten Fiscal Years.....	140
Assessed and Estimated Actual Value of Taxable Property – Last Ten Calendar Years	142
Property Tax Rates – Direct and Overlapping Governments (per \$1,000 assessed Valuation) – Last Ten Calendar Years	144
Principal Property Taxpayers – Current Fiscal Year and Ten Years Ago	147
Property Tax Levies and Collections – Last Ten Calendar Years	148
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years.....	150
Legal Debt Margin Information – Last Ten Fiscal Years	152
Direct and Overlapping Governmental Activities Debt – As of June 30, 2006.....	154
Pledged-Revenue Coverage	155
Demographic Statistics – Last Calendar Ten Years.....	156
Principal Employers – Current Fiscal Year	157
Operating Statistics – Last Ten Fiscal Years	158
Full-Time Equivalent District Employees by Type – Fiscal Year 2006	160
Teacher Education and Experience – June 30, 2006.....	161
Capital Asset Information – Fiscal Year 2006.....	162



Percy A. Mack, Ph.D.
Superintendent
Stanley E. Lucas
Treasurer

115 S. Ludlow Street · Dayton OH 45402-1812

January 29, 2007

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, 2006, 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.

Mission Statement

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

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 five years. She was reelected to another four year term which expires December 31, 2009. L. Anthony Hill resigned in August, 2005 and Lelia "Lee" Massoud filled his unexpired term. The term runs through December, 2007. Ann Marie "Mario" Gallin has served on the Board for seven years. Ms. Gallin will serve until December 31, 2007. E. Doniece Gatliff was replaced in 2006 by Joe Lacey whose term will expire in December, 2009. Yvonne V. Isaacs has served five years on the Board. She was reelected to another four year term which expires December 31, 2009. Clayton R. Luckie II has served on the Board for ten years. Mr. Luckie's term will end on December 31, 2007. Tracy L. Rusch, Ph.D. resigned in May, 2006 and was replaced by Stacey Thompson in June, 2006. Her term expires December 31, 2007.

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 2005-2006 17,054 students were enrolled compared to 17,677 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 1,931 certificated employees (1,432 teachers, 13 psychologists, 372 reserve teachers and 114 administrators) and 1,386 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 3,317 full and part-time employees. In the fiscal year ended June 30, 2006, the district paid out from its general fund (poverty based assistance (PBA) fund included) \$114,965,166 in salaries and \$35,849,904 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 (OASPE), Clerical Chapter 158. The paraprofessional employees are represented by OAPSE, Paraprofessional Chapter 643. The transportation employees are represented by the OAPSE, Transportation Chapter 627. Educational interpreters are represented by OAPSE, Chapter 766. Mechanics are represented by OAPSE, Local 156. Lead child care teachers, mental health technicians, occupational therapists, and physical therapists are represented by OAPSE Local 191. Psychologists are represented by OAPSE, Local 766B. Head Start is represented by OAPSE, Local 155. The building trade's 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 (DPSU), Local #101, Ohio Council #8, AFSCME, AFL-CIO. The security resource officers are represented by DPSU, Local #101, Ohio Council #8, AFSCME, AFL-CIO. Reserve teachers are represented by the Dayton Chapter of Reserve Teachers. A collective bargaining agreement with the Dayton Education Association expired 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 Assurant.

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 \$20,507,904 for the 2006 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 fourth 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.

Local Economy

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

Economic Development

The Dayton-Springfield area was ranked 10th in 2006 for the Best Places with the Best Education according to *Forbes* magazine. The criteria used included local school funding, mix of private and public schools, the student to teacher ratio, library popularity, and college degree offerings. In 2006, on *Forbes* magazine's Best Places for Business and Careers in the United States, the city of Dayton ranked 152. *Forbes'* ranking of the 200 largest metropolitan areas, 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. Wright Patterson employs almost one of every twelve people working in the greater Dayton area. The largest single-site employer in Ohio with more than 20,000 military and civilian employees, the Base is headquarters for the Aeronautical Systems Center (ASC) – the foremost aeronautical acquisition center in the U.S. Air Force.

Technology Transfer

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

Information Technology

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

Distribution and Warehousing

The Dayton International Airport is an ideal location for cargo and freight operations due to its proximity to the Crossroads of America, I-70 and I75 intersection. Passenger traffic at the airport with 13 airlines serving 20 major destination across the country, continued this past year to increase. Air cargo dropped off significantly due to the absence of Emery Worldwide, however Fed Ex and Airborne Express have increased their market share in the cargo and freight arena.

Higher Education Opportunities

There are over 35 institutions of higher learning located within the Dayton region. The Dayton region was ranked 5th in the country in the number of science and engineering degrees granted annually. Due to the availability of educational facilities with a wide variety of educational and interdisciplinary research programs, Dayton has a ready resource of highly qualified professional employees to support area businesses.

Dayton Area Economy

According the Dayton Area Chamber of Commerce, the Dayton region has been experiencing a decline in our employment base due in part to the Dayton area's concentration in the manufacturing industry. In essence, the Dayton region is moving towards the national employment in the manufacturing sector. The Dayton Area Chamber of Commerce reported the unemployment rate stayed relatively flat as compared to last year, at around 5.5%. While there has been job loss over the past year, the fact remains that there has

been employment growth in the region. Industry sectors such as Education, Health Services, Professional and Business Services and Defense have all seen employment growth. The Dayton region is transitioning from a heavy emphasis in manufacturing industries to one of high tech/service producing industries. As we move further along in this transition, the economy will grow stronger as new employment opportunities present themselves.

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 continued to improve to 91.5% in 2006 as a direct result of the district's truancy program and aggressive marketing programs. 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 measures are meant to enhance the original reform initiatives, rather than replace them.

Comprehensive Improvement Plan

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

The district has been designated as a district in "Continuous Improvement" according to the State of Ohio Report Card data. Last year, the district achieved one of the twenty-five state indicators. The district's students made significant improvements in test scores on the Ohio Achievement Test and the Ohio Graduation Test. With the district's current strong focus on reading, writing, mathematics and improving attendance, there is the expectation of additional improvements in 2007.

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 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 fifth 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 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 2006 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 2006 was \$14,906,186. A more detailed description of the district's investment functions is described in Note 6 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 2006, 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 nine 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 Mary Taylor, the Auditor of State, as the district's independent auditor for fiscal year 2006. 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 fourteenth 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, 2005. 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.

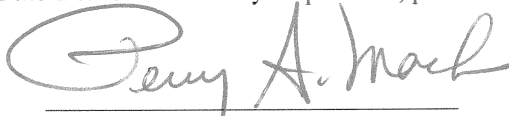
ASBO Certificate of Excellence

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 2005 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.

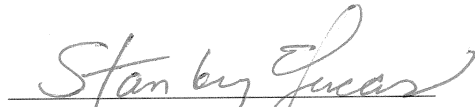
A certificate of excellence is valid for one year only. We believe our current report continues to conform to the standards set by the ASBO Panel of Review, and we are submitting it to ASBO to determine its eligibility for another award.

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, 2005

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.



Cara E. Judge

President

Jeffrey R. Emery

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, 2005**

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

Interim Executive Director

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO

BOARD MEMBERS-ELECTED OFFICIALS
June 30, 2006

<u>Name</u>	<u>Began Service as a Board Member January 1</u>	<u>Term Expires December 31</u>
Gail A. Littlejohn J.D., President	2002	2009
Yvonne V. Isaacs, Vice President	2002	2009
Ann Marie Gallin	2000	2007
Joe Lacey	2006	2009
Clayton Luckie, II	1996	2007
Lelia "Lee" Massoud	2005	2007
Stacy M. Thompson	2006	2007

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO

EXECUTIVE CABINET MEMBERS
June 30, 2006

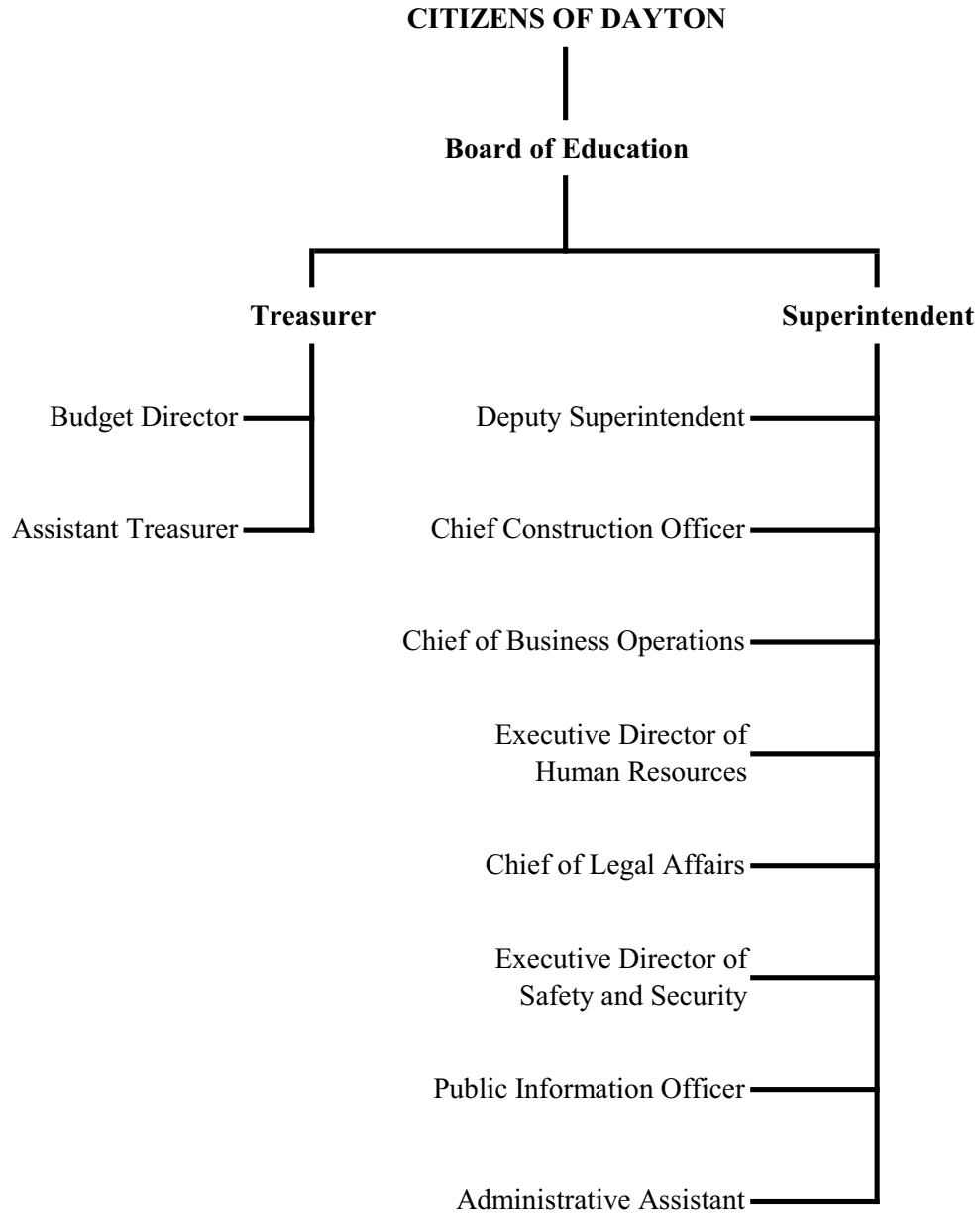
Percy A. Mack, Ph.D.	Superintendent
Stanley E. Lucas	Treasurer
Debra A. Brathwaite	Deputy Superintendent
John H. Carr, AIA	Chief Construction Officer
Robyn Essman	Budget Director
Larry Hoskins	Chief of Operations
C. Benjamin Kirby	Executive Director, Safety & Security
John F. Lenehan	Chief of Legal Operations
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, 2006



FINANCIAL SECTION



Mary Taylor, CPA

Auditor of State

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, (the District), as of and for the fiscal year ended June 30, 2006, 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 District, as of June 30, 2006, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the fiscal 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 January 29, 2007, 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 cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

January 29, 2007

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006 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, 2006. 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 2006 are as follows:

Overall:

- Total net assets decreased \$21.4 million, which represents 7.5 percent decrease from fiscal year 2005.
- Total assets of governmental activities decreased by \$23.5 million from those reported at June 30, 2005. The primary factor of the increase was recognizing a \$144.3 million receivable associated with the state funding of the school facilities construction project in fiscal year 2005 compared with the \$113.1 million for the current year.
- General revenues accounted for \$220.1 million or 79.2 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 \$57.9 million or 20.8 percent of total revenues of \$278.1 million.
- The \$5.5 million unreserved, undesignated ending fund balance reported in the General Fund represents only 2.5 percent of the total General Fund expenditures reported for fiscal year 2006.
- During fiscal year 2006, the School District capitalized approximately \$51.6 million in capital assets, including a school building (\$1.2 million), land acquisitions (\$1.1 million), construction in progress (\$47.1 million) associated with the school facilities project, and school buses and other vehicles (\$1.8). When offset for current year depreciation and disposals, net capital assets increased by \$48.3 million compared with fiscal year 2005 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, 2006
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 2006?" 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
For the Fiscal Year Ended June 30, 2006
Unaudited

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 approximately \$263 million at June 30, 2006.

Table 1 provides a summary of the School District's net assets for 2006 compared to 2005:

TABLE 1
Net Assets (in 000's)

	<u>2006</u>	<u>2005</u>
<i>Assets:</i>		
Current and other Assets	\$ 551,675	\$ 623,504
Capital Assets	<u>109,395</u>	<u>61,063</u>
Total Assets	<u>661,070</u>	<u>684,567</u>
<i>Liabilities:</i>		
Long-Term Liabilities	294,364	299,044
Other Liabilities	<u>103,620</u>	<u>101,055</u>
Total Liabilities	<u>397,984</u>	<u>400,099</u>
<i>Net Assets:</i>		
Invested in Capital Assets, Net of Debt	17,184	15,673
Restricted	225,377	224,851
Unrestricted	<u>20,525</u>	<u>43,945</u>
Total Net Assets	<u>\$ 263,086</u>	<u>\$ 284,469</u>

Total net assets reported at June 30, 2006 are \$21.4 million less than the net assets reported at the end of fiscal year 2005. The primary reason for the decrease in the School District's net assets was the expenditures of the School District exceeding the revenues it received. The overall operating deficit for the year required the use of reserve funds which were previously included in the ending net assets of the School District. In addition to the operating deficit, in the prior year the School District reported an intergovernmental receivable of \$144 million due from the State of Ohio associated with School District's school facilities construction project whereas the receivable reported for fiscal year 2006 was \$113 million.

Total liabilities decreased by \$2.1 million compared with those reported the prior year. Long-term obligations decreased by \$4.7 million during fiscal year 2006 as schedule debt payments are being made. Current liabilities increased by \$2.6 million due to increased payable amounts owed at year end associated with the school facilities construction project which were somewhat offset by a decrease in accrued wages due to the timing in which employees for service in fiscal year 2006 compared with 2005.

Total assets of the School District at June 30, 2006 totaled \$661.1 million compared with \$684.6 million reported for the prior year. Significant changes in assets accounts included a \$36 million decrease in cash balances as cash reserves were used when expenditures exceeded cash receipts during the year and a \$31 million decrease in intergovernmental receivables associated with school facilities construction project as mentioned above. These decreases were offset somewhat by the \$48 million increase in capital assets. The capitalization of \$47 million of construction in progress associated with the school facilities construction project accounts for the vast majority of the increase in the School District's capital assets.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2006
Unaudited

Table 2 shows the key components in the changes in net assets for fiscal year ended June 30, 2006.

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

	<u>2006</u>	<u>2005</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 3,872	\$ 5,592
Operating Grants and Contributions	53,855	55,847
Capital Grants and Contributions	234	87,750
General Revenues:		
Property Taxes	89,797	92,726
Grants and Entitlements	111,070	123,874
Other	<u>19,265</u>	<u>13,420</u>
Total Revenues	<u>278,093</u>	<u>379,209</u>
Program Expenses		
Instruction	107,434	105,912
Support Services:		
Pupil and Instructional Staff	31,608	30,206
Board of Education, Administration, Fiscal and Business	21,452	19,478
Plant Operation and Maintenance	32,743	38,952
Pupil Transportation	19,100	17,542
Central	8,276	9,033
Operation of Non-Instructional Services	13,526	13,665
Extracurricular Activities	1,683	1,563
Intergovernmental	49,702	49,725
Unallocated Depreciation	1,667	1,485
Interest and Fiscal Charges	<u>12,284</u>	<u>12,229</u>
Total Expenses	<u>299,475</u>	<u>299,790</u>
Change in Net Assets	<u>\$ (21,382)</u>	<u>\$ 79,419</u>

During fiscal year 2006, total net assets decreased by \$21.4 million or 7.5 percent of the net asset balance reported at June 30, 2005. Decreases in state and federal education grant funding as well as a decrease in the amount of revenue recognized associated with the school facilities construction project accounts for the majority of the decrease. General state funding also decreased during 2006 as the School District received the benefit of one-time funding opportunities in the prior year. Overall, total revenue reported for fiscal year 2006 was \$101.1 million less than that reported for fiscal year 2005. The School District's total expenses for the year were virtually the same as those reported for the prior year.

As noted in Table 2, the School District remains extremely dependent upon general intergovernmental revenues. Approximately 59 percent of the School District's funding is received from intergovernmental sources. Property taxes are the next most significant revenue sources, accounting for nearly 32 percent of total revenues reported. Decreases in both of these two revenue sources were realized during fiscal year 2006 which jeopardizes the financial stability of the School District in the near future. Management is currently reviewing its financial forecast to develop the necessary action plan to maintain financial stability.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2006
Unaudited

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 2006 as compared to those recorded in fiscal year 2005. 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)

	2006		2005	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 107,434	\$ 79,104	\$ 105,912	\$ 75,653
Support Services:				
Pupil and Instructional Staff	31,608	18,715	30,206	16,710
Board of Education, Administration, Fiscal and Business	21,452	20,251	19,478	19,222
Plant Operation and Maintenance	32,743	30,536	38,952	(50,496)
Pupil Transportation	19,100	18,947	17,542	17,385
Central	8,276	7,560	9,033	7,989
Operation of Non-Instructional Services	13,526	1,582	13,665	(341)
Extracurricular Activities	1,683	1,166	1,563	1,040
Intergovernmental	49,702	49,702	49,725	49,725
Unallocated Depreciation	1,667	1,667	1,485	1,485
Interest and Fiscal Charges	12,284	12,284	12,229	12,229
Total Expenses	\$ 299,475	\$ 241,514	\$ 299,790	\$ 150,601

Even with the small decrease in total expenses compared with the prior year, the net cost of those expenses to the School District increased by nearly \$91 million. The reason for this significant change is related to the school facilities project. In fiscal year 2005 the School District recorded \$144.3 million in intergovernmental receivables which impacted the capital grants program revenue reported for that year. In the current year, the receivable was \$113.2 million or a decrease of nearly \$31.1 million.

The decrease in the expenses reported for plant operation and maintenance is also related to the school facilities project. In prior years, significant dollars were spent on repairs and maintenance projects at existing school buildings. These repairs and maintenance projects (termed "warm, safe and dry") were undertaken to provide a safe environment for the students until the new school buildings could be constructed. As these projects did not increase the useful life or value of the existing school buildings, the cost of these projects were expensed as they occurred rather than being capitalized. These type of projects did not occur during fiscal year 2006 to the extent they did in the prior two fiscal years.

- Additional funding allocated to staff and program development to continue the School District goal of strengthen academic programs resulted in instructional expenses increasing \$1.5 million from expenses reported for 2005.
- The nearly \$2.0 million increase in administrative expense was due to additional construction related costs which were not absorbed by the construction funds, increasing intergovernmental fees passed thru to the District, and increasing cost of technical and professional services.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2006
Unaudited

- The \$1.6 million increase in transportation expense are due to higher cost of transporting students, both personnel costs in terms of wages and benefits as well as significantly higher fuel costs experienced during fiscal year 2006.

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 available 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, 2006 was \$306.7 million, a decrease of \$43.2 million in comparison with the prior year. Approximately \$250 million of the ending fund balance is reported in funds associated with the school facilities construction project. Another \$15.1 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, 2006, the ending fund balance of the General Fund was approximately \$20.0 million of which, \$14.5 million was reserved. The \$5.5 million unreserved, undesignated ending fund balance only represents about 2.5 percent of the total General Fund expenditures reported for fiscal year 2006. The \$23.4 million decrease in the General Fund balance from fiscal year 2005 can be attributed to the School District receiving less revenue from property taxes and foundation sources which was compounded by the increase in operating expenditures reported for the year.

The \$443,000 decrease in the fund balance of the Debt Service resulted from the School District making scheduled debt expenditures. The \$7.5 million decrease in the Classroom Facilities Fund balance was due to increased capital outlay expenditures associated with the school facilities construction project which should continue to occur as the project progresses.

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 2006, the School District amended its general fund budget numerous times, none significant. As the School District receives unanticipated cash receipts or received less than was anticipated, it was necessary to adjust estimated resources and appropriations. Other revenue and expenditure line items were also reviewed.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2006
Unaudited

For the General Fund, budget basis revenue was \$195.6 million as compared to the original budget estimates of \$200.0 million. Original budget amounts were developed using the prior year as the base and the School District continues to see less tax and state foundation receipts than what has been received in the past. The School District has a significant amount of delinquent property taxes outstanding at year-end compared with prior years. Intergovernmental revenue received was approximately \$2.5 lower than the original budget amount due primarily to less state foundation revenue being received due to lower student enrollment numbers. Accurately 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 \$175.6 million, which is approximately \$12.7 higher than final original budget amounts. While higher than expected costs were reported for most functions, the regular instruction and operation and maintenance of plant were the most significant due to increasing cost of salaries and health insurance as well as utilities during the year.

Capital Assets

At the end of fiscal year 2006, the School District had \$143.1 million invested in land, buildings, furniture and equipment, vehicles, and construction in progress in governmental activities and \$33.7 of accumulated depreciation resulting in net capital assets of \$109.4 million.

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 first phase of the project is nearing completion and the first of the new school buildings will open in fiscal year 2007. Construction in progress of \$47.1 million was capitalized in fiscal year 2006 in regards to these projects. At June 30, 2006 total construction in progress capitalized was \$68.4 million. 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 2006 balances compared to those of fiscal year 2005:

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

	<u>2006</u>	<u>2005</u>
Land	\$ 8,200	\$ 7,108
Buildings and Improvements	42,979	43,601
Equipment	7,429	7,342
Vehicles	16,086	14,438
Construction in Progress	68,389	21,269
Less: Accumulated Depreciation	<u>(33,688)</u>	<u>(32,695)</u>
Total Net Assets	<u>\$ 109,395</u>	<u>\$ 61,063</u>

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006 Unaudited

Overall, net capital assets increased approximately \$48.3 million from fiscal year 2005. Besides the construction in progress capitalized in conjunction with the school facilities project, other significant additions to capital assets included the acquisition of a building (\$1.2 million), land acquisitions (\$1.1 million), and the purchase of nearly \$1.8 million worth of new school buses and other vehicles.

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

Debt Administration

At the end of fiscal year 2006, the School District had \$276.0 million of outstanding long-term debt obligations, of which \$6.0 million is due within one year. Significant elements of the School District's outstanding long-term debt obligations outstanding at June 30, 2006 include:

- \$246.7 million in outstanding general obligations school facilities construction and improvement bonds and related unamortized bond premiums, with \$5.4 million of principal payments made during the fiscal year 2006.
- \$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.
- \$3.2 million of long-term tax anticipation notes. The School District made principal payments of \$350,000 during the year.
- \$16.0 million of certificates of participation, which were originally issued to finance the purchase of the School District's administrative office building as well as additional office space. During fiscal year 2006 the School District made principal payments of \$180,000 related to this issue.

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

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 CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

STATEMENT OF NET ASSETS
JUNE 30, 2006

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 302,441,653
Receivables:	
Property and other taxes	103,841,109
Accounts	202,599
Intergovernmental	124,919,527
Accrued Interest	1,753,668
Inventory of supplies and materials	434,795
Inventory held for resale	1,287,183
Prepaid items	1,586,519
Cash and cash equivalents with fiscal agents	5,669,313
Deferred Charges	2,239,058
Restricted Assets:	
Equity in pooled cash and cash equivalents	7,300,000
Depreciable capital assets, net	32,805,464
Non-depreciable capital assets	76,589,446
Total Assets	661,070,334
Liabilities:	
Accounts payable	7,280,925
Accrued wages and benefits payable	5,335,278
Intergovernmental payable	7,868,888
Accrued interest payable	1,001,726
Matured compensated absences	70,344
Claims payable	196,100
Unearned revenue	81,866,916
Long Term Liabilities:	
Due within one year	7,376,683
Due in more than one year	286,987,298
Total Liabilities	397,984,158
Net Assets:	
Invested in capital assets, net of related debt	17,184,480
Restricted for:	
Special revenue	10,299,918
Capital projects	199,835,087
Debt service	7,941,271
Other purpose	7,300,000
Unrestricted	20,525,420
Total Net Assets	\$ 263,086,176

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, 2006

		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	\$ 69,823,460	\$ 1,396,178	\$ 13,336,674	\$ -	\$ (55,090,608)
Special	31,763,079	-	12,429,690	-	(19,333,389)
Vocational	4,383,339	-	812,748	-	(3,570,591)
Adult/Continuing	899,414	-	354,364	-	(545,050)
Other	564,500	-	-	-	(564,500)
Support Services:					
Pupils	9,537,921	5,482	3,443,582	-	(6,088,857)
Instructional staff	22,070,344	-	9,444,137	-	(12,626,207)
Board of education	1,504,940	-	-	-	(1,504,940)
Administration	14,653,219	-	864,080	-	(13,789,139)
Fiscal	3,851,625	-	336,708	-	(3,514,917)
Business	1,442,009	-	-	-	(1,442,009)
Operation and maintenance of plant	32,742,890	-	2,125,402	81,274	(30,536,214)
Pupil transportation	19,099,802	-	-	152,905	(18,946,897)
Central	8,276,578	-	716,950	-	(7,559,628)
Operation of non-instructional services	13,525,900	1,953,662	9,990,006	-	(1,582,232)
Extracurricular activities	1,683,123	516,844	-	-	(1,166,279)
Intergovernmental	49,702,001	-	-	-	(49,702,001)
Interest and fiscal charges	12,283,960	-	-	-	(12,283,960)
Unallocated depreciation *	1,667,063	-	-	-	(1,667,063)
Total Governmental Activities	<u>\$ 299,475,167</u>	<u>\$ 3,872,166</u>	<u>\$ 53,854,341</u>	<u>\$ 234,179</u>	<u>(241,514,481)</u>
General Revenues:					
Property taxes levied for:					
General purposes					74,230,414
Debt service					13,969,176
Capital projects					798,454
Other purposes					798,454
Grants and entitlements not restricted to specific programs					111,070,302
Investment earnings					14,906,186
Miscellaneous					4,359,049
Total General Revenues					<u>220,132,035</u>
Changes in net assets					(21,382,446)
Net assets at beginning of year					<u>284,468,622</u>
Net assets at end of year					<u>\$ 263,086,176</u>

* - 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
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2006

	General Fund	Bond Retirement	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$ 16,302,712	\$ 14,058,105	\$ 210,719,223	\$ 60,876,203	\$ 301,956,243
Cash and Cash Equivalents:					
With Fiscal Agent	-	-	5,100,000	569,313	5,669,313
Receivables:					
Taxes - Current	70,557,502	14,413,192	-	1,676,314	86,647,008
Taxes - Delinquent	14,076,881	2,803,282	-	313,938	17,194,101
Accounts	159,134	-	-	43,465	202,599
Intergovernmental	330,120	-	113,189,920	11,399,487	124,919,527
Interest	25,725	11,567	1,480,277	236,099	1,753,668
Due from Other Funds	1,763,747	-	-	6,391	1,770,138
Prepaid Items	945,918	-	578,285	62,316	1,586,519
Inventory of Supplies and Materials	434,795	-	-	-	434,795
Inventory Held for Resale	-	-	-	130,345	130,345
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	7,300,000	-	-	-	7,300,000
Total Assets	<u>\$ 111,896,534</u>	<u>\$ 31,286,146</u>	<u>\$ 331,067,705</u>	<u>\$ 75,313,871</u>	<u>\$ 549,564,256</u>
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	\$ 891,356	\$ -	\$ 3,958,005	\$ 2,378,569	\$ 7,227,930
Accrued Wages and Benefits	4,429,574	-	-	868,413	5,297,987
Intergovernmental Payable	5,494,407	-	-	1,590,139	7,084,546
Due to Other Funds	966	-	681	1,768,491	1,770,138
Deferred Revenue	80,986,558	16,222,783	114,670,197	9,500,813	221,380,351
Matured Compensated Absences Payable	53,268	-	-	17,076	70,344
Total Liabilities	<u>91,856,129</u>	<u>16,222,783</u>	<u>118,628,883</u>	<u>16,123,501</u>	<u>242,831,296</u>
Fund Balances:					
Reserved for:					
Encumbrances	2,206,266	-	62,215,588	18,501,526	82,923,380
Supplies Inventory	434,795	-	-	130,345	565,140
Property Taxes	3,673,550	1,005,258	-	101,284	4,780,092
Prepaid Items	945,918	-	578,285	62,316	1,586,519
Contingencies	7,300,000	-	-	-	7,300,000
Unreserved, Undesignated:					
General Fund	5,479,876	-	-	-	5,479,876
Special Revenue Funds	-	-	-	4,162,457	4,162,457
Debt Service Fund	-	14,058,105	-	-	14,058,105
Capital Projects Funds	-	-	149,644,949	36,232,442	185,877,391
Total Fund Balances	<u>20,040,405</u>	<u>15,063,363</u>	<u>212,438,822</u>	<u>59,190,370</u>	<u>306,732,960</u>
Total Liabilities and Fund Balances	<u>\$ 111,896,534</u>	<u>\$ 31,286,146</u>	<u>\$ 331,067,705</u>	<u>\$ 75,313,871</u>	<u>\$ 549,564,256</u>

See accompanying notes to the basic financial statements.

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2006

Total Governmental Fund Balances:		\$ 306,732,960
<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.		109,163,062
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Taxes	17,194,101	
Interest	1,753,668	
State and federal grants	7,375,746	
School construction grants	<u>113,189,920</u>	
		139,513,435
Bond issuance costs associated with bonds payable, are recorded as a deferred charged on the accrual basis but are not reported in the funds.		2,239,058
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.		1,533,662
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	(3,150,000)	
General obligation bonds	(235,560,000)	
Premium on G.O. bonds	(11,174,273)	
Certificates of participation	(16,025,000)	
QZAB bonds	(10,000,000)	
Accrued interest on long-term obligations	(1,001,726)	
Compensated absences	(12,944,127)	
Intergovernmental payable	(730,294)	
Capital leases payable	<u>(5,510,581)</u>	
Total		<u>(296,096,001)</u>
Net Assets of Governmental Activities		<u>\$ 263,086,176</u>

See accompanying notes to the basic financial statements.

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	General Fund	Bond Retirement	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 76,252,673	\$ 14,264,289	\$ -	\$ 1,655,399	\$ 92,172,361
Intergovernmental	111,589,834	1,484,588	30,147,549	54,954,051	198,176,022
Interest	2,109,805	75,673	5,830,883	5,135,435	13,151,796
Tuition and Fees	983,594	-	-	-	983,594
Charges for Services	-	-	-	1,987,985	1,987,985
Gifts and Donations	-	-	-	13,084	13,084
Extracurricular Activities	-	-	-	900,587	900,587
Miscellaneous	3,178,312	-	44,990	1,135,747	4,359,049
Total Revenues	<u>194,114,218</u>	<u>15,824,550</u>	<u>36,023,422</u>	<u>65,782,288</u>	<u>311,744,478</u>
Expenditures:					
Current:					
Instruction:					
Regular	58,578,421	-	-	10,620,795	69,199,216
Special	21,828,841	-	-	10,232,059	32,060,900
Vocational	3,772,546	-	-	583,744	4,356,290
Adult/Continuing	411,419	-	-	495,751	907,170
Other Instruction	562,185	-	-	-	562,185
Support Services:					
Pupils	5,738,493	-	-	3,795,999	9,534,492
Instructional Staff	9,845,832	-	-	12,248,748	22,094,580
Board of Education	1,510,498	-	-	-	1,510,498
Administration	13,456,876	-	-	1,379,701	14,836,577
Fiscal	3,419,203	261,516	266,513	662,775	4,610,007
Business	1,152,883	-	-	-	1,152,883
Plant Operation and Maintenance	23,200,349	-	-	2,614,302	25,814,651
Pupil Transportation	18,188,026	-	-	215,845	18,403,871
Central	6,547,003	-	-	1,576,215	8,123,218
Non-Instructional Services	-	-	-	13,940,950	13,940,950
Extracurricular Activities	938,804	-	-	712,833	1,651,637
Capital Outlay	1,608,203	-	43,266,875	14,114,405	58,989,483
Intergovernmental	45,337,441	-	-	4,364,560	49,702,001
Debt Service:					
Principal Retirement	1,121,224	4,870,000	-	371,538	6,362,762
Interest and Fiscal Charges	1,033,552	11,135,666	-	124,485	12,293,703
Total Expenditures	<u>218,251,799</u>	<u>16,267,182</u>	<u>43,533,388</u>	<u>78,054,705</u>	<u>356,107,074</u>
Excess of Revenues Over(Under) Expenditures	<u>(24,137,581)</u>	<u>(442,632)</u>	<u>(7,509,966)</u>	<u>(12,272,417)</u>	<u>(44,362,596)</u>
Other Financing Sources (Uses):					
Proceeds from Sale of Capital Assets	8,403	-	-	-	8,403
Inception of Capital Lease	1,500,000	-	-	-	1,500,000
Transfers-In	18	-	-	475,000	475,018
Transfers-Out	(809,336)	-	-	(18)	(809,354)
Total Other Financing Sources (Uses)	<u>699,085</u>	<u>-</u>	<u>-</u>	<u>474,982</u>	<u>1,174,067</u>
Net Change in Fund Balance	<u>(23,438,496)</u>	<u>(442,632)</u>	<u>(7,509,966)</u>	<u>(11,797,435)</u>	<u>(43,188,529)</u>
Fund Balance at Beginning of Year - Restated	<u>43,478,901</u>	<u>15,505,995</u>	<u>219,948,788</u>	<u>70,987,805</u>	<u>349,921,489</u>
Fund Balance at End of Year	<u>\$ 20,040,405</u>	<u>\$ 15,063,363</u>	<u>\$ 212,438,822</u>	<u>\$ 59,190,370</u>	<u>\$ 306,732,960</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, 2006

Net Change in Fund Balances - Total Governmental Funds \$ (43,188,529)

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	51,570,801	
Current year depreciation	<u>(3,060,867)</u>	
Total		48,509,934

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	(8,403)	
Loss on disposal of capital assets	<u>(234,085)</u>	
Total		(242,488)

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

Taxes	(2,375,863)	
Interest	1,228,398	
State and federal grants	(1,940,052)	
School construction grants	<u>(31,090,232)</u>	
Total		(34,177,749)

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. (1,500,000)

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. 6,362,762

Some expenses reported in the statement of activities, such as compensated absences and inter-governmental payable which represents accrued workers' compensation premiums, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Intergovernmental payable	3,519,492	
Compensated absences payable	(708,907)	
Accrued interest	9,743	
Amortization of bond issuance costs	(100,070)	
Amortization of bond premium	<u>525,992</u>	
Total		3,246,250

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. (392,626)

Change in Net Assets of Governmental Activities \$ (21,382,446)

See accompanying notes to the basic financial statements.

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, 2006

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Taxes	\$ 79,513,365	\$ 77,703,663	\$ 77,766,926	\$ 63,263
Intergovernmental	114,116,828	111,519,560	111,610,355	90,795
Interest	2,157,186	2,108,089	2,109,805	1,716
Tuition and Fees	995,648	962,987	973,779	10,792
Miscellaneous	3,210,551	3,137,479	3,140,034	2,555
Total Revenues	<u>199,993,578</u>	<u>195,431,778</u>	<u>195,600,899</u>	<u>169,121</u>
Expenditures:				
Current:				
Instruction:				
Regular	54,101,598	59,612,274	58,319,533	1,292,741
Special	20,660,707	22,765,163	22,271,482	493,681
Vocational	3,594,747	3,960,901	3,875,005	85,896
Adult/Continuing	385,529	424,798	415,586	9,212
Other Instruction	979,618	1,079,400	1,055,992	23,408
Support Services:				
Pupils	5,434,123	5,987,631	5,857,784	129,847
Instructional Staff	9,129,195	10,059,076	9,840,937	218,139
Board of Education	1,683,152	1,854,594	1,814,376	40,218
Administration	12,541,196	13,818,616	13,518,948	299,668
Fiscal	3,166,704	3,489,258	3,413,590	75,668
Business	2,256,455	2,486,293	2,432,376	53,917
Operation and Maintenance of Plant	21,923,663	24,156,762	23,632,903	523,859
Pupil Transportation	16,834,642	18,549,383	18,147,125	402,258
Central	6,917,568	7,622,177	7,456,884	165,293
Extracurricular Activities	863,243	951,171	930,543	20,628
Capital Outlay	2,419,805	2,666,281	2,608,461	57,820
Total Expenditures	<u>162,891,945</u>	<u>179,483,778</u>	<u>175,591,525</u>	<u>3,892,253</u>
Excess of Revenues Over(Under) Expenditures	<u>37,101,633</u>	<u>15,948,000</u>	<u>20,009,374</u>	<u>4,061,374</u>
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	8,592	8,396	8,403	7
Inception of Capital Lease Obligation	1,533,686	1,498,780	1,500,000	1,220
Pass Through Payments	(42,058,430)	(46,342,414)	(45,337,441)	1,004,973
Advances-In	1,672,127	1,634,070	1,635,400	1,330
Advances-Out	(1,544,023)	(1,701,294)	(1,664,400)	36,894
Transfers-In	18	18	18	-
Transfers-Out	(440,646)	(485,529)	(475,000)	10,529
Total Other Financing Sources (Uses)	<u>(40,828,676)</u>	<u>(45,387,973)</u>	<u>(44,333,020)</u>	<u>1,054,953</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(3,727,043)</u>	<u>(29,439,973)</u>	<u>(24,323,646)</u>	<u>5,116,327</u>
Fund Balance at Beginning of Year	32,234,441	41,096,003	41,096,003	-
Prior Year Encumbrances Appropriated	<u>3,727,043</u>	<u>3,727,043</u>	<u>3,727,043</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 32,234,441</u>	<u>\$ 15,383,073</u>	<u>\$ 20,499,400</u>	<u>\$ 5,116,327</u>

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, 2006

	<u>Governmental Activities</u>	
		<u>Internal Service Funds</u>
<u>Assets:</u>		
Equity in Pooled Cash and Cash Equivalents	\$ 485,410	
Inventory Held for Resale		<u>1,156,838</u>
Total Current Assets		1,642,248
Capital Assets, Net		<u>231,848</u>
Total Assets		<u>1,874,096</u>
<u>Liabilities:</u>		
Accounts Payable	52,995	
Accrued Wages and Benefits	37,291	
Intergovernmental Payable	54,048	
Claims Payable		<u>196,100</u>
Total Current Liabilities		340,434
Total Liabilities		<u>340,434</u>
<u>Net Assets:</u>		
Invested in Capital Assets		231,848
Unrestricted		<u>1,301,814</u>
Total Net Assets	\$	<u><u>1,533,662</u></u>

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, 2006

	Governmental Activities
	Internal Service Funds
Operating Revenues:	
Charges for Services	\$ 1,230,680
Materials and Supplies	870,376
Total Operating Revenue	2,101,056
Operating Expenses:	
Salaries and Wages	517,119
Fringe Benefits	165,573
Purchased Services	128,515
Claims	1,267,997
Supplies and Materials	14,293
Cost of Sales	798,545
Depreciation	19,674
Total Operating Expenses	2,911,716
Operating Loss	(810,660)
Nonoperating Expense:	
Loss on Disposal of Capital Assets	(4,814)
Loss before Contributions and Transfers	(815,474)
Capital Contributions	88,512
Transfers In	334,336
Change in Net Assets	(392,626)
Net Assets - Beginning of Year	1,926,288
Net Assets - End of Year	\$ 1,533,662

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, 2006

	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	\$ 2,103,288
Cash Payments to Suppliers for Goods and Services	(1,000,750)
Cash Payments to Employees for Services	(491,530)
Cash Payments for Employee Benefits	(187,725)
Cash Payments for Claims	(1,246,897)
Net Cash Used in Operating Activities	(823,614)
Cash Flows from Noncapital Financing Activities:	
Transfers In	334,336
Net Cash Provided from Noncapital Financing Activities	334,336
Net Decrease in Cash and Cash Equivalents	(489,278)
Cash and Cash Equivalents Beginning of Year	974,688
Cash and Cash Equivalents End of Year	\$ 485,410
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:	
Operating Loss	\$ (810,660)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Depreciation	19,674
Changes in Assets and Liabilities	
Decrease in Accounts Receivable	2,232
Decrease in Due from Other Funds	23
Increase in Inventory Held for Resale	(121,841)
Increase in Accounts Payable	25,130
Increase in Accrued Wages and Benefits	8,832
Increase in Intergovernmental Payable	31,896
Increase in Claims Payable	21,100
Net Cash Used in Operating Activities	\$ (823,614)

Noncash Capital Financing Activities:

The warehouse fund received \$88,512 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, 2006

	<u>Agency Funds</u>
Assets:	
Equity in Pooled Cash	\$ 5,951,351
Accounts Receivable	100
Due from Other Funds	<u>105,363</u>
Total Assets	<u>\$ 6,056,814</u>
Liabilities:	
Accounts Payable	\$ 6,804
Due to Students	133,406
Undistributed Monies	<u>5,916,604</u>
Total Liabilities	<u>\$ 6,056,814</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, 2006

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 1,931 certificated employees and 1,386 classified employees who provide services to student enrollment totaling 17,054.

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, 2006

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, 2006

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. The School District only has agency 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, 2006

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, 2006

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, 2006, but which were levied to finance fiscal year 2007 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 intergovernmental 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 2006.

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, 2006

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, 2006. 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 2006 amounted to \$2,109,805, which includes \$923,483 assigned from other School District funds. Interest was also recorded in the Bond Retirement, Classroom Facilities and non-major funds in the amounts of \$75,673, \$5,830,883, and \$5,135,435 respectively. On the accrual basis of accounting, the School District reported investment earnings of \$14,906,186 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

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2006

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2006, 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, 2006

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 "matured 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, 2006

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. At June 30, 2006, \$7.3 million of net assets was restricted by enabling legislation due to a deregulation settlement negotiated with the courts.

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 – PRIOR PERIOD ADJUSTMENT

During fiscal year 2006, the School District determined interest revenue was not being posted to the appropriate funds, which resulted in the fund balance of the Classroom Facilities Fund being overstated by \$4,451,452 and the Permanent Improvement non-major fund being understated by the same amount. Accordingly, the fund balance reported at June 30, 2005 for these two funds was restated as of July 1, 2005 as noted below. This adjustment had no effect on governmental activities.

	<u>Classroom Facilities Fund</u>	<u>Non-major Governmental Funds</u>
Fund Balance Reported on June 30, 2005	\$ 224,400,240	\$ 66,536,353
Correction of Error	<u>(4,451,452)</u>	<u>4,451,452</u>
Restated Fund Balance on July 1, 2005	<u>\$ 219,948,788</u>	<u>\$ 70,987,805</u>

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2006

NOTE 4 – ACCOUNTABILITY AND COMPLIANCE

A. Accountability

The following funds had fund equity deficits as of June 30, 2006:

	<u>Fund Deficit</u>
<u>Special Revenue Funds</u>	
Public School Preschool	\$ 12,007
Ohio Reads	7,406
Summer Intervention	197
Head Start	305,827
Title VI	4,367
EHA Preschool Grants for the Handicapped	22,653
Miscellaneous Federal Grants	73,235
Food Service	13,191
Parity Aid	522,330
<u>Governmental – Internal Service Fund</u>	
Self-Insurance	146,230

The deficits in these funds resulted from adjustments for accrued liabilities. Management expects the deficits in these funds to be corrected in early fiscal year 2007. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

B. Legal Compliance

During the fiscal year ended June 30, 2006, the School District was not in compliance with Ohio Rev Code § 5704.41(D) by not properly certifying expenditures in advance. This noncompliance issue had no effect on the School District's financial statements.

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

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

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

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2006

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	\$ (23,438,496)
Revenue Accruals	1,486,681
Expenditure Accruals	420,454
Advances	(29,000)
Transfers	334,336
Encumbrances	<u>(3,097,621)</u>
Budget Basis	<u>\$ (24,323,646)</u>

NOTE 6 - 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.

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 \$50,884,147 and the bank balance was \$57,293,249. Of the bank balance, \$373,303 was covered by federal depository insurance and \$56,919,946 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.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2006

Investments

Investments are reported at fair value. As of June 30, 2006, the School District had the following investments:

	Fair Value	Percent of Portfolio	Credit Rating (1)	Weighted Average Maturity
Commercial Paper	\$ 13,838,292	5.12%	A-1	> 0.01 yrs
Federal Farm Credit Bank	8,781,711	3.25%	AAA	0.04 yrs
Federal Home Loan Bank	70,071,759	25.91%	AAA	0.12 yrs
Federal National Mortgage Association	83,239,198	30.77%	AAA	0.17 yrs
Federal Home Loan Mortgage Corporation	66,549,307	24.60%	AAA	0.12 yrs
U.S. Treasury Securities	27,289,539	10.09%	N/A	0.23 yrs
Money Market Mutual Funds	13,406	0.00%	Not Rated	N/A
Outside Investment Pools	<u>694,958</u>	<u>0.26%</u>	(2)	N/A
	<u>\$ 270,478,170</u>	<u>100.00%</u>		
		Portfolio Weighted Average Maturity		0.69 yrs

(1) - Standard and Poors' ratings
(2) - STAR Ohio is rated AAA by Standard and Poors' 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.

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 7 - PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Property tax revenue received during calendar 2006 for real and public utility property taxes represents collections of calendar 2005 taxes. Property tax payments received during calendar 2005 for tangible personal property (other than public utility property) is for calendar 2005 taxes.

2006 real property taxes are levied after April 1, 2006, on the assessed value as of January 1, 2006, 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. 2006 public utility property taxes became a lien December 31, 2005, are levied after April 1, 2006, and are collected in 2006 with real property taxes.

2006 tangible personal property taxes are levied after April 1, 2006, on the value as of December 31, 2005. Collections are made in 2006. Tangible personal property assessments are twenty-five percent of true value.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2006

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 2006 taxes were collected are shown in the Table below.

	<u>2006 First Half Collection</u>		<u>2005 First Half Collection</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$1,882,065,240	86.91%	\$1,719,716,110	81.60%
Public Utility	96,489,120	4.46%	104,566,770	4.96%
Tangible Personal Property	<u>187,024,961</u>	<u>8.64%</u>	<u>283,321,748</u>	<u>13.44%</u>
Total Assessed Value	<u>\$2,165,579,321</u>	<u>100.00%</u>	<u>\$2,107,604,628</u>	<u>100.00%</u>
Tax Rate per \$1,000	\$70.85		\$70.85	

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, 2006, are available to finance fiscal year 2006 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, 2006. 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, 2006, was \$3,673,550, \$1,005,258 and \$101,284 in the General, Bond Retirement and non-major funds, respectively.

NOTE 8 - RECEIVABLES

Receivables at June 30, 2006, 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.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2006

A summary of the principal items of intergovernmental receivables follows:

<i>General Fund:</i>	
Due from other Governments	\$ 330,120
<i>Classroom Facilities Fund:</i>	
School Facilities Construction Grants	113,189,920
<i>Non-Major Funds:</i>	
School Lunch Reimbursements	966,501
Title VI(B) Grant	1,578,492
Title I Grant	5,448,068
Drug Free Schools Grant	659,115
Miscellaneous Federal Grants	1,800,194
Other Non-major Funds	<u>947,117</u>
Total Intergovernmental Receivables	<u>\$ 124,919,527</u>

The \$113.2 million intergovernmental receivable recorded in the Classroom Facilities Capital Project Fund at June 30, 2006 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 \$145.9 million. The remaining \$211.6 million of State capital grants will be approved as the project progresses.

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2006 was as follows:

	Balance 7/1/2005	Additions	Deductions	Balance 6/30/2006
<u>Capital Assets, not being depreciated</u>				
Land	\$ 7,107,798	\$ 1,092,384	\$ -	\$ 8,200,182
Construction in Progress	21,269,173	47,120,091	-	68,389,264
	<u>28,376,971</u>	<u>48,212,475</u>	<u>-</u>	<u>76,589,446</u>
<u>Capital Assets, being depreciated</u>				
Buildings and Improvements	43,601,447	1,237,678	(1,860,088)	42,979,037
Furniture and Equipment	7,341,729	327,626	(240,207)	7,429,148
Vehicles	14,438,052	1,881,534	(234,209)	16,085,377
	<u>65,381,228</u>	<u>3,446,838</u>	<u>(2,334,504)</u>	<u>66,493,562</u>
<u>Less: Accumulated Depreciation</u>				
Buildings and Improvements	(21,993,103)	(1,739,848)	1,707,178	(22,025,773)
Furniture and Equipment	(4,607,944)	(400,299)	174,797	(4,833,446)
Vehicles	(6,093,712)	(940,394)	205,227	(6,828,879)
	<u>(32,694,759)</u>	<u>(3,080,541) *</u>	<u>2,087,202</u>	<u>(33,688,098)</u>
Governmental Activities Capital Assets, Net	<u>\$ 61,063,440</u>	<u>\$ 48,578,772</u>	<u>\$ (247,302)</u>	<u>\$ 109,394,910</u>

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2006

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

Instruction:	
Regular	\$ 33,211
Special	10,742
Vocational	13,987
Support Services:	
Pupil	10,151
Instructional Staff	22,137
Administration	33,615
Fiscal	1,329
Business	48,224
Operation and Maintenance of Plant	55,443
Pupil Transportation	906,889
Central	212,784
Operation of Non-Instructional Services	26,898
Extracurricular Activities	38,068
	<u>1,413,478</u>
Unallocated Depreciation	<u>1,667,063</u>
Total Depreciation Expense	<u>\$ 3,080,541</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 .

NOTE 10 - RISK MANAGEMENT

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2006 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.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2006

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 \$196,100 reported in the fund at June 30, 2006, 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 2005 and 2006 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>
2005	\$156,434	\$1,270,205	\$1,251,639	\$175,000
2006	\$175,000	\$1,267,997	\$1,246,897	\$196,100

NOTE 11 - DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746, by calling (800) 878-5853 or by visiting the SERS website at ohsers.org.

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 2006, 10.58 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, 2006, 2005, and 2004 were \$4,745,951, \$3,792,227, and \$5,633,844 respectively; 51.61 percent has been contributed for fiscal year 2006 and 100 percent for fiscal years 2005 and 2004, respectively.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2006

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, by calling (614) 227-4090, or by visiting the STRS Ohio web site at www.strsoh.org.

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 divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent 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.

A DB or Combined Plan member with five or more years of 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, 2006, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2005, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent 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 STRS Ohio for the fiscal years ended June 30, 2006, 2005, and 2004, were \$11,284,790, \$11,046,278, and \$11,842,603 respectively; 84.45 percent has been contributed for fiscal year 2006 and 100 percent for fiscal years 2005 and 2004, respectively. Contributions to the DC and Combined Plans for fiscal year 2006 were \$134,593 made by the School District and \$251,398 made by the plan members.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2006

NOTE 12 – POSTEMPLOYMENT BENEFITS

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System of Ohio (STRS Ohio), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are on a pay-as-you-go basis.

All STRS Ohio retirees who participated in the DB or Combined Plans and their dependents are eligible for health care coverage. The STRS Ohio Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. All benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS Ohio funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2006, the STRS Ohio Board allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. For the School District, this amount equaled \$806,056 for fiscal year 2006.

STRS Ohio pays health care benefits from the Health Care Stabilization Fund. At June 30, 2005, (the latest information available) the balance in the Fund was \$3.3 billion. For the fiscal year ended June 30, 2005, net health care costs paid by STRS Ohio were \$254,780,000 and STRS Ohio had 115,395 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, and to disability and survivor benefit recipients. 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.

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, 2006, employer contributions to fund health care benefits were 3.42 percent of covered payroll, compared to 3.43 percent of covered payroll for fiscal year 2005. 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 2006, the minimum pay was established at \$35,800. However, the surcharge is capped at two percent of each employer's SERS salaries. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2006 fiscal year equaled \$3,671,107.

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 the projected claims less premium contributions for the next fiscal year. Expenses for health care for the fiscal year ended June 30, 2006 were \$158,751,207. At June 30, 2006, SERS had net assets available for payment of health care benefits of \$295.6 million. SERS has 59,492 participants eligible to receive health care benefits.

DAYTON CITY SCHOOL DISTRICT
Montgomery County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2006

NOTE 13 - EMPLOYEE BENEFITS

A. Compensated Absences

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

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

<u>Length of Service</u>	<u>Paydays</u>
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.

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.

DAYTON CITY SCHOOL DISTRICT
 Montgomery County, Ohio
 Notes to the Basic Financial Statements
 For the Fiscal Year Ended June 30, 2006

NOTE 14 - 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,	Principal	Interest	Total
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	6,550,000	10,191,095	16,741,095
2012-2016	39,430,000	45,684,718	85,114,718
2017-2021	49,615,000	35,038,947	84,653,947
2022-2026	50,235,000	22,222,963	72,457,963
2027-2031	54,305,000	10,172,563	64,477,563
2032	12,540,000	313,500	12,853,500
Total	<u>\$ 235,560,000</u>	<u>\$ 166,709,253</u>	<u>\$ 402,269,253</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, 2006

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

Fiscal Year Ended June 30,	Principal	Interest	Total
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	310,000	784,152	1,094,152
2012-2016	2,110,000	3,676,881	5,786,881
2017-2021	3,355,000	2,991,175	6,346,175
2022-2026	5,145,000	1,805,163	6,950,163
2027-2029	4,150,000	337,312	4,487,312
Total	<u>\$ 16,025,000</u>	<u>\$ 12,820,419</u>	<u>\$ 28,845,419</u>

Qualified Zone Academy Bond

In August 2000, the School District was authorized to issue \$10 million in Quality Zone Academy Bonds (QZAB), in accordance with Section 226 of the Taxpayer Relief Act of 1997 (Public Law 105-34), for use in the renovations of the Stivers Middle School and the creation of an Arts program in Dayton. On December 30, 2002 the School District issued the \$10 million QZAB that matures on December 30, 2016. The entire principal balance of \$10 million is due at maturity and the bonds do not bear interest. To satisfy escrow requirements of the program, the School District placed \$5.1 million in an escrow account with a local bank. This amount is included in the cash and cash equivalents with fiscal agent 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
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	350,000	57,645	407,645
2012-2015	1,400,000	102,480	1,502,480
Total	<u>\$ 3,150,000</u>	<u>\$ 518,805</u>	<u>\$ 3,668,805</u>

DAYTON CITY SCHOOL DISTRICT
Montgomery County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2006

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2006, was as follows:

	Balance 7/1/2005	Increase	Decrease	Balance 6/30/2006	Due within One Year
<u>General Obligation Bonds:</u>					
2003-A School Construction:					
2.0-5.0 percent	\$ 93,495,000	\$ -	\$ 5,000	\$ 93,490,000	\$ 5,000
2003-B School Construction:					
2.0-4.23 percent	5,770,000	-	235,000	5,535,000	240,000
2003-D School Construction:					
2.0-5.0 percent	141,165,000	-	4,630,000	136,535,000	5,170,000
Add: Unamortized Bond Premium	11,700,265	-	525,992	11,174,273	-
Total General Obligation Bonds	252,130,265	-	5,395,992	246,734,273	5,415,000
QZAB Bonds - 0.0 percent	10,000,000	-	-	10,000,000	-
Certificates of Participation	16,205,000	-	180,000	16,025,000	200,000
Long-Term Tax Anticipation Notes	3,500,000	-	350,000	3,150,000	350,000
Capital Lease Obligations	4,973,343	1,500,000	962,762	5,510,581	1,061,683
Compensated Absences Payable	12,235,220	1,129,251	420,344	12,944,127	350,000
Long-Term Obligations	\$ 299,043,828	\$ 2,629,251	\$ 7,309,098	\$ 294,363,981	\$ 7,376,683

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 additional debt is approximately \$16.5 million.

NOTE 15 - CAPITAL LEASES - LESSEE DISCLOSURE

During fiscal year 2006, the School District entered into capitalized leases for the purchase of school buses. This lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. These lease agreements are reported in the General Fund as other financing sources, inception of capital lease. 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.

In addition to the leases entered into during fiscal year 2006, 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 \$7,985,851 (\$6,260,559 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 2006 totaled \$962,762.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2006

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, 2006.

<u>Fiscal Year Ended June 30,</u>	
2007	\$ 1,279,755
2008	739,753
2009	739,754
2010	739,753
2011	739,754
2012-2016	<u>2,248,544</u>
Total	6,487,313
Less: Amount Representing Interest	<u>(976,732)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 5,510,581</u>

NOTE 16 - INTERFUND ACTIVITY

As of June 30, 2006 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:	Food Service Fund	\$ 600,000
	School Foundation	200,000
	Title VI(B) Grant	358,684
	Head Start Grant	202,535
	Title VI Grant	100,000
	Other Non-Major Funds	302,528
Non-Major Funds:	General Fund	966
	Classroom Facilities Fund	681
	Other Non-Major Funds	<u>4,744</u>
	Total Amount Due To/From	<u>\$ 1,770,138</u>

The 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 2006 but not posted until after year end or for reimbursement for expenditures of one fund spent on behalf of another fund.

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2006

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>
General Fund:	Non-Major Funds	\$ 475,000
	Internal Service Fund	334,336
Non-Major Funds:	General Fund	<u>18</u>
	Total Transfers Out/In	<u>\$ 809,354</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 2006, the School District transferred \$475,000 from the General Fund to the District Managed Student Activities Fund to provide financing for programs or activities.

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 transfer from the non-major governmental funds to the General Fund was made to close out an activity reported in that Fund.

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

	<u>Textbooks</u>	<u>Capital Acquisition</u>
Set-aside Reserve Balance as of June 30, 2005	\$ -	\$ -
Carry-over from Prior Year	(1,949,562)	(45,813,353)
Current Year Set-aside Requirement	2,550,948	2,550,948
Current Year Revenue Off-Sets	-	(1,793,195)
Qualifying Disbursements	<u>(4,275,875)</u>	<u>(57,487,828)</u>
Set-aside Balances Carried Forward to Future Fiscal Years	<u>\$ (3,674,489)</u>	<u>\$(102,543,428)</u>
Set-aside Reserve Balances as of June 30, 2006	<u>\$ -</u>	<u>\$ -</u>

DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2006

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, 2006.

B. Litigation

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

NOTE 19 – CONSTRUCTION COMMITMENTS

At June 30, 2006 the School District had open purchase orders associated with the school facilities construction project totaling \$81.7 million; \$66.2 million in the Classroom Facilities capital project fund and \$15.5 million in the Building capital project fund.

NOTE 20 – CHANGE IN ACCOUNTING PRINCIPLE

For the year ended June 30, 2006, the School District has implemented GASB Statement No. 42, "Accounting and Financial Reporting for Impairment of Capital Assets for Insurance Recoveries"; GASB Statement No. 44, "Economic Condition Reporting: The Statistical Section"; GASB Statement No. 46, "Net Assets Restricted by Enabling Legislation" and GASB Statement No. 47, "Accounting for Termination Benefits".

Statement No. 42 establishes accounting and financial reporting standards for impairment of capital assets and clarifies and establishes accounting requirements for insurance recoveries. Statement No. 44 establishes the type of information which should be in the schedules in the statistical section presented with the financial statements. It also requires narrative explanations be provided in along with the schedules in certain circumstances. Statement No. 46 establishes that any amount of the primary government's net assets at the end of the reporting period restricted by enabling legislation should be disclosed in the notes to the financial statements. Statement No. 47 provides guidance to governmental employers for measuring, recognizing and reporting liabilities and expenses/expenditures related to all termination benefits without limitation as to the period of time which the benefits are offered.

There was no effect on net assets or fund balance as a result of the implementation of these new standards. The disclosure required by Statement No. 46 can be found in Note 2. The Statistical Section of this report includes all the requirements set forth in Statement No. 44.

DAYTON



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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	\$ 13,394,302	\$ 14,540,652	\$ 14,549,284	\$ 8,632
Intergovernmental	1,366,735	1,483,707	1,484,588	881
Interest	65,404	71,002	71,044	42
Total Revenues	<u>14,826,441</u>	<u>16,095,361</u>	<u>16,104,916</u>	<u>9,555</u>
Expenditures:				
Current:				
Support Services:				
Fiscal	219,893	482,783	261,516	221,267
Debt Service:				
Principal Retirement	4,094,886	8,990,482	4,870,000	4,120,482
Interest and Fiscal Charges	9,363,302	20,557,495	11,135,666	9,421,829
Total Expenditures	<u>13,678,081</u>	<u>30,030,760</u>	<u>16,267,182</u>	<u>13,763,578</u>
Excess of Revenues Over(Under) Expenditures	1,148,360	(13,935,399)	(162,266)	13,773,133
Fund Balance at Beginning of Year	<u>14,135,884</u>	<u>14,217,151</u>	<u>14,217,151</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 15,284,244</u>	<u>\$ 281,752</u>	<u>\$ 14,054,885</u>	<u>\$ 13,773,133</u>

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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 140,398,253	\$ 140,398,253	\$ 30,147,549	\$ (110,250,704)
Interest	3,377,302	7,828,754	5,176,656	(2,652,098)
Miscellaneous	209,520	209,520	44,990	(164,530)
Total Revenues	143,985,075	148,436,527	35,369,195	(113,067,332)
Expenditures:				
Current:				
Support Services:				
Fiscal	270,000	270,000	266,513	3,487
Captial Outlay	361,296,325	361,296,325	105,229,047	256,067,278
Total Expenditures	361,566,325	361,566,325	105,495,560	256,070,765
Excess of Revenues Over(Under) Expenditures	(217,581,250)	(213,129,798)	(70,126,365)	143,003,433
Fund Balance at Beginning of Year - Restated	178,119,796	177,781,767	177,781,767	-
Prior Year Encumbrances Appropriated	39,461,454	36,566,325	36,566,325	-
Fund Balance at End of Year	\$ -	\$ 1,218,294	\$ 144,221,727	\$ 143,003,433

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.

Parity Aid

To account for revenues received through the state foundation program's parity aid which replaced the disadvantaged pupil impact aid program.

Follow Through Grant

A fund used to account for a federal grant to assist schools in following up on the educational progress of students deemed to be educationally deprived children.

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, 2006

	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	\$ 8,612,766	\$ 52,263,437	\$ 60,876,203
Cash and Cash Equivalents with Fiscal Agent	569,313	-	569,313
<u>Receivables:</u>			
Taxes - Current	838,149	838,165	1,676,314
Taxes - Delinquent	156,969	156,969	313,938
Accounts	33,465	10,000	43,465
Intergovernmental	11,399,487	-	11,399,487
Interest	-	236,099	236,099
Due from other Funds	6,391	-	6,391
Prepays	1,855	60,461	62,316
Inventory held for Resale	<u>130,345</u>	<u>-</u>	<u>130,345</u>
 Total Assets	 <u>\$ 21,748,740</u>	 <u>\$ 53,565,131</u>	 <u>\$ 75,313,871</u>
 <u>Liabilities and Fund Balance:</u>			
<u>Liabilities:</u>			
Accounts Payable	\$ 1,899,092	\$ 479,477	\$ 2,378,569
Accrued Wages and Benefits	854,146	14,267	868,413
Intergovernmental Payable	1,566,981	23,158	1,590,139
Due to Other Funds	1,767,225	1,266	1,768,491
Deferred Revenue	8,320,222	1,180,591	9,500,813
Compensated Absences Payable	<u>17,076</u>	<u>-</u>	<u>17,076</u>
 Total Liabilities	 <u>14,424,742</u>	 <u>1,698,759</u>	 <u>16,123,501</u>
 <u>Fund Balance:</u>			
<u>Reserved for:</u>			
Encumbrances	2,978,699	15,522,827	18,501,526
Supplies Inventory	130,345	-	130,345
Property Taxes	50,642	50,642	101,284
Prepaid Items	1,855	60,461	62,316
Unreserved, Undesignated	<u>4,162,457</u>	<u>36,232,442</u>	<u>40,394,899</u>
 Total Fund Balance	 <u>7,323,998</u>	 <u>51,866,372</u>	 <u>59,190,370</u>
 Total Liabilities and Fund Balance	 <u>\$ 21,748,740</u>	 <u>\$ 53,565,131</u>	 <u>\$ 75,313,871</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2006

	Other Grant Rotary	Public School Support	Other Grants	Computer Networks
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 147,334	\$ 549,210	\$ 721,231	\$ 51,893
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
Receivables:				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	8,250	-	25,201	-
Intergovernmental	-	-	9,888	-
Due from other Funds	-	-	-	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	-	-
 Total Assets	 <u>\$ 155,584</u>	 <u>\$ 549,210</u>	 <u>\$ 756,320</u>	 <u>\$ 51,893</u>
 <u>Liabilities and Fund Balances:</u>				
Liabilities:				
Accounts Payable	\$ 72	\$ 20,103	\$ 120,320	\$ 1,107
Accrued Wages and Benefits	-	-	5,260	-
Intergovernmental Payable	-	12	4,875	-
Due to Other Funds	-	753	-	-
Deferred Revenue	-	-	9,888	-
Compensated Absences Payable	-	-	-	-
 Total Liabilities	 <u>72</u>	 <u>20,868</u>	 <u>140,343</u>	 <u>1,107</u>
 Fund Balances:				
Reserved for:				
Encumbrances	82	27,972	76,780	-
Supplies Inventory	-	-	-	-
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Unreserved, Undesignated	<u>155,430</u>	<u>500,370</u>	<u>539,197</u>	<u>50,786</u>
 Total Fund Balances	 <u>155,512</u>	 <u>528,342</u>	 <u>615,977</u>	 <u>50,786</u>
 Total Liabilities and Fund Balances	 <u>\$ 155,584</u>	 <u>\$ 549,210</u>	 <u>\$ 756,320</u>	 <u>\$ 51,893</u>

Education Foundation	Maintenance of Classroom Facilities	District Managed Student Activities	Auxiliary Services	Teacher Development	Management Information Systems
\$ - 569,313	\$ 3,088,681 -	\$ 1,331,880 -	\$ 991,414 -	\$ - -	\$ 33,613 -
-	838,149	-	-	-	-
-	156,969	-	-	-	-
-	-	-	14	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,855	-	-	-
-	-	-	-	-	-
<u>\$ 569,313</u>	<u>\$ 4,083,799</u>	<u>\$ 1,333,735</u>	<u>\$ 991,428</u>	<u>\$ -</u>	<u>\$ 33,613</u>
\$ - - - 200,000 - -	\$ 19,009 - - 944,476 -	\$ 2,042 2,701 2,933 - -	\$ 184,827 24,974 12,431 - -	\$ - - - - -	\$ - 2,672 5,231 - -
<u>200,000</u>	<u>963,485</u>	<u>7,676</u>	<u>222,232</u>	<u>-</u>	<u>7,903</u>
-	147,351	107,627	351,360	-	112
-	-	-	-	-	-
-	50,642	-	-	-	-
-	-	1,855	-	-	-
<u>369,313</u>	<u>2,922,321</u>	<u>1,216,577</u>	<u>417,836</u>	<u>-</u>	<u>25,598</u>
<u>369,313</u>	<u>3,120,314</u>	<u>1,326,059</u>	<u>769,196</u>	<u>-</u>	<u>25,710</u>
<u>\$ 569,313</u>	<u>\$ 4,083,799</u>	<u>\$ 1,333,735</u>	<u>\$ 991,428</u>	<u>\$ -</u>	<u>\$ 33,613</u>

(Continued)

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2006
 (Continued)

	Public School Preschool	Entry Year Program	Disadvantaged Pupil Impact Aid	Data Communications
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 13,752	\$ 62,249	\$ -	\$ 51,823
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
Receivables:				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	493	-	-	-
Due from other Funds	-	-	-	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 14,245</u>	<u>\$ 62,249</u>	<u>\$ -</u>	<u>\$ 51,823</u>
<u>Liabilities and Fund Balances:</u>				
Liabilities:				
Accounts Payable	\$ 7,929	\$ 5,181	\$ -	\$ 8
Accrued Wages and Benefits	-	-	-	-
Intergovernmental Payable	17,830	238	-	-
Due to Other Funds	-	34,400	-	-
Deferred Revenue	493	-	-	-
Compensated Absences Payable	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>26,252</u>	<u>39,819</u>	<u>-</u>	<u>8</u>
Fund Balances:				
Reserved for:				
Encumbrances	4,055	3,316	-	45,378
Supplies Inventory	-	-	-	-
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Unreserved, Undesignated	<u>(16,062)</u>	<u>19,114</u>	<u>-</u>	<u>6,437</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>(12,007)</u>	<u>22,430</u>	<u>-</u>	<u>51,815</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 14,245</u>	<u>\$ 62,249</u>	<u>\$ -</u>	<u>\$ 51,823</u>

SchoolNet Professional Development	Textbooks/ Instructional Material Subsidy	Ohio Reads	Summer Intervention	Vocational Education Enhancement	Alternative Schools
\$ 12,179	\$ 3,709	\$ 48,187	\$ -	\$ -	\$ 38,679
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,849
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 12,179</u>	<u>\$ 3,709</u>	<u>\$ 48,187</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,528</u>
\$ -	\$ -	\$ 3,016	\$ -	\$ -	\$ 5,909
-	-	1,865	-	-	272
-	-	712	197	-	104
-	-	50,000	-	-	34,104
-	-	-	-	-	-
-	-	-	-	-	-
-	-	<u>55,593</u>	<u>197</u>	-	<u>40,389</u>
200	-	15,069	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>11,979</u>	<u>3,709</u>	<u>(22,475)</u>	<u>(197)</u>	-	<u>139</u>
<u>12,179</u>	<u>3,709</u>	<u>(7,406)</u>	<u>(197)</u>	-	<u>139</u>
<u>\$ 12,179</u>	<u>\$ 3,709</u>	<u>\$ 48,187</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,528</u>

(Continued)

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2006
 (Continued)

	Miscellaneous State Grants	Adult Basic Education	Title VI-B	Vocational Education
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 57,474	\$ 18,031	\$ 191,073	\$ 94,164
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
Receivables:				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	73,369	109,398	1,578,492	187,940
Due from other Funds	-	-	-	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	-	-
 Total Assets	 <u>\$ 130,843</u>	 <u>\$ 127,429</u>	 <u>\$ 1,769,565</u>	 <u>\$ 282,104</u>
 <u>Liabilities and Fund Balances:</u>				
Liabilities:				
Accounts Payable	\$ 11,285	\$ 13,563	\$ 87,804	\$ 50,796
Accrued Wages and Benefits	7,953	4,400	89,408	7,934
Intergovernmental Payable	1,087	7,644	208,718	17,232
Due to Other Funds	784	-	358,684	-
Deferred Revenue	72,340	41,233	828,985	187,940
Compensated Absences Payable	-	-	3,661	-
 Total Liabilities	 <u>93,449</u>	 <u>66,840</u>	 <u>1,577,260</u>	 <u>263,902</u>
 Fund Balances:				
Reserved for:				
Encumbrances	6,793	46,620	392,206	30,249
Supplies Inventory	-	-	-	-
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Unreserved, Undesignated	30,601	13,969	(199,901)	(12,047)
 Total Fund Balances	 <u>37,394</u>	 <u>60,589</u>	 <u>192,305</u>	 <u>18,202</u>
 Total Liabilities and Fund Balances	 <u>\$ 130,843</u>	 <u>\$ 127,429</u>	 <u>\$ 1,769,565</u>	 <u>\$ 282,104</u>

Headstart	Dropout Prevention and Intervention	Title I	Title VI	Drug Free Schools Program	EHA Preschool Grants for the Handicapped
\$ 33,277	\$ 15,144	\$ 308,305	\$ 544	\$ 12,966	\$ 57,742
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	92,352	5,449,671	-	659,115	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>33,277</u>	<u>107,496</u>	<u>5,757,976</u>	<u>544</u>	<u>672,081</u>	<u>57,742</u>
\$ 17,064	\$ 2,390	\$ 876,013	\$ 4,911	\$ -	\$ 10,057
11,019	-	205,060	-	7,465	1,408
108,486	-	215,233	-	1,648	18,930
202,535	-	109,147	-	-	50,000
-	84,508	3,630,432	-	659,115	-
-	-	1,127	-	-	-
<u>339,104</u>	<u>86,898</u>	<u>5,037,012</u>	<u>4,911</u>	<u>668,228</u>	<u>80,395</u>
50,327	2,993	1,545,486	548	2,150	3,036
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(356,154)</u>	<u>17,605</u>	<u>(824,522)</u>	<u>(4,915)</u>	<u>1,703</u>	<u>(25,689)</u>
<u>(305,827)</u>	<u>20,598</u>	<u>720,964</u>	<u>(4,367)</u>	<u>3,853</u>	<u>(22,653)</u>
<u>33,277</u>	<u>107,496</u>	<u>5,757,976</u>	<u>544</u>	<u>672,081</u>	<u>57,742</u>

(Continued)

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2006
 (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	\$ 83,987	\$ 159,484	\$ 105,555	\$ 69,679
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
<u>Receivables:</u>				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	470,225	1,800,194	-
Due from other Funds	-	-	-	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	-	-
	\$ 83,987	\$ 629,709	\$ 1,905,749	\$ 69,679
<u>Liabilities and Fund Balances:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ 755	\$ 6,066	\$ 343,285	\$ -
Accrued Wages and Benefits	3,009	91,334	38,959	-
Intergovernmental Payable	4,363	39,112	79,711	-
Due to Other Funds	-	100,000	26,818	-
Deferred Revenue	-	370,601	1,490,211	-
Compensated Absences Payable	-	-	-	-
	8,127	607,113	1,978,984	-
<u>Fund Balances:</u>				
<u>Reserved for:</u>				
Encumbrances	16,778	21,467	77,911	-
Supplies Inventory	-	-	-	-
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Unreserved, Undesignated	59,082	1,129	(151,146)	69,679
	75,860	22,596	(73,235)	69,679
Total Liabilities and Fund Balances	\$ 83,987	\$ 629,709	\$ 1,905,749	\$ 69,679

<u>Food Service</u>	<u>Uniformed School Supplies</u>	<u>Parity Aid</u>	<u>Follow Through Grant</u>	<u>Total</u>
\$ 170,506	\$ 12,096	\$ 76,905	\$ -	\$ 8,612,766
-	-	-	-	569,313
-	-	-	-	838,149
-	-	-	-	156,969
-	-	-	-	33,465
966,501	-	-	-	11,399,487
6,391	-	-	-	6,391
-	-	-	-	1,855
<u>130,345</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,345</u>
<u>\$ 1,273,743</u>	<u>\$ 12,096</u>	<u>\$ 76,905</u>	<u>\$ -</u>	<u>\$ 21,748,740</u>
\$ -	\$ 406	\$ 105,174	\$ -	\$ 1,899,092
40,036	-	308,417	-	854,146
646,898	-	173,356	-	1,566,981
600,000	-	-	-	1,767,225
-	-	-	-	8,320,222
-	-	12,288	-	17,076
<u>1,286,934</u>	<u>406</u>	<u>599,235</u>	<u>-</u>	<u>14,424,742</u>
1,815	1,018	-	-	2,978,699
130,345	-	-	-	130,345
-	-	-	-	50,642
-	-	-	-	1,855
<u>(145,351)</u>	<u>10,672</u>	<u>(522,330)</u>	<u>-</u>	<u>4,162,457</u>
<u>(13,191)</u>	<u>11,690</u>	<u>(522,330)</u>	<u>-</u>	<u>7,323,998</u>
<u>\$ 1,273,743</u>	<u>\$ 12,096</u>	<u>\$ 76,905</u>	<u>\$ -</u>	<u>\$ 21,748,740</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2006

	Permanent Improvement	Building	Replacement	SchoolNet
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 4,406,587	\$ 45,632,138	\$ 222,038	\$ 63,576
Receivables:				
Taxes - Current	838,165	-	-	-
Taxes - Delinquent	156,969	-	-	-
Accounts	-	10,000	-	-
Interest	-	224,807	-	-
Prepaid Items	-	60,461	-	-
Total Assets	\$ 5,401,721	\$ 45,927,406	\$ 222,038	\$ 63,576
<u>Liabilities and Fund Equity:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ 202,357	\$ 276,065	\$ -	\$ -
Accrued Salaries Payable	-	14,267	-	-
Intergovernmental Payable	-	23,158	-	-
Due to Other Funds	-	1,266	-	-
Deferred Revenue	944,492	224,807	-	-
Total Liabilities	1,146,849	539,563	-	-
<u>Fund Balance:</u>				
Reserved for Encumbrances	248,207	15,221,166	-	-
Reserved for Taxes	50,642	-	-	-
Reserved for Prepays	-	60,461	-	-
Unreserved	3,956,023	30,106,216	222,038	63,576
Total Fund Balance	4,254,872	45,387,843	222,038	63,576
Total Liabilities and Fund Balance	\$ 5,401,721	\$ 45,927,406	\$ 222,038	\$ 63,576

Interactive Video Distance Learning	School Building Assistance Limited	Total Nonmajor Capital Projects Funds
\$ 11,142	\$ 1,927,956	\$ 52,263,437
-	-	838,165
-	-	156,969
-	-	10,000
-	11,292	236,099
-	-	60,461
<u>\$ 11,142</u>	<u>\$ 1,939,248</u>	<u>\$ 53,565,131</u>
\$ -	\$ 1,055	\$ 479,477
-	-	14,267
-	-	23,158
-	-	1,266
-	11,292	1,180,591
<u>-</u>	<u>12,347</u>	<u>1,698,759</u>
-	53,454	15,522,827
-	-	50,642
-	-	60,461
<u>11,142</u>	<u>1,873,447</u>	<u>36,232,442</u>
<u>11,142</u>	<u>1,926,901</u>	<u>51,866,372</u>
<u>\$ 11,142</u>	<u>\$ 1,939,248</u>	<u>\$ 53,565,131</u>

DAYTON



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, 2006

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Taxes	\$ 827,699	\$ 827,700	\$ 1,655,399
Intergovernmental	54,696,777	257,274	54,954,051
Interest	153,196	4,982,239	5,135,435
Charges for Services	1,987,985	-	1,987,985
Gifts and Donations	13,084	-	13,084
Extracurricular Activities	900,587	-	900,587
Miscellaneous	1,125,747	10,000	1,135,747
	<u>59,705,075</u>	<u>6,077,213</u>	<u>65,782,288</u>
Total Revenues			
Expenditures:			
Current:			
Instruction:			
Regular	10,616,155	4,640	10,620,795
Special	10,232,059	-	10,232,059
Vocational	583,744	-	583,744
Adult/Continuing	495,751	-	495,751
Support Services:			
Pupils	3,795,999	-	3,795,999
Instructional Staff	12,248,748	-	12,248,748
Administration	1,356,420	23,281	1,379,701
Fiscal	557,172	105,603	662,775
Plant Operation and Maintenance	1,849,571	764,731	2,614,302
Pupil Transportation	215,845	-	215,845
Central	1,043,379	532,836	1,576,215
Non-Instructional Services	13,940,950	-	13,940,950
Extracurricular Activities	712,833	-	712,833
Capital Outlay	77,568	14,036,837	14,114,405
Intergovernmental	4,364,560	-	4,364,560
Debt Service:			
Principal Retirement	21,538	350,000	371,538
Interest and Fiscal Charges	1,723	122,762	124,485
	<u>62,114,015</u>	<u>15,940,690</u>	<u>78,054,705</u>
Total Expenditures			
Excess of Revenues Over(Under)			
Expenditures	(2,408,940)	(9,863,477)	(12,272,417)
Other Financing Sources:			
Transfers In	475,000	-	475,000
Transfers Out	(18)	-	(18)
	<u>474,982</u>	<u>-</u>	<u>474,982</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	(1,933,958)	(9,863,477)	(11,797,435)
Fund Balance at Beginning of Year - Restated	9,257,956	61,729,849	70,987,805
Fund Balance at End of Year	<u>\$ 7,323,998</u>	<u>\$ 51,866,372</u>	<u>\$ 59,190,370</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, 2006

	Other Grant Rotary	Public School Support	Other Grants	Computer Networks
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	56,860
Interest	-	-	-	-
Charges for Services	-	-	-	-
Gifts and Donations	-	-	-	-
Extracurricular Activities	24,515	353,746	5,482	-
Miscellaneous	6,400	9,245	1,066,693	-
	<u>30,915</u>	<u>362,991</u>	<u>1,072,175</u>	<u>56,860</u>
Total Revenues				
Expenditures:				
Current:				
Instruction:				
Regular	25,401	380,939	6,749	-
Special	-	-	971	-
Vocational	-	-	1,426	-
Adult/Continuing	-	-	-	-
Support Services:				
Pupils	-	19,433	688,255	-
Instructional Staff	-	6,666	80,747	-
Administration	-	-	3,123	-
Fiscal	-	-	-	-
Plant Operation and Maintenance	-	96	1,240	-
Pupil Transportation	-	-	-	-
Central	-	-	250	6,074
Non-Instructional Services	-	-	-	-
Extracurricular Activities	-	-	51,105	-
Capital Outlay	-	-	-	-
Intergovernmental	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
	<u>25,401</u>	<u>407,134</u>	<u>833,866</u>	<u>6,074</u>
Total Expenditures				
Excess of Revenues Over(Under)				
Expenditures	5,514	(44,143)	238,309	50,786
Other Financing Sources:				
Transfers-In	-	-	-	-
Transfers-Out	-	-	(18)	-
	<u>5,514</u>	<u>(44,143)</u>	<u>238,291</u>	<u>50,786</u>
Net Change in Fund Balance				
Fund Balance at Beginning of Year	149,998	572,485	377,686	-
	<u>149,998</u>	<u>572,485</u>	<u>377,686</u>	<u>-</u>
Fund Balance at End of Year				
	<u>\$ 155,512</u>	<u>\$ 528,342</u>	<u>\$ 615,977</u>	<u>\$ 50,786</u>

Education Foundation	Maintenance of Classroom Facilities	District Managed Student Activities	Auxiliary Services	Teacher Development	Management Information Systems
\$ -	\$ 827,699	\$ -	\$ -	\$ -	\$ -
-	81,274	-	2,001,298	43,991	58,864
56,092	-	-	53,244	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	516,844	-	-	-
35,000	-	-	14	-	-
<u>91,092</u>	<u>908,973</u>	<u>516,844</u>	<u>2,054,556</u>	<u>43,991</u>	<u>58,864</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	35,708	-
247,290	-	-	-	-	-
-	14,775	-	-	-	-
-	-	32,002	-	-	-
-	-	-	-	-	-
-	-	-	-	-	78,644
20,667	-	-	2,431,130	-	-
-	-	661,728	-	-	-
-	77,568	-	-	-	-
-	-	-	-	-	-
-	-	21,538	-	-	-
-	-	1,723	-	-	-
<u>267,957</u>	<u>92,343</u>	<u>716,991</u>	<u>2,431,130</u>	<u>35,708</u>	<u>78,644</u>
(176,865)	816,630	(200,147)	(376,574)	8,283	(19,780)
-	-	475,000	-	-	-
-	-	-	-	-	-
(176,865)	816,630	274,853	(376,574)	8,283	(19,780)
<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>\$ 369,313</u>	<u>\$ 3,120,314</u>	<u>\$ 1,326,059</u>	<u>\$ 769,196</u>	<u>\$ -</u>	<u>\$ 25,710</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, 2006
(Continued)

	Public School Preschool	Entry Year Program	Disadvantaged Pupil Impact Aid	Data Communications
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	274,125	37,400	-	156,600
Interest	-	-	-	-
Charges for Services	-	-	-	-
Gifts and Donations	-	-	-	-
Extracurricular Activities	-	-	-	-
Miscellaneous	2,004	-	-	-
Total Revenues	<u>276,129</u>	<u>37,400</u>	<u>-</u>	<u>156,600</u>
Expenditures:				
Current:				
Instruction:				
Regular	128,927	-	-	-
Special	-	-	(317,205)	-
Vocational	-	-	-	-
Adult/Continuing	-	-	-	-
Support Services:				
Pupils	72,770	-	-	-
Instructional Staff	138,839	22,701	-	-
Administration	-	238	-	-
Fiscal	-	-	-	-
Plant Operation and Maintenance	-	-	-	-
Pupil Transportation	-	-	-	-
Central	-	-	-	299,359
Non-Instructional Services	-	-	-	-
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	-
Intergovernmental	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	<u>340,536</u>	<u>22,939</u>	<u>(317,205)</u>	<u>299,359</u>
Excess of Revenues Over(Under)				
Expenditures	(64,407)	14,461	317,205	(142,759)
Other Financing Sources:				
Transfers-In	-	-	-	-
Transfers-Out	-	-	-	-
Net Change in Fund Balance	<u>(64,407)</u>	<u>14,461</u>	<u>317,205</u>	<u>(142,759)</u>
Fund Balance at Beginning of Year	<u>52,400</u>	<u>7,969</u>	<u>(317,205)</u>	<u>194,574</u>
Fund Balance at End of Year	<u>\$ (12,007)</u>	<u>\$ 22,430</u>	<u>\$ -</u>	<u>\$ 51,815</u>

SchoolNet Professional Development	Textbooks/ Instructional Material Subsidy	Ohio Reads	Summer Intervention	Vocational Education Enhancement	Alternative Schools
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12,500	-	75,125	312,508	-	286,400
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>12,500</u>	<u>-</u>	<u>75,125</u>	<u>312,508</u>	<u>-</u>	<u>286,400</u>
-	56,128	47,923	2,105	-	-
-	-	-	183,257	-	-
-	-	-	-	4,263	-
-	-	-	-	-	-
-	-	17,952	-	129	263,277
14,490	-	18,409	51,913	-	408
-	-	-	-	-	18,049
-	-	-	-	-	4,104
-	-	-	-	-	-
-	-	-	950	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>14,490</u>	<u>56,128</u>	<u>84,284</u>	<u>238,225</u>	<u>4,392</u>	<u>285,838</u>
(1,990)	(56,128)	(9,159)	74,283	(4,392)	562
-	-	-	-	-	-
-	-	-	-	-	-
(1,990)	(56,128)	(9,159)	74,283	(4,392)	562
<u>14,169</u>	<u>59,837</u>	<u>1,753</u>	<u>(74,480)</u>	<u>4,392</u>	<u>(423)</u>
<u>\$ 12,179</u>	<u>\$ 3,709</u>	<u>\$ (7,406)</u>	<u>\$ (197)</u>	<u>\$ -</u>	<u>\$ 139</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, 2006
(Continued)

	Miscellaneous State Grants	Adult Basic Education	Title VI-B	Vocational Education
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	185,125	604,351	4,380,504	624,808
Interest	-	-	-	-
Charges for Services	-	-	-	-
Gifts and Donations	-	-	-	-
Extracurricular Activities	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>185,125</u>	<u>604,351</u>	<u>4,380,504</u>	<u>624,808</u>
Expenditures:				
Current:				
Instruction:				
Regular	4,030	-	-	-
Special	-	-	1,337,170	-
Vocational	28,355	-	-	485,323
Adult/Continuing	-	427,384	-	-
Support Services:				
Pupils	6,355	-	416,567	22,951
Instructional Staff	228,827	126,948	2,192,477	24,025
Administration	-	22,436	187,786	38,604
Fiscal	2,413	-	142,419	-
Plant Operation and Maintenance	-	79,097	-	-
Pupil Transportation	-	5,430	-	-
Central	-	-	-	51,193
Non-Instructional Services	-	2,976	639,907	-
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	-
Intergovernmental	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	<u>269,980</u>	<u>664,271</u>	<u>4,916,326</u>	<u>622,096</u>
Excess of Revenues Over(Under)				
Expenditures	(84,855)	(59,920)	(535,822)	2,712
Other Financing Sources:				
Transfers-In	-	-	-	-
Transfers-Out	-	-	-	-
Net Change in Fund Balance	<u>(84,855)</u>	<u>(59,920)</u>	<u>(535,822)</u>	<u>2,712</u>
Fund Balance at Beginning of Year	<u>122,249</u>	<u>120,509</u>	<u>728,127</u>	<u>15,490</u>
Fund Balance at End of Year	<u>\$ 37,394</u>	<u>\$ 60,589</u>	<u>\$ 192,305</u>	<u>\$ 18,202</u>

Headstart	Dropout Prevention and Intervention	Title I	Title VI	Drug Free Schools Program	EHA Preschool Grants for the Handicapped
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,322,264	61,156	11,395,375	-	720,067	174,535
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,322,264</u>	<u>61,156</u>	<u>11,395,375</u>	<u>-</u>	<u>720,067</u>	<u>174,535</u>
-	-	-	-	-	-
1,619,461	39,939	5,174,594	65,775	-	27,103
-	-	-	-	-	-
-	-	68,035	-	-	-
2,049	-	598,198	-	561,461	5,759
35,760	2,006	3,924,327	-	91,015	168,987
19,761	-	565,640	2,445	-	-
-	-	277,792	-	48,380	3,383
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	55,136	11,911	1,904	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,677,031</u>	<u>41,945</u>	<u>10,663,722</u>	<u>80,131</u>	<u>702,760</u>	<u>205,232</u>
(354,767)	19,211	731,653	(80,131)	17,307	(30,697)
-	-	-	-	-	-
-	-	-	-	-	-
(354,767)	19,211	731,653	(80,131)	17,307	(30,697)
<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>\$ (305,827)</u>	<u>\$ 20,598</u>	<u>\$ 720,964</u>	<u>\$ (4,367)</u>	<u>\$ 3,853</u>	<u>\$ (22,653)</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, 2006
(Continued)

	E-Rate Grant	Title VI-R Classroom Size Reduction	Miscellaneous Federal Grants	Special Trust
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	508,152	2,774,399	4,238,187	-
Interest	-	-	-	-
Charges for Services	-	-	-	-
Gifts and Donations	-	-	-	13,084
Extracurricular Activities	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>508,152</u>	<u>2,774,399</u>	<u>4,238,187</u>	<u>13,084</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	-	40,349	-
Special	-	-	1,128,199	-
Vocational	-	-	-	-
Adult/Continuing	-	-	-	-
Support Services:				
Pupils	-	-	1,120,843	-
Instructional Staff	-	2,788,182	2,209,581	-
Administration	-	-	251,048	-
Fiscal	-	-	52,322	11,584
Plant Operation and Maintenance	-	-	-	-
Pupil Transportation	-	-	53,490	-
Central	607,859	-	-	-
Non-Instructional Services	-	15,812	20,501	-
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	-
Intergovernmental	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	<u>607,859</u>	<u>2,803,994</u>	<u>4,876,333</u>	<u>11,584</u>
Excess of Revenues Over(Under)				
Expenditures	(99,707)	(29,595)	(638,146)	1,500
Other Financing Sources:				
Transfers-In	-	-	-	-
Transfers-Out	-	-	-	-
Net Change in Fund Balance	(99,707)	(29,595)	(638,146)	1,500
Fund Balance at Beginning of Year	<u>175,567</u>	<u>52,191</u>	<u>564,911</u>	<u>68,179</u>
Fund Balance at End of Year	<u>\$ 75,860</u>	<u>\$ 22,596</u>	<u>\$ (73,235)</u>	<u>\$ 69,679</u>

Food Service	Uniformed School Supplies	Parity Aid	Follow Through Grant	Total
\$ -	\$ -	\$ -	\$ -	\$ 827,699
7,698,015	-	16,602,803	10,091	54,696,777
43,860	-	-	-	153,196
1,953,662	34,323	-	-	1,987,985
-	-	-	-	13,084
-	-	-	-	900,587
6,391	-	-	-	1,125,747
<u>9,701,928</u>	<u>34,323</u>	<u>16,602,803</u>	<u>10,091</u>	<u>59,705,075</u>
-	29,860	9,893,744	-	10,616,155
-	-	972,795	-	10,232,059
-	-	64,377	-	583,744
-	-	332	-	495,751
-	-	-	-	3,795,999
-	-	86,732	-	12,248,748
-	-	-	-	1,356,420
-	-	-	-	557,172
140,427	-	1,586,618	10,091	1,849,571
-	-	155,975	-	215,845
-	-	-	-	1,043,379
10,741,006	-	-	-	13,940,950
-	-	-	-	712,833
-	-	-	-	77,568
-	-	4,364,560	-	4,364,560
-	-	-	-	21,538
-	-	-	-	1,723
<u>10,881,433</u>	<u>29,860</u>	<u>17,125,133</u>	<u>10,091</u>	<u>62,114,015</u>
(1,179,505)	4,463	(522,330)	-	(2,408,940)
-	-	-	-	475,000
-	-	-	-	(18)
(1,179,505)	4,463	(522,330)	-	(1,933,958)
<u>1,166,314</u>	<u>7,227</u>	<u>-</u>	<u>-</u>	<u>9,257,956</u>
<u>\$ (13,191)</u>	<u>\$ 11,690</u>	<u>\$ (522,330)</u>	<u>\$ -</u>	<u>\$ 7,323,998</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, 2006

	Permanent Improvement	Building	Replacement	SchoolNet
Revenues:				
Taxes	\$ 827,700	\$ -	\$ -	\$ -
Intergovernmental	81,274	-	-	176,000
Interest	-	4,794,741	11,282	-
Miscellaneous	-	10,000	-	-
Total Revenues	<u>908,974</u>	<u>4,804,741</u>	<u>11,282</u>	<u>176,000</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	4,640	-	-
Support Services:				
Administration	-	23,281	-	-
Fiscal	28,928	73,496	-	-
Plant Operation and Maintenance	760,382	-	-	-
Central	42,785	364,363	-	125,688
Capital Outlay	96,102	13,786,713	-	-
Debt Service:				
Principal Retirement	350,000	-	-	-
Interest and Fiscal Charges	122,762	-	-	-
Total Expenditures	<u>1,400,959</u>	<u>14,252,493</u>	<u>-</u>	<u>125,688</u>
Net Change in Fund Balance	(491,985)	(9,447,752)	11,282	50,312
Fund Balance at Beginning of Year - Restated	<u>4,746,857</u>	<u>54,835,595</u>	<u>210,756</u>	<u>13,264</u>
Fund Balance at End of Year	<u>\$ 4,254,872</u>	<u>\$ 45,387,843</u>	<u>\$ 222,038</u>	<u>\$ 63,576</u>

Interactive Video Distance Learning	School Building Assistance Limited	Total Nonmajor Capital Projects Funds
\$ -	\$ -	\$ 827,700
-	-	257,274
-	176,216	4,982,239
-	-	10,000
-	176,216	6,077,213
-	-	4,640
-	-	23,281
-	3,179	105,603
-	4,349	764,731
-	-	532,836
-	154,022	14,036,837
-	-	350,000
-	-	122,762
-	161,550	15,940,690
-	14,666	(9,863,477)
11,142	1,912,235	61,729,849
<u>\$ 11,142</u>	<u>\$ 1,926,901</u>	<u>\$ 51,866,372</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Extracurricular Activities	\$ 40,500	\$ 24,515	\$ 24,515	\$ -
Total Revenues	<u>40,500</u>	<u>24,515</u>	<u>24,515</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	<u>181,918</u>	<u>172,921</u>	<u>25,746</u>	<u>147,175</u>
Total Expenditures	<u>181,918</u>	<u>172,921</u>	<u>25,746</u>	<u>147,175</u>
Excess of Revenues Over(Under) Expenditures	(141,418)	(148,406)	(1,231)	147,175
Fund Balance at Beginning of Year	147,992	147,992	147,992	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>418</u>	<u>418</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 6,574</u>	<u>\$ 4</u>	<u>\$ 147,179</u>	<u>\$ 147,175</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Extracurricular Activities	\$ 438,533	\$ 353,133	\$ 353,746	\$ 613
Miscellaneous	11,467	9,234	9,250	16
Total Revenues	450,000	362,367	362,996	629
Expenditures:				
Current:				
Instruction:				
Regular	952,184	888,110	418,943	469,167
Support Services:				
Pupils	47,598	44,395	20,942	23,453
Instructional Staff	15,151	14,131	6,666	7,465
Plant Operation and Maintenance	219	204	96	108
Total Expenditures	1,015,152	946,840	446,647	500,193
Excess of Revenues Over(Under) Expenditures	(565,152)	(584,473)	(83,651)	500,822
Fund Balance at Beginning of Year	535,155	539,634	539,634	-
Prior Year Encumbrances Appropriated	29,997	45,151	45,151	-
Fund Balance at End of Year	\$ -	\$ 312	\$ 501,134	\$ 500,822

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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Miscellaneous	\$ 295,000	\$ 1,180,995	\$ 1,180,995	\$ -
Total Revenues	<u>295,000</u>	<u>1,180,995</u>	<u>1,180,995</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	34,304	106,154	63,731	42,423
Special	964	2,984	1,791	1,193
Vocational	767	2,375	1,426	949
Support Services:				
Pupils	375,144	1,160,880	696,981	463,899
Instructional Staff	62,452	193,259	116,025	77,234
Administration	3,995	12,364	7,423	4,941
Plant Operation and Maintenance	668	2,066	1,240	826
Central	310	958	575	383
Extracurricular Activities	28,920	89,463	53,710	35,753
Total Expenditures	<u>507,524</u>	<u>1,570,503</u>	<u>942,902</u>	<u>627,601</u>
Excess of Revenues Over(Under) Expenditures	<u>(212,524)</u>	<u>(389,508)</u>	<u>238,093</u>	<u>627,601</u>
Other Financing Sources (Uses):				
Transfers-Out	<u>-</u>	<u>(30)</u>	<u>(18)</u>	<u>12</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(30)</u>	<u>(18)</u>	<u>12</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(212,524)</u>	<u>(389,538)</u>	<u>238,075</u>	<u>627,613</u>
Fund Balance at Beginning of Year	139,947	208,532	208,532	-
Prior Year Encumbrances Appropriated	<u>72,577</u>	<u>77,525</u>	<u>77,525</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (103,481)</u>	<u>\$ 524,132</u>	<u>\$ 627,613</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
	\$ 24,600	\$ 56,860	\$ 56,860	\$ -
Total Revenues	24,600	56,860	56,860	-
Expenditures:				
Current:				
Support Services:				
Central	24,600	56,860	24,600	32,260
Total Expenditures	24,600	56,860	24,600	32,260
Excess of Revenues Over(Under) Expenditures	-	-	32,260	32,260
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ 32,260	\$ 32,260

**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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	\$ 824,038	\$ 849,911	\$ 849,911	\$ -
Intergovernmental	78,800	81,274	81,274	-
Total Revenues	902,838	931,185	931,185	-
Expenditures:				
Current:				
Support Services:				
Fiscal	192,813	192,813	14,775	178,038
Captial Outlay	2,935,187	2,935,187	224,919	2,710,268
Total Expenditures	3,128,000	3,128,000	239,694	2,888,306
Excess of Revenues Over(Under) Expenditures	(2,225,162)	(2,196,815)	691,491	2,888,306
Fund Balance at Beginning of Year	2,225,539	2,230,829	2,230,829	-
Fund Balance at End of Year	<u>\$ 377</u>	<u>\$ 34,014</u>	<u>\$ 2,922,320</u>	<u>\$ 2,888,306</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Extracurricular Activities	\$ 444,361	\$ 519,118	\$ 520,344	\$ 1,226
Total Revenues	<u>444,361</u>	<u>519,118</u>	<u>520,344</u>	<u>1,226</u>
Expenditures:				
Current:				
Support Services:				
Central	105,836	123,049	50,010	73,039
Extracurricular Activities	1,660,534	1,930,591	784,887	1,145,704
Total Expenditures	<u>1,766,370</u>	<u>2,053,640</u>	<u>834,897</u>	<u>1,218,743</u>
Excess of Revenues Over(Under) Expenditures	<u>(1,322,009)</u>	<u>(1,534,522)</u>	<u>(314,553)</u>	<u>1,219,969</u>
Other Financing Sources (Uses):				
Transfers-in	405,639	473,881	475,000	1,119
Total Other Financing Sources (Uses)	<u>405,639</u>	<u>473,881</u>	<u>475,000</u>	<u>1,119</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(916,370)	(1,060,641)	160,447	1,221,088
Fund Balance at Beginning of Year	909,736	995,394	995,394	-
Prior Year Encumbrances Appropriated	<u>6,634</u>	<u>66,371</u>	<u>66,371</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 1,124</u>	<u>\$ 1,222,212</u>	<u>\$ 1,221,088</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 4,747,689	\$ 1,995,556	\$ 2,001,298	\$ 5,742
Interest	126,311	53,091	53,244	153
Total Revenues	4,874,000	2,048,647	2,054,542	5,895
Expenditures:				
Current:				
Non-Instructional Services	6,850,731	3,345,881	2,940,113	405,768
Total Expenditures	6,850,731	3,345,881	2,940,113	405,768
Excess of Revenues Over(Under) Expenditures	(1,976,731)	(1,297,234)	(885,571)	411,663
Fund Balance at Beginning of Year	773,871	130,067	130,067	-
Prior Year Encumbrances Appropriated	1,202,860	1,210,731	1,210,731	-
Fund Balance at End of Year	\$ -	\$ 43,564	\$ 455,227	\$ 411,663

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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 752,804	\$ 43,991	\$ 43,991	\$ -
Total Revenues	<u>752,804</u>	<u>43,991</u>	<u>43,991</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Instructional Staff	<u>221,782</u>	<u>40,491</u>	<u>40,491</u>	<u>-</u>
Total Expenditures	<u>221,782</u>	<u>40,491</u>	<u>40,491</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	<u>531,022</u>	<u>3,500</u>	<u>3,500</u>	<u>-</u>
Other Financing Sources (Uses):				
Advances-Out	<u>(547,733)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(547,733)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(16,711)	(96,500)	(96,500)	-
Fund Balance at Beginning of Year	(20,850)	56,985	56,985	-
Prior Year Encumbrances Appropriated	<u>37,561</u>	<u>39,515</u>	<u>39,515</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
MANAGEMENT INFORMATION SYSTEMS FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 146,790	\$ 58,864	\$ 58,864	\$ -
Total Revenues	<u>146,790</u>	<u>58,864</u>	<u>58,864</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Central	<u>190,200</u>	<u>108,628</u>	<u>75,128</u>	<u>33,500</u>
Total Expenditures	<u>190,200</u>	<u>108,628</u>	<u>75,128</u>	<u>33,500</u>
Excess of Revenues Over(Under) Expenditures	(43,410)	(49,764)	(16,264)	33,500
Fund Balance at Beginning of Year	49,420	49,564	49,564	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>200</u>	<u>200</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 6,010</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 33,500</u></u>	<u><u>\$ 33,500</u></u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
PUBLIC SCHOOL PRESCHOOL FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 300,441	\$ 303,640	\$ 303,640	\$ -
Miscellaneous	1,983	2,004	2,004	-
Total Revenues	<u>302,424</u>	<u>305,644</u>	<u>305,644</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	101,162	127,136	126,415	721
Support Services:				
Pupils	61,611	77,430	76,991	439
Instructional Staff	111,694	140,372	139,577	795
Total Expenditures	<u>274,467</u>	<u>344,938</u>	<u>342,983</u>	<u>1,955</u>
Excess of Revenues Over (Under) Expenditures	<u>27,957</u>	<u>(39,294)</u>	<u>(37,339)</u>	<u>1,955</u>
Other Financing Sources (Uses):				
Advances-Out	<u>(40,012)</u>	<u>(50,285)</u>	<u>(50,000)</u>	<u>285</u>
Total Other Financing Uses	<u>(40,012)</u>	<u>(50,285)</u>	<u>(50,000)</u>	<u>285</u>
Excess of Revenues and Other Financing Sources Over(Under) Other Financing Sources (Uses)	(12,055)	(89,579)	(87,339)	2,240
Fund Balance at Beginning of Year	(4,662)	64,629	64,629	-
Prior Year Encumbrances Appropriated	<u>16,717</u>	<u>24,479</u>	<u>24,479</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (471)</u>	<u>\$ 1,769</u>	<u>\$ 2,240</u>

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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 22,919	\$ 37,400	\$ 37,400	\$ -
Total Revenues	<u>22,919</u>	<u>37,400</u>	<u>37,400</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Instructional Staff	<u>53,068</u>	<u>46,480</u>	<u>27,128</u>	<u>19,352</u>
Total Expenditures	<u>53,068</u>	<u>46,480</u>	<u>27,128</u>	<u>19,352</u>
Excess of Revenues Over(Under) Expenditures	<u>(30,149)</u>	<u>(9,080)</u>	<u>10,272</u>	<u>19,352</u>
Other Financing Sources (Uses):				
Advances-In	<u>21,081</u>	<u>34,400</u>	<u>34,400</u>	<u>-</u>
Total Other Financing Sources	<u>21,081</u>	<u>34,400</u>	<u>34,400</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Other Financing Sources (Uses)	<u>(9,068)</u>	<u>25,320</u>	<u>44,672</u>	<u>19,352</u>
Fund Balance at Beginning of Year	12	12	12	-
Prior Year Encumbrances Appropriated	<u>9,056</u>	<u>9,068</u>	<u>9,068</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 34,400</u>	<u>\$ 53,752</u>	<u>\$ 19,352</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 16,000,000	\$ -	\$ -	\$ -
Total Revenues	<u>16,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	16,388,942	401,221	401,221	-
Support Services:				
Plant Operation and Maintenance	<u>12,587</u>	<u>308</u>	<u>308</u>	<u>-</u>
Total Expenditures	<u>16,401,529</u>	<u>401,529</u>	<u>401,529</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	(401,529)	(401,529)	(401,529)	-
Fund Balance at Beginning of Year	-	-	-	-
Prior Year Encumbrances Appropriated	<u>401,529</u>	<u>401,529</u>	<u>401,529</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DATA COMMUNICATION FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 360,550	\$ 156,600	\$ 156,600	\$ -
Total Revenues	<u>360,550</u>	<u>156,600</u>	<u>156,600</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Central	<u>538,172</u>	<u>344,749</u>	<u>344,737</u>	<u>12</u>
Total Expenditures	<u>538,172</u>	<u>344,749</u>	<u>344,737</u>	<u>12</u>
Excess of Revenues Over(Under) Expenditures	(177,622)	(188,149)	(188,137)	12
Fund Balance at Beginning of Year	-	6,403	6,403	-
Prior Year Encumbrances Appropriated	<u>177,622</u>	<u>188,172</u>	<u>188,172</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 6,426</u>	<u>\$ 6,438</u>	<u>\$ 12</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 65,000	\$ 12,500	\$ 12,500	\$ -
Total Revenues	<u>65,000</u>	<u>12,500</u>	<u>12,500</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Instructional Staff	<u>79,000</u>	<u>27,137</u>	<u>15,158</u>	<u>11,979</u>
Total Expenditures	<u>79,000</u>	<u>27,137</u>	<u>15,158</u>	<u>11,979</u>
Excess of Revenues Over(Under) Expenditures	(14,000)	(14,637)	(2,658)	11,979
Fund Balance at Beginning of Year	<u>14,597</u>	<u>14,637</u>	<u>14,637</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 597</u>	<u>\$ -</u>	<u>\$ 11,979</u>	<u>\$ 11,979</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Instruction:				
Regular	88,371	59,837	56,128	3,709
Total Expenditures	88,371	59,837	56,128	3,709
Excess of Revenues Over(Under) Expenditures	(88,371)	(59,837)	(56,128)	3,709
Fund Balance at Beginning of Year	28,534	-	-	-
Prior Year Encumbrances Appropriated	59,837	59,837	59,837	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,709</u>	<u>\$ 3,709</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
OHIO READS FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 58,539	\$ 75,125	\$ 75,125	\$ -
Total Revenues	<u>58,539</u>	<u>75,125</u>	<u>75,125</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	56,621	64,017	60,788	3,229
Support Services:				
Pupils	16,743	18,930	17,975	955
Pupil Transportation	18,571	20,997	19,938	1,059
Total Expenditures	<u>91,935</u>	<u>103,944</u>	<u>98,701</u>	<u>5,243</u>
Excess of Revenues Over(Under) Expenditures	<u>(33,396)</u>	<u>(28,819)</u>	<u>(23,576)</u>	<u>5,243</u>
Other Financing Sources (Uses):				
Advances-In	38,961	50,000	50,000	-
Advances-Out	(5,030)	(5,687)	(5,400)	287
Total Other Financing Sources (Uses)	<u>33,931</u>	<u>44,313</u>	<u>44,600</u>	<u>287</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	535	15,494	21,024	5,530
Fund Balance at Beginning of Year	(3,302)	2,113	2,113	-
Prior Year Encumbrances Appropriated	<u>2,767</u>	<u>6,966</u>	<u>6,966</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 24,573</u>	<u>\$ 30,103</u>	<u>\$ 5,530</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 742,556	\$ 312,508	\$ 312,508	\$ -
Total Revenues	<u>742,556</u>	<u>312,508</u>	<u>312,508</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	5,793	4,467	4,467	-
Special	338,323	260,874	260,874	-
Support Services:				
Instructional Staff	88,504	68,244	68,244	-
Pupil Transportation	1,232	950	950	-
Total Expenditures	<u>433,852</u>	<u>334,535</u>	<u>334,535</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	<u>308,704</u>	<u>(22,027)</u>	<u>(22,027)</u>	<u>-</u>
Other Financing Sources (Uses):				
Advances-Out	(389,064)	(300,000)	(300,000)	-
Advances-In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(389,064)</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(80,360)	(322,027)	(322,027)	-
Fund Balance at Beginning of Year	(67,475)	174,111	174,111	-
Prior Year Encumbrances Appropriated	<u>147,835</u>	<u>147,916</u>	<u>147,916</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
VOCATIONAL EDUCATION ENHANCEMENT FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 10,000	\$ 3,497	\$ 3,497	\$ -
Total Revenues	<u>10,000</u>	<u>3,497</u>	<u>3,497</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Vocational	8,703	3,497	3,497	-
Support Services:				
Pupils	<u>1,797</u>	<u>722</u>	<u>722</u>	<u>-</u>
Total Expenditures	<u>10,500</u>	<u>4,219</u>	<u>4,219</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	(500)	(722)	(722)	-
Fund Balance at Beginning of Year	<u>594</u>	<u>722</u>	<u>722</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 94</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ALTERNATIVE SCHOOLS FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 305,713	\$ 323,932	\$ 323,932	\$ -
Total Revenues	<u>305,713</u>	<u>323,932</u>	<u>323,932</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Pupils	179,549	274,974	263,733	11,241
Instructional Staff	278	425	408	17
Administration	<u>12,677</u>	<u>19,414</u>	<u>18,620</u>	<u>794</u>
Total Expenditures	<u>192,504</u>	<u>294,813</u>	<u>282,761</u>	<u>12,052</u>
Excess of Revenues Over(Under) Expenditures	<u>113,209</u>	<u>29,119</u>	<u>41,171</u>	<u>12,052</u>
Other Financing Sources (Uses):				
Advances-In	28,313	30,000	30,000	-
Advances-Out	<u>(57,868)</u>	<u>(88,623)</u>	<u>(85,000)</u>	<u>3,623</u>
Total Other Financing Sources (Uses)	<u>(29,555)</u>	<u>(58,623)</u>	<u>(55,000)</u>	<u>3,623</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	83,654	(29,504)	(13,829)	15,675
Fund Balance at Beginning of Year	(82,181)	46,227	46,227	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>373</u>	<u>373</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,473</u>	<u>\$ 17,096</u>	<u>\$ 32,771</u>	<u>\$ 15,675</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 168,000	\$ 215,125	\$ 215,125	\$ -
Total Revenues	<u>168,000</u>	<u>215,125</u>	<u>215,125</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	8,682	10,255	8,846	1,409
Vocational	28,977	34,229	29,527	4,702
Support Services:				
Pupils	55,444	65,495	56,496	8,999
Instructional Staff	223,258	263,731	227,494	36,237
Fiscal	2,378	2,810	2,424	386
Total Expenditures	<u>318,739</u>	<u>376,520</u>	<u>324,787</u>	<u>51,733</u>
Excess of Revenues Over(Under) Expenditures	(150,739)	(161,395)	(109,662)	51,733
Fund Balance at Beginning of Year	72,061	70,316	70,316	-
Prior Year Encumbrances Appropriated	<u>78,678</u>	<u>78,739</u>	<u>78,739</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (12,340)</u>	<u>\$ 39,393</u>	<u>\$ 51,733</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 925,760	\$ 615,328	\$ 615,328	\$ -
Total Revenues	<u>925,760</u>	<u>615,328</u>	<u>615,328</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Adult/Continuing	482,674	500,811	464,431	36,380
Support Services:				
Instructional Staff	136,386	141,511	131,232	10,279
Administration	21,983	22,809	21,152	1,657
Plant Operation and Maintenance	84,492	87,667	81,299	6,368
Pupil Transportation	5,643	5,855	5,430	425
Non-Instructional Services	<u>5,134</u>	<u>5,326</u>	<u>4,940</u>	<u>386</u>
Total Expenditures	<u>736,312</u>	<u>763,979</u>	<u>708,484</u>	<u>55,495</u>
Excess of Revenues Over(Under) Expenditures	<u>189,448</u>	<u>(148,651)</u>	<u>(93,156)</u>	<u>55,495</u>
Other Financing Sources (Uses):				
Advances-In	-	-	-	-
Advances-Out	<u>(155,892)</u>	<u>(161,750)</u>	<u>(150,000)</u>	<u>11,750</u>
Total Other Financing Sources (Uses)	<u>(155,892)</u>	<u>(161,750)</u>	<u>(150,000)</u>	<u>11,750</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	33,556	(310,401)	(243,156)	67,245
Fund Balance at Beginning of Year	(35,369)	198,800	198,800	-
Prior Year Encumbrances Appropriated	<u>1,813</u>	<u>2,204</u>	<u>2,204</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (109,397)</u>	<u>\$ (42,152)</u>	<u>\$ 67,245</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TITLE VI-B FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 4,924,076	\$ 4,532,417	\$ 4,532,417	\$ -
Total Revenues	<u>4,924,076</u>	<u>4,532,417</u>	<u>4,532,417</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	1,830,678	2,521,285	1,820,521	700,764
Support Services:				
Pupils	407,377	561,056	405,117	155,939
Instructional Staff	2,041,331	2,811,404	2,030,004	781,400
Administration	186,311	256,595	185,277	71,318
Fiscal	84,202	115,966	83,735	32,231
Non-Instructional Services	<u>647,203</u>	<u>891,354</u>	<u>643,612</u>	<u>247,742</u>
Total Expenditures	<u>5,197,102</u>	<u>7,157,660</u>	<u>5,168,266</u>	<u>1,989,394</u>
Excess of Revenues Over(Under) Expenditures	<u>(273,026)</u>	<u>(2,625,243)</u>	<u>(635,849)</u>	<u>1,989,394</u>
Other Financing Sources (Uses):				
Advances-In	<u>325,924</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	52,898	(2,325,243)	(335,849)	1,989,394
Fund Balance at Beginning of Year	(602,480)	(503,191)	(503,191)	-
Prior Year Encumbrances Appropriated	<u>549,582</u>	<u>550,101</u>	<u>550,101</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (2,278,333)</u>	<u>\$ (288,939)</u>	<u>\$ 1,989,394</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 1,278,240	\$ 624,808	\$ 624,808	\$ -
Total Revenues	<u>1,278,240</u>	<u>624,808</u>	<u>624,808</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Vocational	812,870	609,756	503,572	106,184
Support Services:				
Pupils	87,917	65,949	54,465	11,484
Instructional Staff	56,197	42,155	34,814	7,341
Administration	62,315	46,745	38,604	8,141
Pupil Transportation	6,441	4,831	3,990	841
Central	89,897	67,434	55,691	11,743
Total Expenditures	<u>1,115,637</u>	<u>836,870</u>	<u>691,136</u>	<u>145,734</u>
Excess of Revenues Over(Under) Expenditures	<u>162,603</u>	<u>(212,062)</u>	<u>(66,328)</u>	<u>145,734</u>
Other Financing Sources (Uses):				
Advances-In	-	-	-	-
Advances-Out	(242,131)	(181,629)	(150,000)	31,629
Total Other Financing Sources (Uses)	<u>(242,131)</u>	<u>(181,629)</u>	<u>(150,000)</u>	<u>31,629</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(79,528)	(393,691)	(216,328)	177,363
Fund Balance at Beginning of Year	6,722	155,679	155,679	-
Prior Year Encumbrances Appropriated	<u>72,806</u>	<u>73,767</u>	<u>73,767</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (164,245)</u>	<u>\$ 13,118</u>	<u>\$ 177,363</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 1,318,406	\$ 1,493,152	\$ 1,493,152	\$ -
Total Revenues	<u>1,318,406</u>	<u>1,493,152</u>	<u>1,493,152</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	1,199,783	2,171,884	1,561,328	610,556
Support Services:				
Pupils	3,220	5,829	4,190	1,639
Instructional Staff	35,094	63,529	45,670	17,859
Administration	23,541	42,614	30,635	11,979
Total Expenditures	<u>1,261,638</u>	<u>2,283,856</u>	<u>1,641,823</u>	<u>642,033</u>
Excess of Revenues Over(Under) Expenditures	56,768	(790,704)	(148,671)	642,033
Other Financing Sources (Uses):				
Advances-In	176,594	200,000	200,000	-
Advances-Out	(115,266)	(208,657)	(150,000)	58,657
Total Other Financing Sources (Uses)	<u>61,328</u>	<u>(8,657)</u>	<u>50,000</u>	<u>58,657</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	118,096	(799,361)	(98,671)	700,690
Fund Balance at Beginning of Year	(159,152)	22,652	22,652	-
Prior Year Encumbrances Appropriated	41,056	41,904	41,904	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (734,805)</u>	<u>\$ (34,115)</u>	<u>\$ 700,690</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 62,774	\$ 53,312	\$ 53,312	\$ -
Total Revenues	<u>62,774</u>	<u>53,312</u>	<u>53,312</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	49,051	76,471	41,700	34,771
Support Services:				
Instructional Staff	<u>3,809</u>	<u>5,938</u>	<u>3,238</u>	<u>2,700</u>
Total Expenditures	<u>52,860</u>	<u>82,409</u>	<u>44,938</u>	<u>37,471</u>
Excess of Revenues Over(Under) Expenditures	9,914	(29,097)	8,374	37,471
Other Financing Sources (Uses):				
Advances-Out	<u>(23,526)</u>	<u>(36,677)</u>	<u>(20,000)</u>	<u>16,677</u>
Total Other Financing Sources (Uses)	<u>(23,526)</u>	<u>(36,677)</u>	<u>(20,000)</u>	<u>16,677</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(13,612)	(65,774)	(11,626)	54,148
Fund Balance at Beginning of Year	5,466	13,002	13,002	-
Prior Year Encumbrances Appropriated	<u>8,146</u>	<u>8,384</u>	<u>8,384</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (44,388)</u>	<u>\$ 9,760</u>	<u>\$ 54,148</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 12,001,645	\$ 9,713,339	\$ 9,713,339	\$ -
Total Revenues	<u>12,001,645</u>	<u>9,713,339</u>	<u>9,713,339</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	7,075,572	8,567,473	6,849,181	1,718,292
Adult/Continuing	66,708	80,774	64,574	16,200
Support Services:				
Pupils	688,823	834,063	666,783	167,280
Instructional Staff	4,226,537	5,117,712	4,091,304	1,026,408
Administration	586,842	710,579	568,065	142,514
Fiscal	174,219	210,953	168,645	42,308
Pupil Transportation	7,102	8,600	6,875	1,725
Non-Instructional Services	<u>228,001</u>	<u>276,076</u>	<u>220,706</u>	<u>55,370</u>
Total Expenditures	<u>13,053,804</u>	<u>15,806,230</u>	<u>12,636,133</u>	<u>3,170,097</u>
Excess of Revenues Over(Under) Expenditures	(1,052,159)	(6,092,891)	(2,922,794)	3,170,097
Fund Balance at Beginning of Year	(466,162)	(744,204)	(744,204)	-
Prior Year Encumbrances Appropriated	<u>1,518,321</u>	<u>1,553,803</u>	<u>1,553,803</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (5,283,292)</u>	<u>\$ (2,113,195)</u>	<u>\$ 3,170,097</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 1,762,440	\$ (138,134)	\$ (138,134)	\$ -
Total Revenues	<u>1,762,440</u>	<u>(138,134)</u>	<u>(138,134)</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	140,782	36,209	29,015	7,194
Support Services:				
Administration	11,861	3,051	2,445	606
Non-Instructional Services	71,187	18,309	14,671	3,638
Total Expenditures	<u>223,830</u>	<u>57,569</u>	<u>46,131</u>	<u>11,438</u>
Excess of Revenues Over(Under) Expenditures	<u>1,538,610</u>	<u>(195,703)</u>	<u>(184,265)</u>	<u>11,438</u>
Other Financing Sources (Uses):				
Advances-Out	<u>(1,698,208)</u>	<u>(436,778)</u>	<u>(350,000)</u>	<u>86,778</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(159,598)</u>	<u>(632,481)</u>	<u>(534,265)</u>	<u>98,216</u>
Fund Balance at Beginning of Year	148,825	507,309	507,309	-
Prior Year Encumbrances Appropriated	<u>10,773</u>	<u>22,038</u>	<u>22,038</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (103,134)</u>	<u>\$ (4,918)</u>	<u>\$ 98,216</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 2,342,662	\$ 899,649	\$ 874,649	\$ (25,000)
Total Revenues	<u>2,342,662</u>	<u>899,649</u>	<u>874,649</u>	<u>(25,000)</u>
Expenditures:				
Current:				
Support Services:				
Pupils	1,522,570	786,980	701,524	85,456
Instructional Staff	232,473	120,160	107,112	13,048
Fiscal	105,002	54,273	48,380	5,893
Non-Instructional Services	<u>6,629</u>	<u>3,426</u>	<u>3,054</u>	<u>372</u>
Total Expenditures	<u>1,866,674</u>	<u>964,839</u>	<u>860,070</u>	<u>104,769</u>
Excess of Revenues Over(Under) Expenditures	<u>475,988</u>	<u>(65,190)</u>	<u>14,579</u>	<u>79,769</u>
Other Financing Sources (Uses):				
Advances-Out	<u>(434,075)</u>	<u>(224,363)</u>	<u>(200,000)</u>	<u>24,363</u>
Total Other Financing Sources (Uses)	<u>(434,075)</u>	<u>(224,363)</u>	<u>(200,000)</u>	<u>24,363</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	41,913	(289,553)	(185,421)	104,132
Fund Balance at Beginning of Year	(559,061)	(321,511)	(321,511)	-
Prior Year Encumbrances Appropriated	<u>517,148</u>	<u>517,747</u>	<u>517,747</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (93,317)</u>	<u>\$ 10,815</u>	<u>\$ 104,132</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 143,026	\$ 174,535	\$ 174,535	\$ -
Total Revenues	<u>143,026</u>	<u>174,535</u>	<u>174,535</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	29,164	34,111	28,776	5,335
Support Services:				
Pupils	6,694	7,830	6,605	1,225
Instructional Staff	153,547	179,595	151,505	28,090
Fiscal	<u>3,429</u>	<u>4,011</u>	<u>3,383</u>	<u>628</u>
Total Expenditures	<u>192,834</u>	<u>225,547</u>	<u>190,269</u>	<u>35,278</u>
Excess of Revenues Over(Under) Expenditures	<u>(49,808)</u>	<u>(51,012)</u>	<u>(15,734)</u>	<u>35,278</u>
Other Financing Sources (Uses):				
Advances-In	40,974	50,000	50,000	-
Advances-Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>40,974</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(8,834)</u>	<u>(1,012)</u>	<u>34,266</u>	<u>35,278</u>
Fund Balance at Beginning of Year	2,880	4,427	4,427	-
Prior Year Encumbrances Appropriated	<u>5,954</u>	<u>5,957</u>	<u>5,957</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 9,372</u>	<u>\$ 44,650</u>	<u>\$ 35,278</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 952,597	\$ 508,152	\$ 508,152	\$ -
Total Revenues	<u>952,597</u>	<u>508,152</u>	<u>508,152</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Central	<u>1,199,989</u>	<u>761,414</u>	<u>694,959</u>	<u>66,455</u>
Total Expenditures	<u>1,199,989</u>	<u>761,414</u>	<u>694,959</u>	<u>66,455</u>
Excess of Revenues Over(Under) Expenditures	(247,392)	(253,262)	(186,807)	66,455
Fund Balance at Beginning of Year	86,745	92,273	92,273	-
Prior Year Encumbrances Appropriated	<u>160,647</u>	<u>160,989</u>	<u>160,989</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,455</u>	<u>\$ 66,455</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 3,851,024	\$ 2,674,775	\$ 2,674,775	\$ -
Total Revenues	<u>3,851,024</u>	<u>2,674,775</u>	<u>2,674,775</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	115,433	95,482	79,566	15,916
Support Services:				
Instructional Staff	4,178,220	3,456,069	2,879,949	576,120
Non-Instructional Services	<u>50,651</u>	<u>41,897</u>	<u>34,913</u>	<u>6,984</u>
Total Expenditures	<u>4,344,304</u>	<u>3,593,448</u>	<u>2,994,428</u>	<u>599,020</u>
Excess of Revenues Over(Under) Expenditures	(493,280)	(918,673)	(319,653)	599,020
Other Financing Sources(Uses):				
Advances - In	<u>143,976</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>143,976</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(349,304)	(818,673)	(219,653)	599,020
Fund Balance at Beginning of Year	283,457	285,298	285,298	-
Prior Year Encumbrances Appropriated	<u>65,847</u>	<u>66,304</u>	<u>66,304</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ (467,071)</u></u>	<u><u>\$ 131,949</u></u>	<u><u>\$ 599,020</u></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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 5,227,887	\$ 4,632,963	\$ 4,695,010	\$ 62,047
Total Revenues	<u>5,227,887</u>	<u>4,632,963</u>	<u>4,695,010</u>	<u>62,047</u>
Expenditures:				
Current:				
Instruction:				
Regular	44,846	48,497	40,349	8,148
Special	1,355,727	1,466,085	1,219,778	246,307
Support Services:				
Pupils	1,308,564	1,415,083	1,177,344	237,739
Instructional Staff	2,502,644	2,706,363	2,251,684	454,679
Administration	279,112	301,832	251,123	50,709
Fiscal	69,035	74,654	62,112	12,542
Pupil Transportation	150,591	162,849	135,490	27,359
Non-Instructional Services	29,576	31,983	26,610	5,373
Total Expenditures	<u>5,740,095</u>	<u>6,207,346</u>	<u>5,164,490</u>	<u>1,042,856</u>
Excess of Revenues Over(Under) Expenditures	<u>(512,208)</u>	<u>(1,574,383)</u>	<u>(469,480)</u>	<u>1,104,903</u>
Other Financing Sources (Uses):				
Advances-Out	<u>(83,359)</u>	<u>(90,145)</u>	<u>(75,000)</u>	<u>15,145</u>
Total Other Financing Sources (Uses)	<u>(83,359)</u>	<u>(90,145)</u>	<u>(75,000)</u>	<u>15,145</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(595,567)	(1,664,528)	(544,480)	1,120,048
Fund Balance at Beginning of Year	(525,057)	(892,616)	(892,616)	-
Prior Year Encumbrances Appropriated	<u>1,120,624</u>	<u>1,121,454</u>	<u>1,121,454</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (1,435,690)</u>	<u>\$ (315,642)</u>	<u>\$ 1,120,048</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Miscellaneous	\$ 7,000	\$ 13,084	\$ 13,084	\$ -
Total Revenues	<u>7,000</u>	<u>13,084</u>	<u>13,084</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Pupils	2,179	2,361	-	2,361
Instructional Staff	22,172	24,024	-	24,024
Administration	1,802	1,952	-	1,952
Fiscal	10,691	11,584	11,584	-
Central	38,156	41,342	-	41,342
Total Expenditures	<u>75,000</u>	<u>81,263</u>	<u>11,584</u>	<u>69,679</u>
Excess of Revenues Over(Under) Expenditures	(68,000)	(68,179)	1,500	69,679
Fund Balance at Beginning of Year	<u>68,179</u>	<u>68,179</u>	<u>68,179</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 179</u>	<u>\$ -</u>	<u>\$ 69,679</u>	<u>\$ 69,679</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 8,030,761	\$ 6,362,908	\$ 6,370,659	\$ 7,751
Interest	55,289	43,807	43,860	53
Charges for Services	2,558,372	2,027,042	2,029,511	2,469
Total Revenues	10,644,422	8,433,757	8,444,030	10,273
Expenditures:				
Current:				
Support Services:				
Plant Operation and Maintenance	170,834	144,734	142,478	2,256
Non-Instructional Services	11,780,320	9,980,399	9,824,267	156,132
Total Expenditures	11,951,154	10,125,133	9,966,745	158,388
Excess of Revenues Over(Under) Expenditures	(1,306,732)	(1,691,376)	(1,522,715)	168,661
Other Financing Sources (Uses):				
Advances - In	756,351	599,270	600,000	730
Total Other Financing Sources (Uses):	756,351	599,270	600,000	730
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(550,381)	(1,092,106)	(922,715)	169,391
Fund Balance at Beginning of Year	179,431	541,727	541,727	-
Prior Year Encumbrances Appropriated	370,950	550,379	550,379	-
Fund Balance at End of Year	\$ -	\$ -	\$ 169,391	\$ 169,391

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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Charges for Services	\$ 30,000	\$ 34,323	\$ 34,323	\$ -
Total Revenues	<u>30,000</u>	<u>34,323</u>	<u>34,323</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	<u>36,782</u>	<u>43,151</u>	<u>32,546</u>	<u>10,605</u>
Total Expenditures	<u>36,782</u>	<u>43,151</u>	<u>32,546</u>	<u>10,605</u>
Excess of Revenues Over(Under) Expenditures	(6,782)	(8,828)	1,777	10,605
Fund Balance at Beginning of Year	5,228	7,115	7,115	-
Prior Year Encumbrances Appropriated	<u>1,554</u>	<u>1,781</u>	<u>1,781</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 68</u>	<u>\$ 10,673</u>	<u>\$ 10,605</u>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
PARITY AID FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 16,000,000	\$ 16,602,803	\$ 16,602,803	\$ -
Total Revenues	<u>16,000,000</u>	<u>16,602,803</u>	<u>16,602,803</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	9,170,784	9,516,295	9,516,295	-
Special	925,978	960,864	960,864	-
Vocational	58,243	60,437	60,437	-
Support Services:				
Pupils	-	-	-	-
Instructional Staff	37,316	38,723	38,723	-
Plant Operation and Maintenance	1,451,272	1,505,949	1,505,949	-
Pupil Transportation	150,312	155,975	155,975	-
Total Expenditures	<u>11,793,905</u>	<u>12,238,243</u>	<u>12,238,243</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	<u>4,206,095</u>	<u>4,364,560</u>	<u>4,364,560</u>	<u>-</u>
Other Financing Sources (Uses):				
Pass Through Payments	<u>(4,206,095)</u>	<u>(4,364,560)</u>	<u>(4,364,560)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(4,206,095)</u>	<u>(4,364,560)</u>	<u>(4,364,560)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	-	-	-	-
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>

DAYTON SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOLLOW THROUGH FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 11,708	\$ 10,091	\$ 10,091	\$ -
Total Revenues	<u>11,708</u>	<u>10,091</u>	<u>10,091</u>	<u>-</u>
Expenditures:				
Support Services:				
Plant Operation and Maintenance	<u>11,708</u>	<u>10,091</u>	<u>10,091</u>	<u>-</u>
Total Expenditures	<u>11,708</u>	<u>10,091</u>	<u>10,091</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	-	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

DAYTON 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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	\$ 824,038	\$ 849,911	\$ 849,912	\$ 1
Intergovernmental	78,800	81,274	81,274	-
Total Revenues	902,838	931,185	931,186	1
Expenditures:				
Current:				
Support Services:				
Fiscal	94,508	95,371	28,928	66,443
Plant Operation and Maintenance	3,274,953	3,304,882	1,002,444	2,302,438
Central	139,777	141,055	42,786	98,269
Capital Outlay	551,487	556,527	168,807	387,720
Debt Service:				
Principal Retirement	1,143,439	1,153,889	350,000	803,889
Interest and Fiscal Charges	401,061	404,727	122,763	281,964
Total Expenditures	5,605,225	5,656,451	1,715,728	3,940,723
Excess of Revenues Over(Under)				
Expenditures	(4,702,387)	(4,725,266)	(784,542)	3,940,724
Fund Balance at Beginning of Year	4,114,732	4,125,344	4,125,344	-
Prior Year Encumbrances Appropriated	587,655	615,219	615,219	-
Fund Balance at End of Year	\$ -	\$ 15,297	\$ 3,956,021	\$ 3,940,724

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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Interest	\$ 3,500,000	\$ 23,500,000	\$ 4,602,259	\$ (18,897,741)
Total Revenues	<u>3,500,000</u>	<u>23,500,000</u>	<u>4,602,259</u>	<u>(18,897,741)</u>
Expenditures:				
Current:				
Instruction:				
Regular	8,404	11,559	4,640	6,919
Support Services:				
Fiscal	133,125	183,088	73,496	109,592
Central	899,429	1,236,993	496,561	740,432
Captial Outlay	<u>52,248,478</u>	<u>71,857,797</u>	<u>28,845,565</u>	<u>43,012,232</u>
Total Expenditures	<u>53,289,436</u>	<u>73,289,437</u>	<u>29,420,262</u>	<u>43,869,175</u>
Excess of Revenues Over(Under) Expenditures	<u>(49,789,436)</u>	<u>(49,789,437)</u>	<u>(24,818,003)</u>	<u>24,971,434</u>
Fund Balance at Beginning of Year - Restated	40,083,206	45,073,731	45,073,731	-
Prior Year Encumbrances Appropriated	<u>9,706,230</u>	<u>9,789,437</u>	<u>9,789,437</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 5,073,731</u>	<u>\$ 30,045,165</u>	<u>\$ 24,971,434</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Interest	\$ 10,000	\$ 9,906	\$ 11,282	\$ 1,376
Total Revenues	<u>10,000</u>	<u>9,906</u>	<u>11,282</u>	<u>1,376</u>
Expenditures:				
Capital Outlay	<u>229,000</u>	<u>229,000</u>	<u>-</u>	<u>229,000</u>
Total Expenditures	<u>229,000</u>	<u>229,000</u>	<u>-</u>	<u>229,000</u>
Excess of Revenues Over(Under) Expenditures	(219,000)	(219,094)	11,282	230,376
Fund Balance at Beginning of Year	<u>219,628</u>	<u>220,184</u>	<u>220,184</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 628</u>	<u>\$ 1,090</u>	<u>\$ 231,466</u>	<u>\$ 230,376</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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 540,000	\$ 176,000	\$ 176,000	\$ -
Total Revenues	<u>540,000</u>	<u>176,000</u>	<u>176,000</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Central	<u>548,966</u>	<u>189,267</u>	<u>125,688</u>	<u>63,579</u>
Total Expenditures	<u>548,966</u>	<u>189,267</u>	<u>125,688</u>	<u>63,579</u>
Excess of Revenues Over(Under) Expenditures	(8,966)	(13,267)	50,312	63,579
Fund Balance at Beginning of Year	13,267	4,301	4,301	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>8,966</u>	<u>8,966</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 4,301</u>	<u>\$ -</u>	<u>\$ 63,579</u>	<u>\$ 63,579</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, 2006

	<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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Interest	\$ 100,000	\$ 142,930	\$ 165,184	\$ 22,254
Total Revenues	<u>100,000</u>	<u>142,930</u>	<u>165,184</u>	<u>22,254</u>
Expenditures:				
Current:				
Support Services:				
Fiscal	29,432	29,432	3,179	26,253
Plant Operation and Maintenance	86,118	86,118	9,302	76,816
Capital Outlay	<u>1,874,919</u>	<u>1,874,919</u>	<u>202,522</u>	<u>1,672,397</u>
Total Expenditures	<u>1,990,469</u>	<u>1,990,469</u>	<u>215,003</u>	<u>1,775,466</u>
Excess of Revenues Over(Under) Expenditures	(1,890,469)	(1,847,539)	(49,819)	1,797,720
Fund Balance at Beginning of Year	1,921,384	1,730,621	1,730,621	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>190,469</u>	<u>190,469</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 30,915</u>	<u>\$ 73,551</u>	<u>\$ 1,871,271</u>	<u>\$ 1,797,720</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, 2006

	Warehouse	Self-Insurance	Total
<u>Assets:</u>			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 435,540	\$ 49,870	\$ 485,410
Inventory Held for Resale	1,156,838	-	1,156,838
Total Current Assets	1,592,378	49,870	1,642,248
Capital Assets	366,716	-	366,716
Less: Accumulated Depreciation	(134,868)	-	(134,868)
Total Assets	1,824,226	49,870	1,874,096
<u>Liabilities:</u>			
Liabilities:			
Current Liabilities:			
Accounts Payable	52,995	-	52,995
Accrued Wages and Benefits	37,291	-	37,291
Intergovernmental Payable	54,048	-	54,048
Claims Payable	-	196,100	196,100
Total Current Liabilities	144,334	196,100	340,434
Total Liabilities	144,334	196,100	340,434
<u>Net Assets</u>			
Invested in Capital Assets	231,848	-	231,848
Unrestricted	1,448,044	(146,230)	1,301,814
Total Net Assets	\$ 1,679,892	\$ (146,230)	\$ 1,533,662

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, 2006

	<u>Warehouse</u>	<u>Self-Insurance</u>	<u>Total</u>
Operating Revenues:			
Charges for Services	\$ -	\$ 1,230,680	\$ 1,230,680
Materials and Supplies	<u>870,376</u>	<u>-</u>	<u>870,376</u>
Total Operating Revenues	<u>870,376</u>	<u>1,230,680</u>	<u>2,101,056</u>
Operating Expenses:			
Salaries and Wages	517,119	-	517,119
Fringe Benefits	165,573	-	165,573
Purchased Services	33,869	94,646	128,515
Claims	-	1,267,997	1,267,997
Supplies and Materials	14,293	-	14,293
Cost of Sales	798,545	-	798,545
Depreciation	<u>19,674</u>	<u>-</u>	<u>19,674</u>
Total Operating Expenses	<u>1,549,073</u>	<u>1,362,643</u>	<u>2,911,716</u>
Operating Loss	(678,697)	(131,963)	(810,660)
Nonoperating Expenses:			
Loss on Disposal of Capital Assets	<u>(4,814)</u>	<u>-</u>	<u>(4,814)</u>
Loss before Contributions and Transfers	(683,511)	(131,963)	(815,474)
Capital Contributions	88,512	-	88,512
Transfers In	<u>334,336</u>	<u>-</u>	<u>334,336</u>
Change in Net Assets	(260,663)	(131,963)	(392,626)
Net Assets - Beginning of Year	<u>1,940,555</u>	<u>(14,267)</u>	<u>1,926,288</u>
Net Assets - End of Year	<u>\$ 1,679,892</u>	<u>\$ (146,230)</u>	<u>\$ 1,533,662</u>

DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	<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	\$ 870,376	\$ 1,232,912	\$ 2,103,288
Cash Payments to Suppliers for Goods and Services	(906,104)	(94,646)	(1,000,750)
Cash Payments to Employees for Services	(491,530)	-	(491,530)
Cash Payments for Employee Benefits	(187,725)	-	(187,725)
Cash Payments for Claims	<u>-</u>	<u>(1,246,897)</u>	<u>(1,246,897)</u>
Net Cash Provided Used in Operating Activities	<u>(714,983)</u>	<u>(108,631)</u>	<u>(823,614)</u>
Cash Flows from Noncapital Financing Activities:			
Operating Transfers-In	<u>334,336</u>	<u>-</u>	<u>334,336</u>
Net Cash Provided from Noncapital Financing Activities	<u>334,336</u>	<u>-</u>	<u>334,336</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(380,647)	(108,631)	(489,278)
Cash and Cash Equivalents Beginning of Year	<u>816,187</u>	<u>158,501</u>	<u>974,688</u>
Cash and Cash Equivalents End of Year	<u>\$ 435,540</u>	<u>\$ 49,870</u>	<u>\$ 485,410</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:			
Operating Loss	\$ (678,697)	\$ (131,963)	\$ (810,660)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:			
Depreciation	19,674	-	19,674
Changes in Assets and Liabilities			
Decrease in Due from other Funds	23	-	23
Decrease in Accounts Receivable	-	2,232	2,232
Increase in Inventory Held for Resale	(121,841)	-	(121,841)
Increase in Accounts Payable	25,130	-	25,130
Increase in Accrued Wages and Benefits Payable	8,832	-	8,832
Increase in Intergovernmental Payable	31,896	-	31,896
Increase in Claims Payable	<u>-</u>	<u>21,100</u>	<u>21,100</u>
Net Cash Used in Operating Activities	<u>\$ (714,983)</u>	<u>\$ (108,631)</u>	<u>\$ (823,614)</u>

Noncash Capital Financing Activities:

The warehouse fund received \$88,512 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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Sales	\$ 850,000	\$ 863,757	\$ 870,376	\$ 6,619
Total Revenues	<u>850,000</u>	<u>863,757</u>	<u>870,376</u>	<u>6,619</u>
Expenses:				
Materials and Supplies	941,400	1,623,254	1,354,418	268,836
Total Expenses	<u>941,400</u>	<u>1,623,254</u>	<u>1,354,418</u>	<u>268,836</u>
Excess of Revenues Over(Under) Expenses	<u>(91,400)</u>	<u>(759,497)</u>	<u>(484,042)</u>	<u>275,455</u>
Fund Equity at Beginning of Year	25,547	749,787	749,787	-
Prior Year Encumbrances Appropriated	<u>65,853</u>	<u>66,400</u>	<u>66,400</u>	<u>-</u>
Fund Equity at End of Year	<u>\$ -</u>	<u>\$ 56,690</u>	<u>\$ 332,145</u>	<u>\$ 275,455</u>

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, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Charges for Services	\$ 1,300,000	\$ 1,232,912	\$ 1,232,912	\$ -
Total Revenues	1,300,000	1,232,912	1,232,912	-
Expenses:				
Purchased Services	100,746	98,163	94,646	3,517
Claims	1,327,254	1,293,250	1,246,897	46,353
Total Expenses	1,428,000	1,391,413	1,341,543	49,870
Excess of Revenues Over(Under) Expenses before Transfers	(128,000)	(158,501)	(108,631)	49,870
Fund Equity at Beginning of Year	204,502	158,501	158,501	-
Fund Equity at End of Year	\$ 76,502	\$ -	\$ 49,870	\$ 49,870

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, 2006

	Balance July 1, 2005	Additions	Deletions	Balance June 30, 2006
<u>District Agency:</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 8,347,428	\$ 4,002,862	\$ 6,536,395	\$ 5,813,895
Accounts Receivable	140,157	-	140,157	-
Intergovernmental Receivable	-	105,363	-	105,363
Total Assets	\$ 8,487,585	\$ 4,108,225	\$ 6,676,552	\$ 5,919,258
Liabilities:				
Accounts Payable	\$ 421	\$ 2,654	\$ 421	\$ 2,654
Undistributed Monies	8,487,164	4,105,571	6,676,131	5,916,604
Total Liabilities	\$ 8,487,585	\$ 4,108,225	\$ 6,676,552	\$ 5,919,258
<u>Student Managed Activities</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 149,186	\$ 115,526	\$ 127,256	\$ 137,456
Accounts Receivable	-	100	-	100
Total Assets	\$ 149,186	\$ 115,626	\$ 127,256	\$ 137,556
Liabilities:				
Accounts Payable	\$ 580	\$ 4,150	\$ 580	\$ 4,150
Due to Students	148,606	111,476	126,676	133,406
Total Liabilities	\$ 149,186	\$ 115,626	\$ 127,256	\$ 137,556
<u>Total All Agency Funds</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 8,496,614	\$ 4,118,388	\$ 6,663,651	\$ 5,951,351
Accounts Receivable	140,157	100	140,157	100
Intergovernmental Receivable	-	105,363	-	105,363
Total Assets	\$ 8,636,771	\$ 4,223,851	\$ 6,803,808	\$ 6,056,814
Liabilities:				
Accounts Payable	\$ 1,001	\$ 6,804	\$ 1,001	\$ 6,804
Due to Students	148,606	111,476	126,676	133,406
Undistributed Monies	8,487,164	4,105,571	6,676,131	5,916,604
Total Liabilities	\$ 8,636,771	\$ 4,223,851	\$ 6,803,808	\$ 6,056,814

STATISTICAL SECTION

STATISTICAL SECTION

This part of the School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial health.

Contents:

Financial Trends

These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time. These schedules can be found on pages 133 to 143.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the School District's most significant local revenue source, the property tax. These schedules can be found on pages 142 to 149.

Debt Capacity

These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt as well as the School District's ability to issue additional debt in the future. These schedules can be found on pages 150 to 155.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place. These schedules can be found on pages 156 and 157.

Operating Information

These schedules contain information about the School District's operation and resources to help the reader understand how the School District's financial information relates to the services provided and activities performed. These schedules can be found on pages 158 to 162.

Sources: Unless otherwise noted, the information in these schedules is derived from the School District's annual financial reports for the relevant year. The School District implemented GASB Statement No. 34 in fiscal year 2002; schedules presenting district-wide information begin with that fiscal year.

DAYTON



PUBLIC SCHOOLS

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

NET ASSETS BY COMPONENT
LAST FIVE FISCAL YEARS
(accrual basis of accounting)

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Net Assets:					
Invested in capital assets, net of related debt	\$ 17,184,480	\$ 15,672,577	\$ 22,001,233	\$ 17,935,291	\$ 18,342,669
Restricted	225,376,276	224,850,749	138,870,412	64,509,463	46,277,621
Unrestricted	<u>20,525,420</u>	<u>43,945,296</u>	<u>44,177,779</u>	<u>44,625,359</u>	<u>31,739,382</u>
Total Net Assets	<u><u>\$263,086,176</u></u>	<u><u>\$284,468,622</u></u>	<u><u>\$205,049,424</u></u>	<u><u>\$127,070,113</u></u>	<u><u>\$ 96,359,672</u></u>

Notes:

- (1) The School District reports only governmental activities and has no component units
- (2) The School District began to report accrual information when it implemented GASB Statement No. 34 for fiscal year 2002.

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

EXPENSES, PROGRAM REVENUES, AND NET EXPENSE
LAST FIVE FISCAL YEARS
(accrual basis of accounting)

	2006	2005	2004	2003	2002
Expenses:					
Instruction	\$ 107,433,792	\$ 105,911,991	\$ 103,512,054	\$ 104,713,536	\$ 103,238,352
Pupil personnel services	9,537,921	12,672,265	11,741,172	11,475,516	10,079,837
Instructional Staff (a)	22,070,344	17,534,083	17,929,198	14,111,108	12,453,911
Board of Education	1,504,940	465,405	433,358	331,687	312,390
Administration	14,653,219	13,219,010	14,587,381	16,318,592	14,702,327
Fiscal	3,851,625	3,987,371	3,214,000	5,258,782	2,951,955
Busniess	1,442,009	1,805,966	2,321,963	2,558,549	2,593,544
Operation and mantainance of plant (b)	32,742,890	38,952,420	33,902,014	21,879,322	20,655,626
Pupil transportation (c)	19,099,802	17,542,113	16,613,992	14,803,426	14,701,497
Central	8,276,578	9,033,096	9,241,713	14,063,768	11,867,414
Operation of non-instructional services	13,525,900	13,664,650	13,807,736	13,577,536	13,624,779
Extracurricular activities	1,683,123	1,562,922	1,444,007	1,737,120	1,621,199
Intergovernmental (d)	49,702,001	49,725,009	44,689,965	31,107,656	19,318,687
Interest and fiscal charges (e)	12,283,960	12,228,489	12,440,143	1,178,038	145,568
Unallocated depreciation	1,667,063	1,484,841	1,449,773	1,142,910	409,628
Total Expenses	<u>299,475,167</u>	<u>299,789,631</u>	<u>287,328,469</u>	<u>254,257,546</u>	<u>228,676,714</u>
Program Revenues:					
Charges for services	3,872,166	5,591,607	6,159,448	5,389,941	5,357,734
Operating grants and contributions	53,854,341	55,846,887	53,248,257	36,362,935	36,465,863
Capital grants and contributions (f)	234,179	87,750,501	79,832,438	1,104,640	3,127,179
Total Program Revenues	<u>57,960,686</u>	<u>149,188,995</u>	<u>139,240,143</u>	<u>42,857,516</u>	<u>44,950,776</u>
Net Expense	<u><u>\$(241,514,481)</u></u>	<u><u>\$(150,600,636)</u></u>	<u><u>\$(148,088,326)</u></u>	<u><u>\$(211,400,030)</u></u>	<u><u>\$(183,725,938)</u></u>

Notes:

- (1) The School District reports only governmental activities and has no component units
- (2) The School District began to report accrual information when it implemented GASB Statement No. 34 for fiscal year 2002.
- (a) The increase in instructual staff cost resulted from a change in account codes used to report certain positions within the School District.
- (b) Increase in the operation and maintenance of plant from 2004 to 2006 was the result of additional maintenance projects on existing school buildings until new buildings were completed. These projects did not extend the useful live of the existing buildings and therefore was expensed during the year.
- (c) Pupil transportation costs increased over the past three years due to a new intra-district open enrollment policy.
- (d) The every increasing number of charter schools opening within the School District during the past five years has resulted in the dollars passing thru the School District to these charter schools increasing by nearly 150 percent.
- (e) The interest and fiscal charges increase is directly related to the additional debt incurred by the School District associated with the school facilities construction project.
- (f) The capital grants and contributions reported for 2004 and 2005 represent the recognition of the first two rounds of state funding associated with the school facilities construction project.

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

GENERAL REVENUES AND TOTAL CHANGE IN NET ASSETS
LAST FIVE FISCAL YEARS
(accrual basis of accounting)

	2006	2005	2004	2003	2002
Net Expense	\$(241,514,481)	\$(150,600,636)	\$(148,088,326)	\$(211,400,030)	\$(183,725,938)
General Revenues:					
Property taxes levied for:					
General purposes	74,230,414	77,453,502	79,125,532	80,978,470	79,139,322
Debt service (a)	13,969,176	13,602,246	16,296,989	7,662,684	-
Capital projects (a)	798,454	835,327	990,348	457,970	-
Other purposes (a)	798,454	835,324	990,348	457,970	-
Unrestricted grants and contributions	111,070,302	123,873,866	121,593,221	130,643,396	144,182,250
Investment earnings (b)	14,906,186	7,266,006	4,460,091	3,193,064	2,217,766
Miscellaneous	4,359,049	6,153,543	2,613,108	4,982,301	2,229,456
Total General Revenues	<u>220,132,035</u>	<u>230,019,814</u>	<u>226,069,637</u>	<u>228,375,855</u>	<u>227,768,794</u>
Change in Net Assets	<u>\$ (21,382,446)</u>	<u>\$ 79,419,178</u>	<u>\$ 77,981,311</u>	<u>\$ 16,975,825</u>	<u>\$ 44,042,856</u>

Notes:

- (1) The School District reports only governmental activities and has no component units
- (2) The School District began to report accrual information when it implemented GASB Statement No. 34 for fiscal year 2002.
 - (a) Property taxes levied for debt service, capital projects and other purposes were first collected beginning in 2003 due to the passage of various levies to provide the local funding for the school facilities construction project.
 - (b) The increase in investment earning over the past five years was due in part to increase return on investments but more significantly due to larger amounts of fund available for investement due to the school facilities construction project.

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

FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Fund:				
Reserved	\$ 14,560,529	\$ 15,966,465	\$ 12,703,669	\$ 11,307,291
Unreserved	<u>5,479,876</u>	<u>27,512,436</u>	<u>28,801,552</u>	<u>29,659,344</u>
Total General Fund	<u>\$ 20,040,405</u>	<u>\$ 43,478,901</u>	<u>\$ 41,505,221</u>	<u>\$ 40,966,635</u>
All Other Governmental Funds:				
Reserved (a)	\$ 82,594,602	\$ 55,553,048	\$ 16,158,653	\$ 12,137,589
Unreserved, reported in:				
Capital projects funds (b)	185,877,391	233,569,356	296,800,624	190,338,905
Debt service fund (b)	14,058,105	14,215,742	20,952,155	108,740,006
Special revenue funds	<u>4,162,457</u>	<u>3,104,442</u>	<u>1,480,471</u>	<u>900,566</u>
Total All Other Governmental Funds	<u>\$ 286,692,555</u>	<u>\$ 306,442,588</u>	<u>\$ 335,391,903</u>	<u>\$ 312,117,066</u>

Notes:

- (1) The School District implemented GASB Statement No. 34 in fiscal year 2002, therefore the amounts for fiscal years 1997 thru 2001 includes general, special revenue, capital projects and expendable trust funds.
- (a) The increases in the reservation of fund balance is attributal to outstanding encumbrances related to the school facilities construction project as well as increase in reservation of fund balance for property taxes for associated levies.
- (b) Fund balance reported for the capital projects and debt service funds increased over the past four fiscal years due to the collection of property taxes and issuance of debt to provide financing for the school facilities construction project.

<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
\$ 7,932,076	\$ 14,032,763	\$ 12,276,098	\$ 9,266,667	\$ 7,698,626	\$ 6,242,109
<u>28,526,546</u>	<u>12,283,937</u>	<u>(821,994)</u>	<u>(16,089,431)</u>	<u>(11,672,361)</u>	<u>(5,766,593)</u>
<u>\$ 36,458,622</u>	<u>\$ 26,316,700</u>	<u>\$ 11,454,104</u>	<u>\$ (6,822,764)</u>	<u>\$ (3,973,735)</u>	<u>\$ 475,516</u>
\$ 7,044,236	\$ 7,576,427	\$ 4,281,067	\$ 4,737,475	\$ 6,592,931	\$ 5,113,602
25,257,713	1,292,397	4,118,742	4,857,009	6,874,178	8,595,128
-	-	-	-	-	-
<u>9,460,905</u>	<u>9,842,914</u>	<u>9,520,281</u>	<u>8,267,953</u>	<u>6,860,254</u>	<u>3,979,958</u>
<u>\$ 41,762,854</u>	<u>\$ 18,711,738</u>	<u>\$ 17,920,090</u>	<u>\$ 17,862,437</u>	<u>\$ 20,327,363</u>	<u>\$ 17,688,688</u>

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

REVENUES, EXPENDITURES AND DEBT SERVICE RATIO
OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2006	2005	2004	2003
Revenues:				
Taxes	\$ 92,172,361	\$ 95,648,787	\$ 93,575,521	\$ 84,625,054
Intergovernmental	198,176,022	184,615,340	194,297,398	165,608,661
Interest	13,151,796	6,544,611	4,202,413	2,594,893
Tuition and fees	983,594	1,254,126	1,415,883	1,009,180
All other revenues	7,260,705	10,754,524	7,362,155	9,400,448
Total revenue	<u>\$ 311,744,478</u>	<u>\$ 298,817,388</u>	<u>\$ 300,853,370</u>	<u>\$ 263,238,236</u>
Expenditures:				
Current:				
Instruction	\$ 107,085,761	\$ 103,538,639	\$ 103,477,512	\$ 104,726,305
Support Services:				
Pupils	9,534,492	12,354,055	11,729,581	11,471,369
Instructional staff	22,094,580	17,336,963	17,688,523	13,926,825
Board of education	1,510,498	468,168	420,250	333,427
Administration	14,836,577	12,850,102	14,469,635	16,114,130
Fiscal and business	5,762,890	5,425,277	6,346,153	6,540,052
Plant operation & maintenance	25,814,651	24,818,020	22,350,251	21,904,855
Pupil transportation	18,403,871	16,787,911	15,941,719	14,323,042
Central	8,123,218	8,767,693	8,980,337	13,905,066
Operation of non-instructional services	13,940,950	13,561,096	13,564,279	13,429,431
Extracurricular activities	1,651,637	1,522,813	1,404,780	1,710,110
Capital outlay	58,989,483	36,674,780	32,301,407	4,802,769
Intergovernmental	49,702,001	49,725,009	44,689,965	31,107,656
Debt service	18,656,465	24,343,577	163,454,492	1,978,409
Total expenditures	<u>\$ 356,107,074</u>	<u>\$ 328,174,103</u>	<u>\$ 456,818,884</u>	<u>\$ 256,273,446</u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	6.70%	9.11%	62.61%	0.79%

Notes:

- (1) The School District implemented GASB Statement No. 34 in fiscal year 2002, therefore the amounts for fiscal years 1997 thru 2001 includes general, special revenue, capital projects and expendable trust funds.

2002	2001	2000	1999	1998	1997
\$ 79,139,322	\$ 81,202,187	\$ 82,082,275	\$ 77,748,879	\$ 78,610,526	\$ 76,059,444
178,886,128	142,719,648	139,691,584	129,782,093	122,126,544	112,988,520
2,217,766	3,041,588	2,345,172	2,746,560	2,644,095	3,127,366
691,382	671,857	901,057	1,220,650	723,596	1,184,579
6,895,808	6,516,586	3,873,339	6,960,352	9,624,468	5,834,798
<u>\$ 267,830,406</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>
\$ 103,000,885	\$ 106,357,786	\$ 96,134,133	\$ 114,897,399	\$ 110,005,011	\$ 112,262,954
10,315,659	11,253,152	12,758,274	13,133,013	12,944,250	11,898,689
12,420,172	13,718,922	13,354,221	15,544,619	15,001,729	13,628,183
312,464	263,034	279,817	197,164	168,496	218,587
15,162,672	13,930,237	13,742,589	14,432,110	15,334,799	13,654,195
5,030,235	4,873,971	4,953,809	4,829,815	4,048,719	3,937,885
22,359,986	25,552,232	24,525,462	29,626,634	25,980,547	22,353,405
14,358,592	12,681,960	13,839,664	13,385,166	13,333,822	12,018,599
13,026,036	8,236,150	8,660,828	10,329,737	12,592,316	8,528,504
13,614,740	3,505,815	2,831,692	2,715,657	2,355,173	2,359,352
1,609,997	1,388,728	1,765,593	2,195,122	2,752,850	1,754,129
3,256,093	383,970	2,475,010	4,441,688	326,777	247,093
19,318,687	17,132,482	13,880,417	294,696	350,004	712,827
2,921,052	1,648,180	1,502,358	374,171	-	-
<u>\$ 236,707,270</u>	<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>
1.27%	0.75%	0.73%	0.17%	0.00%	0.00%

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

OTHER FINANCING SOURCES(USES) AND CHANGE IN FUND
BALANCES FOR GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Excess of Revenues Over(Under)				
Expenditures	<u>\$ (44,362,596)</u>	<u>\$ (29,356,715)</u>	<u>\$ (155,965,524)</u>	<u>\$ 6,964,790</u>
Other Financing Sources(Uses):				
Proceeds from sale of capital assets	8,403	23,096	38,259	101,323
Inception of capital leases	1,500,000	3,024,185	-	3,000,000
Proceeds from sale of bonds	-	-	151,555,000	256,628,439
Proceeds from sale of notes	-	-	19,860,000	4,463,989
Premium on issuance of bonds	-	-	8,325,688	4,426,561
Discount on issuance of bonds	-	-	-	(37,428)
Transfers-in	475,018	474,389	123,392,837	465,025
Transfers-out	<u>(809,354)</u>	<u>(1,140,590)</u>	<u>(123,392,837)</u>	<u>(1,150,474)</u>
Total Other Financing Sources (Uses)	<u>1,174,067</u>	<u>2,381,080</u>	<u>179,778,947</u>	<u>267,897,435</u>
Net Change in Fund Balance	<u><u>\$ (43,188,529)</u></u>	<u><u>\$ (26,975,635)</u></u>	<u><u>\$ 23,813,423</u></u>	<u><u>\$ 274,862,225</u></u>

Notes:

- (1) The School District implemented GASB Statement No. 34 in fiscal year 2002, therefore the amounts for fiscal years 1997 thru 2001 includes general, special revenue, capital projects and expendable trust funds.

<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
\$ 31,123,136	\$ 13,225,247	\$ 18,189,560	\$ (7,938,457)	\$ (1,465,264)	\$ (4,379,695)
15,503	13,005	35,033	13,666	-	29,404
1,595,702	819,379	855,894	3,763,368	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
26,189,351	414,334	3,266,383	1,278,916	13,875,687	5,795,338
<u>(26,900,242)</u>	<u>(1,095,813)</u>	<u>(3,998,166)</u>	<u>(2,091,341)</u>	<u>(14,624,122)</u>	<u>(6,410,281)</u>
<u>900,314</u>	<u>150,905</u>	<u>159,144</u>	<u>2,964,609</u>	<u>(748,435)</u>	<u>(585,539)</u>
<u>\$ 32,023,450</u>	<u>\$ 13,376,152</u>	<u>\$ 18,348,704</u>	<u>\$ (4,973,848)</u>	<u>\$ (2,213,699)</u>	<u>\$ (4,965,234)</u>

**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
2006	\$ 1,882,065,240	\$ 5,377,329,257	\$ 96,489,120	\$ 247,801,604
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

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.

Notes:

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 2006, 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	
\$ 187,024,961	\$ 813,152,004	\$ 2,165,579,321	\$ 6,438,282,865	33.6%
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%

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

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 ASSESSED VALUATION)
LAST TEN CALENDAR YEARS**

YEAR	School District Millage (b)					Total
	Operating	Debt Service	Permanent Improvement	Maintenance and Upkeep		
2006	\$ 62.65	\$ 7.20	\$ 0.50	\$ 0.50	\$	70.85
2005	62.65	7.20	0.50	0.50		70.85
2004	62.65	7.20	0.50	0.50		70.85
2003	62.65	7.20	0.50	0.50		70.85
2002	62.65	-	-	-		62.65
2001	62.65	-	-	-		62.65
2000	62.65	-	-	-		62.65
1999	62.65	-	-	-		62.65
1998	62.65	-	-	-		62.65
1997	62.65	-	-	-		62.65

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.

Notes:

- (a) Overlapping millage presented is total millage for subdivision
- (b) Prior to 2003 the School District had no general obligation debt. All additional millage reported for 2003 and after is associated with the school facilities construction project.

Overlapping Millage (a)

<u>Montgomery County</u>	<u>City of Dayton</u>	Dayton <u>Montgomery County Library</u>	<u>City of Trotwood</u>	<u>City of Riverside</u>	<u>Harrison Township</u>	<u>Jefferson Township</u>
\$ 18.24	\$ 10.00	\$ 1.25	\$ 17.39	\$ 11.34	\$ 19.05	\$ 18.59
18.24	10.00	1.25	17.39	6.39	18.33	18.59
18.24	10.00	0.26	17.39	6.39	18.33	18.59
17.24	10.00	0.26	17.39	6.39	17.53	18.59
17.24	10.00	0.26	17.39	6.39	17.53	18.59
17.24	10.00	0.26	11.64	6.39	16.63	18.59
16.64	10.00	0.26	15.14	6.39	16.63	18.59
16.64	10.00	0.26	15.14	6.39	16.63	18.59
16.64	10.00	0.26	15.14	6.39	16.63	18.59
16.64	10.00	0.26	15.14	6.39	13.68	18.59

DAYTON



PUBLIC SCHOOLS

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**
PRINCIPAL PROPERTY TAX PAYERS
CURRENT FISCAL YEAR AND TEN YEARS AGO

Name of Taxpayer	Fiscal Year 2006			Fiscal Year 1997		
	Assessed Value	Rank	Percentage of Total Assessed Value	Assessed Value	Rank	Percentage of Total Assessed Value
Dayton Power and Light Company	\$ 50,055,680	1	2.31%	\$ 97,129,520	1	5.47%
Delphi Automotive Systems (a)	29,806,600	2	1.38%	31,152,560	4	1.75%
NCR Corporation	27,332,800	3	1.26%	39,592,540	3	2.23%
Ohio Bell Telephone Company	23,589,840	4	1.09%	51,620,660	2	2.91%
Behr Dayton Thermal Products (b)	17,307,270	5	0.80%	10,913,850	5	0.61%
Arts Center Foundation	16,082,190	6	0.74%			
City of Dayton	12,717,860	7	0.59%			
Vectren Engery	10,659,630	8	0.49%			
Reynolds and Reynolds	8,209,400	9	0.38%	8,943,820	7	0.50%
Marriot International	7,490,000	10	0.35%	6,292,830	10	0.35%
Standard Register				9,502,620	6	0.53%
Duriron Company				7,935,950	8	0.45%
Virginia Kettering Trust				7,306,520	9	0.41%
Subtotal	203,251,270		9.39%	270,390,870		15.22%
All Other Taxpayers	<u>1,962,328,051</u>		<u>90.61%</u>	<u>1,506,357,839</u>		84.78%
Total Assessed Valuation	<u>\$ 2,165,579,321</u>		<u>100.00%</u>	<u>\$ 1,776,748,709</u>		100.00%

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

Notes:

- (a) Delphi was owned by General Motors in 1997
- (b) Behr Dayton Thermal Products was owned by Chrysler Corporation in 1997

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

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN CALENDAR YEARS**

<u>Year (1)</u>	<u>Current Levy</u>	<u>Current Collections (2)</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Tax Collections</u>
2006 (4)	\$ 102,017,933	\$ 86,512,282	84.8%	\$ 11,965,577
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

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.

Notes:

- (1) Represents collection year. 2006 information represents tax levies and collections through November 1, 2006.
- (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 2006 attributed to increase tax rates approved for school construction project.

	<u>Total Tax Collections</u>	<u>Total Collection As a Percent of Current Levy</u>	<u>Outstanding Delinquent Taxes (3)</u>	<u>Delinquent Taxes to Current Tax Levy</u>
\$	98,477,859	96.5%	\$ 17,896,768	17.5%
	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%

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

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Year	General Bonded Debt			Percentage of Total Assessed Property Value (a)	Per Capita (b)
	General Obligation Bonds	Amount Available for Debt Service	Net Bond Indebtedness		
2006	\$ 235,560,000	\$ (14,058,105)	\$ 221,501,895	10.23%	\$ 1,382
2005	240,430,000	(14,215,742)	226,214,258	10.73%	1,361
2004	251,055,000	(20,952,155)	230,102,845	10.95%	1,385
2003	251,055,000	(108,740,006)	142,314,994	6.58%	856
2002	-	-	-	n/a	n/a
2001	-	-	-	n/a	n/a
2000	-	-	-	n/a	n/a
1999	-	-	-	n/a	n/a
1998	-	-	-	n/a	n/a
1997 (c)	-	-	-	n/a	n/a

Notes:

- (1) The School District reports only governmental activities and has no component units.
- (2) Details of the School District's outstanding debt can be found in Note 14 to in the notes to the basic financial statements.
- (a) See assessed and estimated actual value of taxable property for total assessed property value.
- (b) See demographics schedule for personal income and population data, which are reported on a calendar year basis.
- (c) The School District did not have any outstanding debt obligations.

Other Debt Obligations				Total Outstanding Debt Obligations	Percentage of Personal Income (b)	Per Capita (b)
Long-Term Notes Payable	Certificates of Participation	QZAB Bonds	Capital Leases			
\$ 3,150,000	\$ 16,025,000	\$ 10,000,000	\$ 5,510,581	\$ 256,187,476	12.15%	\$ 1,598
3,500,000	16,205,000	10,000,000	4,973,343	260,892,601	12.76%	1,570
3,500,000	16,360,000	10,000,000	3,091,169	263,054,014	13.26%	1,583
-	-	10,000,000	3,755,064	156,070,058	6.63%	939
-	-	-	1,555,435	1,555,435	0.07%	9
-	-	-	2,735,217	2,735,217	0.12%	16
-	-	-	3,392,119	3,392,119	0.15%	20
-	-	-	3,820,669	3,820,669	0.18%	22
-	-	-	396,175	396,175	0.02%	2
-	-	-	-	-	n/a	n/a

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Total Assessed Property Value	\$ 2,165,579,321	\$ 2,107,604,628	\$ 2,101,252,966	\$ 2,161,303,456
<u>Overall Direct Debt Limitation:</u>				
Bond Debt Limit (a)	194,902,139	189,684,417	189,112,767	194,517,311
Net Bond Indebtedness	<u>(221,501,895)</u>	<u>(226,214,258)</u>	<u>(230,102,845)</u>	<u>(142,314,994)</u>
Overall Debt Margin (b)	<u><u>(26,599,756)</u></u>	<u><u>(36,529,841)</u></u>	<u><u>(40,990,078)</u></u>	<u><u>52,202,317</u></u>
<i>Total net bonded debt applicable to the limit as a percentage of overall direct debt limitation</i>	<i>113.65%</i>	<i>119.26%</i>	<i>121.67%</i>	<i>73.16%</i>
<u>Unvoted Direct Debt Limitation:</u>				
Unvoted Debt Limit (a)	2,165,579	2,107,605	2,101,253	2,161,303
Unvoted Debt Outstanding	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unvoted Debt Margin	<u><u>2,165,579</u></u>	<u><u>2,107,605</u></u>	<u><u>2,101,253</u></u>	<u><u>2,161,303</u></u>
<i>Total unvoted debt applicable to the limit as a percentage of unvoted direct debt limitation</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>

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

Notes:

- (1) Prior to fiscal year 2003, the School District had no general bonded debt
- (a) Ohio Bond Law sets a limit of 9% for voted debt, 9/10 of 1% for energy conservation and 1/10 of 1% for unvoted debt.
- (b) 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" in 2003 which enabled the School District to issue bonded debt in excess of the statutorily limits set by the Ohio Bond Law.

<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
\$ 1,933,832,835	\$ 1,920,845,394	\$ 1,914,751,484	\$ 1,786,249,596	\$ 1,779,709,192	\$ 1,776,748,709
174,044,955	172,876,085	172,327,634	160,762,464	160,173,827	159,907,384
-	-	-	-	-	-
<u>174,044,955</u>	<u>172,876,085</u>	<u>172,327,634</u>	<u>160,762,464</u>	<u>160,173,827</u>	<u>159,907,384</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1,933,833	1,920,845	1,914,751	1,786,250	1,779,709	1,776,749
-	-	-	-	-	-
<u>1,933,833</u>	<u>1,920,845</u>	<u>1,914,751</u>	<u>1,786,250</u>	<u>1,779,709</u>	<u>1,776,749</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2006

<u>Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Amount Applicable to School District</u>
Montgomery County	\$ 49,512,232	21.48%	\$ 10,635,227
City of Dayton	49,527,097	94.94%	47,021,026
City of Riverside	2,154,168	14.79%	318,601
City of Trotwood	3,490,000	2.40%	83,760
Miami Valley Regional Transit Authority	8,765,000	21.48%	<u>1,882,722</u>
Subtotal, Overlapping Debt			59,941,337
School District Direct Debt			<u>221,501,895</u>
Total Direct and Overlapping Debt			<u><u>\$ 281,443,232</u></u>

Source: Ohio Municipal Advisory Council

Notes:

- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School District. This process recognizes that, when considering the School District's ability to issue and repay long-term debt, the entire burden borne by the residents and businesses should be taken into account.
- (a) Percentages were determined by dividing the assessed valuation of the subdivision located within the boundaries of the District by the total assessed value of the subdivision.

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

**PLEDGED-REVENUE COVERAGE
LAST THREE FISCAL YEARS**

Year	Revenue	Tax Anticipation Notes (a)		Coverage
		Principal	Interest	
2006	\$ 827,700	\$ 350,000	\$ 121,695	1.755
2005	869,373	-	125,253	6.941
2004	849,883	-	-	n/a

Notes:

- (1) - Details regarding the School District's outstanding debt can be found in Note 14 to the basic financial statements.
- (2) - Prior to fiscal year 2004, the School District did not have pledge-revenue debt.
- (a) - These bonds are backed by the tax revenues collected on one-half of one mill permanent improvement levy approved by voters in calendar year 2002.

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

Year	City of Dayton Population (1)	Personal Income (2)	Per Capita Personal Income	Unemployment Rate (3)
2005	160,293	\$ 2,108,125,295	\$ 13,152	7.6%
2004	166,179	2,045,250,213	12,308	7.1%
2003	166,179	1,984,250,078	11,940	5.5%
2002	166,179	2,354,103,980	14,166	5.6%
2001	166,179	2,239,718,644	13,478	7.4%
2000	166,179	2,272,727,732	13,676	6.0%
1999	167,475	2,225,433,093	13,288	4.0%
1998	172,947	2,160,118,095	12,490	6.6%
1997	172,947	2,053,710,904	11,875	6.9%
1996	178,540	1,963,343,612	10,997	7.6%

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

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

PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR

Fiscal Year 2006

<u>Employer</u>	<u>Employees (a)</u>	<u>Rank</u>
Premier Health Partners	12,291	1
Delphi Corporation	5,300	2
Montgomery County Ohio	4,982	3
Dayton City School District	3,029	4
National City Bank	2,955	5
City of Dayton Ohio	2,496	6
Sinclair Community College	2,023	7
NCR Corporation	2,000	8
University of Dayton	1,966	9
Behr Dayton Thermal Products	1,800	10

Source: Dayton Business Journal

Notes:

- (1) Fiscal year 2006 was the first year this information could be obtained. If additional information is available in subsequent years, it will be added.
- (2) Total number of employees within the boundaries of the School District could not be obtained.
- (a) Amount reported is employee headcount which differs from the "Full Time Equivalent" numbers reported elsewhere in this section.

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

OPERATING STATISTICS
LAST TEN FISCAL YEARS

Year	Average Daily Membership	Operating Expenditures (a)	Cost per Pupil	Percentage Change
2006	17,054	\$ 228,759,125	\$ 13,414	9.05%
2005	17,677	217,430,737	12,300	-0.73%
2004	17,463	216,373,020	12,390	3.05%
2003	18,163	218,384,612	12,024	14.67%
2002	20,144	211,211,438	10,485	9.54%
2001	21,078	201,761,987	9,572	12.13%
2000	22,590	192,846,082	8,537	-5.14%
1999	24,590	221,286,436	8,999	8.95%
1998	25,971	214,517,712	8,260	5.30%
1997	25,830	202,614,482	7,844	8.16%

Notes:

- (1) The School District implemented GASB Statement No. 34 in fiscal year 2002, therefore the amounts for fiscal years 1997 thru 2001 includes general, special revenue, capital projects and expendable trust funds.
- (a) Operating expenditures are total governmental fund expenditures less capital outlay, debt service and intergovernmental expenditures. Intergovernmental expenditures represent pass-through payments from the State of Ohio to Charter Schools.

<u>Expenses</u>	<u>Cost per Pupil</u>	<u>Percentage Change</u>	<u>Number of Teaching Staff</u>	<u>Pupil-Teacher Ratio</u>	<u>Percentage of Free or Reduced Price Meals</u>
\$ 299,475,167	\$ 17,560	3.54%	1,432	11.91	72.00%
299,789,631	16,959	3.07%	1,503	11.76	80.00%
287,328,469	16,454	17.54%	1,492	11.70	78.52%
254,257,546	13,999	23.31%	1,577	11.52	75.92%
228,676,714	11,352	N/A	1,620	12.43	71.03%
N/A	N/A	N/A	1,590	13.26	69.71%
N/A	N/A	N/A	1,898	11.90	62.28%
N/A	N/A	N/A	1,898	12.96	72.00%
N/A	N/A	N/A	1,894	13.71	75.00%
N/A	N/A	N/A	1,898	13.61	72.00%

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

FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
FISCAL YEAR 2006

	<u>2006</u>
Supervisory	
Administrators	99
Supervisors of Instruction/Consultants	33
Principals	22
Total supervisory	<u>154</u>
Instruction	
Elementary Classroom Teachers	738
Secondary Classroom Teachers	388
Special Education Teachers	241
Vocational Teachers	12
Other Teachers	30
Instructional Professionals	23
Classroom Aides	297
Total instruction	<u>1,729</u>
Student Services	
Guidance Counselors	18
Social Workers	2
School Nurses	32
Psychologists	18
Librarians	12
Total student services	<u>82</u>
Support and Administration	
Clerical and Secretarial	150
Food Service	145
Transportation	221
Custodial	162
Maintenance	39
Total support and administration	<u>717</u>
Total	<u><u>2,682</u></u>

Source: District personnel records

Notes:

- (1) Information is only presented for fiscal year 2006 and additional years will be accumulated in future years.
- (2) The number of employees reported in this table might differ from the number of employees reported elsewhere in this report as this table presents FTE of employees whereas other numbers might present actual number of employees.

**DAYTON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**
TEACHER EDUCATION AND EXPERIENCE
JUNE 30, 2006

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	479	33.45%
Bachelor's + 18 Semester Hours of Graduate Credit	184	12.85%
Master's Degree	609	42.53%
Master's Degree + 30 Semester Hours of Graduate Credit	148	10.34%
Doctorate Degree	<u>12</u>	<u>0.84%</u>
Total	<u><u>1,432</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	199	13.90%
5 - 9	276	19.27%
10 - 14	295	20.60%
15 - 19	198	13.83%
20 - 29	360	25.14%
30 and over	<u>104</u>	<u>7.26%</u>
Total	<u><u>1,432</u></u>	<u><u>100.00%</u></u>

Source: Dayton City School District Human Resources Records

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

CAPITAL ASSET INFORMATION
FISCAL YEAR 2006

	<u>2006</u>
<u>School Buildings:</u>	
Elementary	
Buildings	26
Square Feet	1,552,428
Capacity	12,105
Enrollment	9,704
Middle	
Buildings	5
Square Feet	403,681
Capacity	2,361
Enrollment	2,543
High	
Buildings	5
Square Feet	1,175,881
Capacity	7,054
Enrollment	4,829
Other	
Buildings	2
Square Feet	281,616
Capacity	1,892
Enrollment	(a)
<u>Administrative Building:</u>	
Buildings	2
Square Feet	220,500
<u>Service Buildings:</u>	
Buildings	4
Square Feet	120,564
<u>Transportation:</u>	
Garages	1
Buses	231
<u>Athletics:</u>	
Football Fields	11
Soccer Fields	6
Running Tracks	7
Baseball/Softball Fields	14
Swimming Pools	1
Playgrounds	48

Notes:

- (1) Information is only presented for fiscal year 2006 and additional years will be accumulated in future years.
- (a) These buildings represent combination and alternative center. Enrollment for these buildings are included in the appropriate level above.



Mary Taylor, CPA
Auditor of State

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 27, 2007