

City of Dayton



Comprehensive Annual Financial Report
January 1, 1999 | December 31, 1999

Michael R. Turner, Mayor



Idotha Bootsie Neal, Commissioner



Dean Lovelace, Commissioner



Mary Wiseman, Commissioner



Lloyd E. Lewis, Jr., Commissioner



Valerie A. Lemmie, City Manager





STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

35 North Fourth Street, 1st Floor
Columbus, Ohio 43215
Telephone 614-466-4514
800-282-0370
Facsimile 614-728-7398

The Honorable Members of the City Commission
City of Dayton, Ohio

We have reviewed the Independent Auditor's Report of the City Dayton, Montgomery County, prepared by Foxx & Company, CPA's, for the audit period January 1, 1999 to December 31, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Dayton is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

October 4, 2000

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City of Dayton, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 1999

Prepared by:
Department of Finance
Cheryl J. Garrett, Finance Director
Forrest K. Betche, Accounting and Treasury Manager

CITY OF DAYTON, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 1999

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June 21, 2000

Ms. Valerie Lemmie
City Manager
Dayton, Ohio

Dear Ms. Lemmie:

With this letter, I transmit the City of Dayton's Comprehensive Annual Financial Report (CAFR) for 1999 to you, the Mayor and Commissioners, the citizens of this City, the investment community, and to all other interested parties. The CAFR was prepared using generally accepted accounting principles for governments and contains all disclosures necessary to enable the reader to understand the City's financial affairs. Responsibility for both the accuracy of the data and completeness and fairness of the presentation rests with management of the City.

HIGHLIGHTS, MAJOR INITIATIVES, AND FUTURE ENDEAVORS

On February 23, 2000, Mayor Michael R. Turner presented his State of the City Address. Excerpts from his address are included here as they relate to the City's major initiatives, local economic condition and outlook.

Budget – "The City Commission remains committed to a balanced budget, with no income tax increases. We are focusing on operating efficiencies and our overall effectiveness. In conjunction with our 20-year plan, we are reallocating our resources to emphasize our priorities and to spur growth in our neighborhoods and produce jobs. We begin this new century with a planned budget for the year 2000. For seven years, we have worked diligently to ensure that our budget remains balanced. We have recognized, however, that balancing our City's budget merely solves an accounting problem of living within our means. If the City Commission had settled for the goal of merely balancing our budget, we would have accepted the status quo and failed to reach our goals of reducing crime, improving our neighborhoods, revitalizing downtown, and creating more jobs for our citizens and stimulating the local economy."

Neighborhoods – "Our redevelopment plans for our neighborhoods have won national awards. ... Each of the following neighborhoods is the site of multi-million dollar new investment creating homes for Dayton families: The Fairgrounds, South Park, Twin Towers, Huffman, St. Anne, Oregon, McPherson Town, Grafton, Five Oaks, Dayton View, Southern Dayton View, Wolf Creek, and Wright Dunbar. ... Since 1996 residential property values in the City have increased over 9%. ... The significance of these numbers is that the increased property values in the City are out-pacing the increased property values of our county."

Downtown – “We are proceeding to establish Downtown as a regional spot for entertainment, housing and jobs. Our Arts community has led the way in maintaining downtown as an entertainment destination. The Victoria, Memorial Hall and the Loft theaters have brought hundreds of thousands of people to our downtown. With the addition of the new performing arts center, the Schuster Center, the arts will remain an important focus for attracting people to our downtown. They will be joined by those attending baseball games and concerts at our new Fifth Third Field. Our new baseball stadium is an accomplishment of our City and County that will provide entertainment for families and provide an anchor for our riverfront development.”

Economic Development – “Our plans for making Dayton an attractive place to do business are already recognized nationally. When *Expansion Management* magazine released its second annual “Hottest Cities in America” listing the cities that “sizzle ... when it comes to attracting business,” Dayton ranked number 50. ... Tooltown ... McCalls ... our Northwest Industry Park ... our airport continues to represent job growth potential. ... As we make land business ready and available for development, we have also streamlined our administrative processes to make it easier to do business in the City. We established a One-Stop-Shop, combining our permitting, zoning, and engineering to better serve our business customers.”

“As we consider the state of our City in the first year of our new century, we can proudly say our plan is working. It is a plan formulated and being implemented by all Daytonians and the people of the entire Dayton region. We have attracted new investors to our downtown and to our neighborhoods. We have reduced crime and are actively improving the quality of life for the entire region.”

DEPARTMENTAL ACCOMPLISHMENT

On March 12, 1998, City Manager Valerie Lemmie convened a private-public partnership representing local business, city residents, state and local government, and others with an interest in the economic health of the City of Dayton. This group, the Development Enhancement Services Team (DEST), addressed the process by which city government regulates development and made recommendations to the City Manager about changes to Dayton’s development standards and practices. Those recommendations included the following:

1. Create a One-Stop-Shop
2. Have one manager accountable for the City’s various building, housing and zoning functions
3. Segregate simple and complex projects to make the review process more responsive
4. Modify approved plans in the field
5. Set firm timetables for plan reviews
6. Establish a segregated “Development Regulation” fund
7. Establish immediate improvements such as, “master plan permitting”, accepting applications and plans by U.S. Mail, private couriers, facsimile, electronic transmission, pre-application process and approve “redlined” plans
8. Continue the public/private oversight

In October of 1999 after a lengthy planning and implementation period, the One-Stop-Shop opened at 371 West Second Street with John Thomas as its director.

The One-Stop-Shop issues all land development and building construction permits at this location. Staff at the Center include Building Inspection, Housing Inspection, Zoning Administration, Civil Engineering, Economic Development, Fire Prevention and Water Engineering.

Director John Thomas stated, "The bottom line is we are working with our customers to make it easier to do business in the City of Dayton. They spoke and we listened."

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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

- The introductory section includes this letter of transmittal, the City's organization chart, and the GFOA Certificate of Achievement.
- The financial section includes the general purpose financial statements and notes, the combining and individual fund and account group financial statements and schedules as well as the independent auditors' report on the combined general purpose financial statements.
- The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.
- The single audit section includes the auditor's reports on compliance and on internal control over financial reporting based on an audit, reports of financial statements performed in accordance with government auditing standards, reports on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133 and the schedule of expenditures of federal awards, the schedule of expenditures of federal awards, notes to the schedule of expenditures of federal awards, schedule of findings and questioned costs, and a summary schedule of prior audit findings and questioned costs.

REPORTING ENTITY

The City has included in the CAFR all of the funds, account groups, and activities for which it is financially accountable. The City's component unit, CityWide Development Corporation, is shown as a separate discrete component unit and is included as part of the reporting entity because the primary government appoints all members of its board of trustees and is able to impose its will on the organization. The City is associated with six jointly governed organizations. They include the Miami Valley Regional Planning Commission, the Miami Valley Fire/EMS Alliance, the Economic Development/Government Equity Program, the Montgomery County Family and Children First Council, the Hazardous Material Response Team and the Miami Valley Emergency Management Agency.

The City provides a full range of services that include water supply and treatment, sewer and storm water maintenance, wastewater treatment, airport services, fire and emergency medical services, police protection, convention center, building inspection, correctional facilities, neighborhood support, recreation and parks, golf, street and bridge maintenance, waste collection, and a municipal court system.

INTERNAL AND BUDGETARY CONTROL

The City's accounting system provides reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgements by management.

FINANCIAL INFORMATION

General governmental fund balances The fund balances for the following governmental funds indicate that cash and other assets exceed liabilities as of year end. Fund balances represent the accumulation of revenues and other financing sources over expenditures and other financing uses.

General Governmental Fund Balances (In millions)
Years Ended December 31,

Fund Balances	1999	1998	% Increase (Decrease)
General	\$52.5	\$52.8	(0.6%)
Special Revenue	9.7	7.3	32.9
Debt Service	28.9	18.3	57.9
Capital Projects	24.1	26.3	(8.4)
Total	<u>\$115.2</u>	<u>\$104.7</u>	<u>10.0%</u>

These fund balances give the City flexibility in the event of unforeseen revenue downturns or expenditure increases and reflect the City's long-term strategy of maintaining a strong balance sheet.

General governmental revenues The following table shows the amounts generated in the City's major revenue sources in the General, Special Revenue, Debt Service, and Capital Projects Funds.

General Governmental Revenues (In millions)
Years Ended December 31,

Revenues	1999	1998	% Increase (Decrease)
Municipal Income Taxes	\$109.2	\$106.5	2.5%
Property and Other Local Taxes	16.9	16.4	3.0
State Shared Taxes	21.2	20.6	2.9
Intergovernmental	28.0	19.9	40.7
Special Assessments	0.4	0.5	(20.0)
Charges for Services	24.3	21.1	15.2
Licenses and Permits	1.7	1.7	0.0
Fines and Forfeitures	1.2	1.5	(20.0)
Interest	6.2	7.8	(20.5)
Other	3.6	2.3	56.5
Total	<u>\$212.7</u>	<u>\$198.3</u>	<u>7.3%</u>

Municipal income tax revenues increased with continuing diversification among companies contributing income tax, thus making the City less reliant on cyclical business. This tax represents 51 percent of all general governmental revenue which is comparable with previous years. Intergovernmental revenue increased due to additional grant money being received by Shelter Plus Care, Issue II, and ED/GE grants. Special assessments decreased this year since there were no new special assessments during the year. Charges for services increased due to more timely payments being made to the City on accounts receivable. Fines and forfeitures decreased due to a reduction of meter tickets from downtown parking meters because of construction activities. Interest revenue decreased due to a drop in the fair value of the City's investments. Other revenue increased significantly due to a workers' compensation refund that was received during 1999.

General governmental expenditures The next table presents the City of Dayton's major expenditures by function in the General, Special Revenue, Debt Service, and Capital Projects Funds.

General Governmental Expenditures (In millions)
Years Ended December 31,

Expenditures	1999	1998	% Increase (Decrease)
Policy Development	\$4.2	\$3.9	7.7%
Economic Development	8.7	8.1	7.4
Neighborhood Development	21.6	21.0	2.9
Land Use	27.6	27.0	2.2
Community Security	47.0	43.7	7.6
Human Development	17.1	15.5	10.3
Transportation	11.8	11.0	7.3
Administrative Services	47.8	42.7	11.9
Capital Outlay	23.0	23.1	(0.4)
Debt Service	9.5	4.5	111.1
	\$218.3	\$200.5	8.9%

Community security increased due to the new recruit classes. Human development and administrative services increased this year due to an internal reclassification and an increase in accrued payroll costs. Debt service expenditures increased due to the first payments on three new bond issues from the prior year and the early retirement of the 1998 special obligation bonds.

Summary General governmental revenues increased \$14.4 million or 7.3 percent while expenditures increased \$17.8 million or 8.9 percent. Other financing uses, primarily transfers to other funds, increased during 1999, which also impacted the ending fund balances.

Proprietary operations The following table presents summary information for the major Enterprise Funds.

Fund/Operation	Enterprise Operations (In millions)		% Increase (Decrease)
	1999	1998	
Dayton International Airport			
Assets	\$146.5	\$139.5	5.0%
Fund Equity	93.5	82.2	13.7
Operating Revenues	25.3	24.6	2.8
Operating Expenses	23.0	20.5	12.2
Operating Income	2.4	4.1	(41.6)
Water			
Assets	188.3	191.5	(1.7%)
Fund Equity	141.9	135.7	4.6
Operating Revenues	42.9	39.8	7.8
Operating Expenses	35.5	35.6	(0.3)
Operating Income	7.5	4.2	78.6
Sewer			
Assets	130.9	132.0	(0.8%)
Fund Equity	98.6	96.5	2.2
Operating Revenues	29.8	27.3	9.2
Operating Expenses	27.4	24.7	10.9
Operating Income	2.3	2.6	(11.5)

Fund equity for the Dayton International Airport fund increased due to an increase in contributed capital. Operating expenses increased and operating income decreased due to an increase in utility costs.

Operating income for the Water fund increased due to an increase in user charges.

Operating expenses in the Sewer fund increased and operating income decreased due to an increase in contractual services.

Internal service funds account for the financing of goods or services provided by one department or agency to other departments of the City of Dayton on a cost-reimbursement basis. Accounting for these funds is designed to accumulate all of the costs incurred by the internal service funds in providing goods and services to other departments. However, charges to the other departments is not intended to produce a significant profit in the long run but to recover the total costs of providing goods or services.

The Fleet Management and the Workers' Compensation Internal Service Funds had retained earnings deficits at December 31, 1999, of \$165,869 and \$5,163,817, respectively. The deficits are due to revenues not covering operating costs. The City has made routine operating transfers in the past and plan to continue to do so in the future on an as-needed basis.

Fiduciary operations The City's agency funds account for assets held by the City in a trustee capacity as an agent for individuals, private organizations, or other governmental units. Total assets for agency funds at December 31, 1999, was \$10,141,371.

The Schantz Waldruhe Park Non-Expendable Trust fund accounts for the interest earned on Dayton Power & Light stock that is used for the improvement, care and maintenance of Waldruhe Park.

ECONOMIC CONDITION AND OUTLOOK

The City of Dayton's economy is diversified as evidenced by the major employers shown below that are located in Dayton.

<u>Company</u>	<u>Nature of Activity of Business</u>	<u>Approximate Employment</u>
Delphi Automotive Systems Corporation	Auto components, brakes, compressors	5,000
Montgomery County	Government	4,750
Miami Valley Hospital	Hospital	4,200
Dayton City School District	Schools, K-12	3,750
AT&T/NCR	Computer technology	3,200
City of Dayton	Government	2,944
Good Samaritan Hospital	Hospital	2,700
University of Dayton	University	2,600
Franciscan Medical Center	Hospital	2,200
DaimlerChrysler Corporation	Auto components, air conditioners, heaters	2,100
Sinclair Community College	College	1,940
Emery Air Freight Corporation	Air freight	1,800
Grandview Hospital	Hospital	1,800
State of Ohio	Government	1,540
Veterans Administration	Government	1,534
Childrens Medical Center	Hospital	1,350
Reynolds & Reynolds	Paper products and forms	1,300
United States Postal Service	Government	1,100

- General Motors employs nearly 22,000 people within Montgomery County.
- Mead employs more than 2,500 people in the Dayton/Springfield metropolitan area with about 525 of them in Dayton.
- Wright Patterson Air Force Base (WPAFB), adjacent to Dayton, employs in excess of 23,000 people along with an additional 6,000 people employed by contractors.

Unemployment for Dayton decreased from 6.6 percent in 1998 to 4.0 percent in 1999. The number of building permits increased from 1,390 to 1,564 over the same time period.

CASH MANAGEMENT

Equity in Pooled Cash and Cash Equivalents totaled about \$221 million at December 31, 1999, a decrease of approximately \$3 million from December 31, 1998 due to a drop in the fair value of investments. City of Dayton cash and cash equivalents and investments with fiscal agents, including the restricted portion, dropped this year by \$7.2 million, from \$12 million last year to \$4.8 million at December 31, 1999.

Investments of cash are guided by City ordinance and Ohio Revised Code, which restricts the type and duration of investments. Interest earned is distributed to governmental, proprietary, and fiduciary funds based upon their weighted average cash balance. Cash investment practices by trustees are determined by bond indentures and various trust agreements. During 1999, the City of Dayton continued its policy of investing primarily in U.S. Treasury obligations with maturities of about five years, commercial paper, Dayton special assessment debt, mutual fund investments, Dayton Power & Light stock, certificates of deposit, and STAR Ohio.

DEBT ADMINISTRATION

The City of Dayton maintains a low net direct debt per capita amount, and a low debt to estimated true valuation of property percentage.

	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
Net general bonded debt per capita, City of Dayton	\$164	\$250	\$55	\$83	\$107
Net general bonded debt to estimated true total value of property, City of Dayton	0.53%	0.85%	0.19%	0.31%	0.39%

Net general bonded debt per capita (bonded debt supported by taxes less the Debt Service fund balance) is a measure of the magnitude of debt on a basis comparable to other cities. The ratio of net general bonded debt to total estimated true value of property measures the burden of debt to the wealth and property value of a given jurisdiction. Net general bonded debt totaled \$39 million, \$43 million, \$9 million, \$15 million and \$19 million for the years ended December 31, 1999, 1998, 1997, 1996 and 1995 respectively.

The following are the latest bond ratings for general obligation tax supported debt:

Moody's Investor Service, Inc.	A2
Standard and Poor's Corporation	A+

RISK MANAGEMENT

The City 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. The City contracts with various insurance companies and maintains comprehensive and catastrophic coverage as a focus of its risk management program. In addition, the City participates in the Ohio Bureau of Workers' Compensation retrospective rating program.

INDEPENDENT AUDIT

The City of Dayton Charter, Sections 44 and 78, prescribe the required accounting, audit and examination procedures for the City of Dayton. Foxx & Company, Certified Public Accountants, studies the City's system of internal control, conducts such tests as are necessary under the circumstances, and renders an opinion based upon the statements when taken as a whole. The City has again received an unqualified opinion from the independent auditor that the financial statements are presented fairly. This opinion letter is included in the Financial Section of this report.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dayton for its comprehensive annual financial report for the year ended December 31, 1998. This was the seventeenth consecutive year that the City has received this prestigious award.

In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report whose contents conformed to program standards. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA.

ACKNOWLEDGMENTS

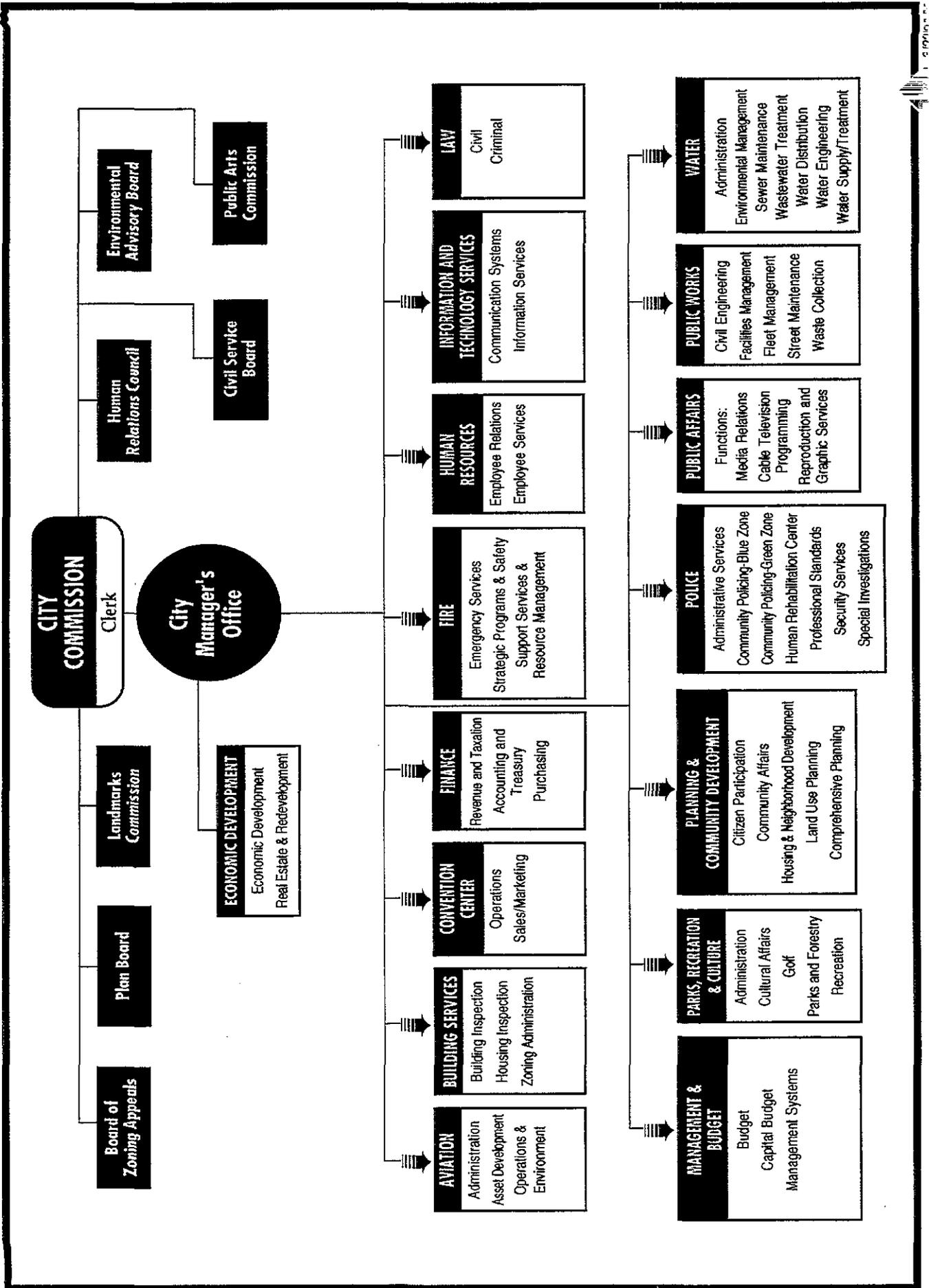
My appreciation is extended to the various elected officials, the City Manager, department heads, and employees responsible for contributing to the sound financial position of the City of Dayton. I would like to acknowledge the efforts of the accounting and treasury staff and other members of the Finance Department who contributed to the development of this report.

Respectively submitted,



Cheryl I. Garrett
Finance Director
Secretary of the Board of Sinking Fund Trustees

Organization of the City of Dayton



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Dayton,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1998

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.



Cary Brubaker
President

Jeffrey L. Essler
Executive Director

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FINANCIAL SECTION

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Foxx & Company
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

The Honorable Members of the City Commission
City of Dayton, Ohio

We have audited the accompanying general-purpose financial statements of the City of Dayton, Ohio, as of and for the year ended December 31, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the City of Dayton, Ohio's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit. We did not audit the financial statements of the CityWide Development Corporation, a discretely presented component unit. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion on the general-purpose financial statements, insofar as it relates to the amounts included for the discretely presented component unit, is based on the report of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit, and the report of other auditors, provides a reasonable basis for our opinion.

In our opinion, based on our audit and the report of other auditors, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Dayton, Ohio as of December 31, 1999, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2000 on our consideration of the City of Dayton, Ohio's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional

analysis and are not a required part of the general-purpose financial statements of the City of Dayton, Ohio. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented, in all material respects in relation to the general-purpose financial statements taken as a whole.

The statistical data listed in the table of contents is presented for the purposes of additional analysis and is not a required part of the general-purpose financial statements of the City of Dayton, Ohio. Such information has not been subjected to the auditing procedures applied in the audit of the general-purpose financial statements, and accordingly, we express no opinion on it.

Foxx & Company

Cincinnati, Ohio
June 21, 2000

GENERAL PURPOSE FINANCIAL STATEMENTS

The following general purpose financial statements, along with the notes to the general purpose financial statements, present an overview of the City's financial position at December 31, 1999, and the results of operations and cash flows of the proprietary funds and nonexpendable trust fund for the year then ended.

CITY OF DAYTON, OHIO
 COMBINED BALANCE SHEET
 ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT
 DECEMBER 31, 1999

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE	INTERNAL SERVICE
Assets and Other Debits						
Assets:						
Equity in Pooled Cash and Cash Equivalents	\$44,529,097	\$3,771,580	\$17,438,650	\$22,038,616	\$104,449,914	\$22,160,024
Investments	0	0	0	0	0	0
Cash and Cash Equivalents with Fiscal Agents	0	0	0	0	0	0
Investments with Fiscal Agents	0	0	0	0	205,279	0
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0	0	0
Receivables:						
Property and Other Local Taxes	9,831,746	2,420,012	6,848,234	24,733	0	0
Municipal Income Taxes	11,192,753	0	0	0	0	0
Accounts (net, where applicable)	722,639	6,628	0	2,500	26,908,452	0
Special Assessments	0	387,880	500,462	0	0	0
Accrued Interest	1,210,007	7,743	0	86,619	1,115,162	0
Notes and Contracts	0	0	0	0	0	0
Due from Other Funds	4,824,666	436,184	3,147	97,509	4,417,983	3,356,095
Due from Other Governments	1,388,610	4,758,533	0	2,302,698	1,366,174	0
Taxes Levied for Other Governments	0	0	0	0	0	0
Supplies Inventory	0	0	0	0	1,134,768	0
Inventory Held for Resale	0	0	0	0	0	506,591
Interfund Receivable	8,121,064	225,747	0	0	656,437	0
Loans Receivable	0	0	11,200,000	0	0	0
Unamortized Bond Issuance Costs	0	0	0	0	1,796,296	0
Restricted Assets:						
Cash and Cash Equivalents	0	0	0	0	159,240	0
Cash and Cash Equivalents with Fiscal Agents	0	0	68,707	0	0	0
Investments with Fiscal Agents	0	0	0	0	2,922,863	0
Advances to Other Funds	0	0	193,500	0	0	0
Advances to Component Unit	0	5,469,889	0	1,053,600	3,371,513	0
Judgment Receivable	0	0	0	0	390,000	0
Long-Term Loan Receivable	0	0	0	0	0	0
Investment in Real Estate	0	0	0	0	0	0
Equity Investments	0	0	0	0	0	0
Other Asset	0	0	0	0	0	0
Fixed Assets (Net of Accumulated Depreciation)	0	0	0	0	324,999,336	681,061
Other Debits:						
Amount Available in Debt Service Fund for General Long-Term Obligations	0	0	0	0	0	0
Amount Available in Debt Service Fund for Special Assessment Bonds Payable	0	0	0	0	0	0
Amount to be Provided for Retirement of General Long-Term Obligations	0	0	0	0	0	0
Amount to be Provided for Retirement of Special Assessment Bonds Payable	0	0	0	0	0	0
Total Assets and Other Debits	\$81,820,582	\$17,484,196	\$36,252,700	\$25,606,275	\$473,893,417	\$26,703,771

FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTAL PRIMARY GOVERNMENT (MEMORANDUM ONLY)	COMPONENT UNIT	TOTAL REPORTING ENTITY (MEMORANDUM ONLY)
	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS			
TRUST AND AGENCY					
\$6,222,288	\$0	\$0	\$220,610,169	\$0	\$220,610,169
58,431	0	0	58,431	0	58,431
529,261	0	0	529,261	0	529,261
1,068,234	0	0	1,273,513	0	1,273,513
0	0	0	0	4,542,734	4,542,734
0	0	0	19,124,725	0	19,124,725
0	0	0	11,192,753	0	11,192,753
0	0	0	27,640,219	0	27,640,219
0	0	0	888,342	0	888,342
0	0	0	2,419,531	1,736,431	4,155,962
0	0	0	0	597,378	597,378
0	0	0	13,135,584	0	13,135,584
0	0	0	9,816,015	0	9,816,015
2,330,987	0	0	2,330,987	0	2,330,987
0	0	0	1,134,768	0	1,134,768
0	0	0	506,591	0	506,591
0	0	0	9,003,248	0	9,003,248
0	0	0	11,200,000	0	11,200,000
0	0	0	1,796,296	201,330	1,997,626
0	0	0	159,240	0	159,240
0	0	0	68,707	0	68,707
0	0	0	2,922,863	0	2,922,863
0	0	0	193,500	0	193,500
0	0	0	9,895,002	0	9,895,002
0	0	0	390,000	0	390,000
0	0	0	0	19,213,824	19,213,824
0	0	0	0	12,331,431	12,331,431
0	0	0	0	1,241,635	1,241,635
0	0	0	0	367,756	367,756
0	131,952,060	0	457,632,457	109,610	457,742,067
0	0	28,743,870	28,743,870	0	28,743,870
0	0	149,878	149,878	0	149,878
0	0	49,944,136	49,944,136	0	49,944,136
0	0	270,966	270,966	0	270,966
<u>\$10,209,201</u>	<u>\$131,952,060</u>	<u>\$79,108,850</u>	<u>\$883,031,052</u>	<u>\$40,342,129</u>	<u>\$923,373,181</u>

(Continued)

CITY OF DAYTON, OHIO
 COMBINED BALANCE SHEET
 ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT
 DECEMBER 31, 1999
 (Continued)

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE	INTERNAL SERVICE
Liabilities, Fund Equity and Other Credits						
Liabilities:						
Accounts Payable	\$2,880,058	\$1,240,834	\$0	\$1,114,662	\$3,830,019	\$213,095
Contracts Payable	273,497	56,775	0	204,046	1,518,338	0
Contracts Payable Retainage	0	54,188	0	76,972	717,828	0
Accrued Wages and Benefits	4,415,619	392,650	2,806	16,727	1,049,910	115,226
Accrued Liabilities	0	0	0	0	0	0
Accrued Interest Payable on Bonds and Notes	0	0	0	0	281,732	0
Accrued Interest Payable on OWDA Loan	0	0	0	0	1,038,137	0
Due to Other Funds	8,920,879	249,024	0	89,356	3,509,368	7,268
Due to Other Governments	2,877,792	25,633	0	23,396	1,330,327	2,303,981
Interfund Payable	0	2,921,490	0	0	1,726,552	4,355,206
Claimants Payable	46,106	0	0	0	0	0
Withholdings and Deposits Payable from Restricted Assets:	18,046	0	0	0	0	0
Utility Deposits	0	0	0	0	159,240	0
Accrued Interest Payable	0	0	0	0	306,053	0
Current Portion of Revenue Bonds	0	0	0	0	6,425,000	0
Deferred Revenue	9,799,949	2,806,048	7,348,696	0	228,200	0
General Obligation Notes Payable	0	0	0	0	12,100,000	0
Loans Payable	0	0	0	0	0	0
Advance From Other Funds	0	0	0	0	193,500	0
Advance From Primary Government	0	0	0	0	0	0
OWDA Loan Payable	0	0	0	0	25,883,143	0
General Obligation Bonds Payable	0	0	0	0	1,420,000	0
Revenue Bonds Payable	0	0	0	0	69,963,330	0
Special Assessment Bonds With Governmental Commitment	0	0	0	0	0	0
Claims Payable	0	0	0	0	0	23,983,503
Compensated Absences Payable	79,645	0	0	0	2,369,381	300,988
Capital Leases Payable	0	0	0	0	110,364	239,175
Total Liabilities	29,311,591	7,746,642	7,351,502	1,525,159	134,160,422	31,518,442
Fund Equity and Other Credits:						
Investment in General Fixed Assets	0	0	0	0	0	0
Contributed Capital	0	0	0	0	131,789,377	55,499
Retained Earnings:						
Reserved for Revenue Bond Renewal and Replacement	0	0	0	0	2,738,476	0
Unreserved (Deficit)	0	0	0	0	205,205,142	(4,870,170)
Fund Balances:						
Reserved for Encumbrances	8,982,654	12,165,872	7,450	22,926,817	0	0
Reserved for Claimants	415,081	0	0	0	0	0
Reserved for Advances to Other Funds	0	0	193,500	0	0	0
Reserved for Advances to Component Unit	0	5,469,889	0	1,053,600	0	0
Reserved for Contributions for Nonexpendable Trust	0	0	0	0	0	0
Reserved for Loan Receivable	0	0	11,200,000	0	0	0
Unreserved (Deficit)	43,111,256	(7,898,207)	17,500,248	100,699	0	0
Total Fund Equity (Deficit) and Other Credits	52,508,991	9,737,554	28,901,198	24,081,116	339,732,995	(4,814,671)
Total Liabilities, Fund Equity and Other Credits	\$81,820,582	\$17,484,196	\$36,252,700	\$25,606,275	\$473,893,417	\$26,703,771

See accompanying notes to the general purpose financial statements

FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTAL PRIMARY GOVERNMENT (MEMORANDUM ONLY)	COMPONENT UNIT	TOTAL REPORTING ENTITY (MEMORANDUM ONLY)	
	TRUST AND AGENCY	GENERAL FIXED ASSETS				GENERAL LONG-TERM OBLIGATIONS
	\$0	\$0	\$0	\$9,278,668	\$2,290,936	\$11,569,604
	0	0	0	2,052,656	0	2,052,656
	0	0	0	848,988	0	848,988
	0	0	0	5,992,938	0	5,992,938
	0	0	0	0	316,444	316,444
	0	0	0	281,732	0	281,732
	0	0	0	1,038,137	0	1,038,137
	359,689	0	0	13,135,584	0	13,135,584
	3,359,236	0	0	9,920,365	436,011	10,356,376
	0	0	0	9,003,248	0	9,003,248
	0	0	0	46,106	0	46,106
	6,422,446	0	0	6,440,492	0	6,440,492
	0	0	0	159,240	0	159,240
	0	0	0	306,053	0	306,053
	0	0	0	6,425,000	0	6,425,000
	0	0	0	20,182,893	22,459	20,205,352
	0	0	0	12,100,000	374,040	12,474,040
	0	0	0	0	2,034,624	2,034,624
	0	0	0	193,500	0	193,500
	0	0	0	0	9,895,002	9,895,002
	0	0	0	25,883,143	0	25,883,143
	0	0	56,270,000	57,690,000	4,350,000	62,040,000
	0	0	12,190,000	82,153,330	0	82,153,330
	0	0	420,844	420,844	0	420,844
	0	0	0	23,983,503	0	23,983,503
	0	0	10,228,006	12,978,020	0	12,978,020
	0	0	0	349,539	0	349,539
	<u>10,141,371</u>	<u>0</u>	<u>79,108,850</u>	<u>300,863,979</u>	<u>19,719,516</u>	<u>320,583,495</u>
	0	131,952,060	0	131,952,060	0	131,952,060
	0	0	0	131,844,876	0	131,844,876
	0	0	0	2,738,476	0	2,738,476
	0	0	0	200,334,972	0	200,334,972
	0	0	0	44,082,793	0	44,082,793
	0	0	0	415,081	0	415,081
	0	0	0	193,500	0	193,500
	0	0	0	6,523,489	0	6,523,489
	58,431	0	0	58,431	0	58,431
	0	0	0	11,200,000	0	11,200,000
	9,399	0	0	52,823,395	20,622,613	73,446,008
	<u>67,830</u>	<u>131,952,060</u>	<u>0</u>	<u>582,167,073</u>	<u>20,622,613</u>	<u>602,789,686</u>
	<u>\$10,209,201</u>	<u>\$131,952,060</u>	<u>\$79,108,850</u>	<u>\$883,031,052</u>	<u>\$40,342,129</u>	<u>\$923,373,181</u>

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CITY OF DAYTON, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 1999

	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL (MEMORANDUM ONLY)
Revenues:					
Municipal Income Taxes	\$109,247,348	\$0	\$0	\$0	\$109,247,348
Property and Other Local Taxes	9,661,736	1,310,511	5,621,131	330,805	16,924,183
State Shared Taxes	16,691,102	4,472,663	0	0	21,163,765
Intergovernmental	963,034	18,426,330	635,427	8,008,154	28,032,945
Special Assessments	130,237	46,856	203,223	2,728	383,044
Charges for Services	22,633,198	1,246,379	367,461	12,120	24,259,158
Licenses and Permits	1,620,192	0	0	67,129	1,687,321
Fines and Forfeitures	1,151,501	59,583	0	0	1,211,084
Interest	5,781,916	27,974	21,970	345,533	6,177,393
Other	2,709,898	600,441	262,500	31,420	3,604,259
Total Revenues	<u>170,590,162</u>	<u>26,190,737</u>	<u>7,111,712</u>	<u>8,797,889</u>	<u>212,690,500</u>
Expenditures:					
Current:					
Policy Development	3,929,920	279,610	0	0	4,209,530
Economic Development	8,093,489	572,933	0	0	8,666,422
Neighborhood Development	9,821,749	11,740,351	0	0	21,562,100
Land Use	26,367,703	1,200,928	0	0	27,568,631
Community Security	45,216,653	1,809,307	0	0	47,025,960
Human Development	14,904,689	2,207,340	0	0	17,112,029
Transportation	3,117,240	8,716,399	0	0	11,833,639
Administrative Services	46,358,859	1,261,138	197,481	0	47,817,478
Capital Outlay	51,838	85,705	0	22,858,044	22,995,587
Debt Service:					
Principal Retirement	0	0	5,475,795	0	5,475,795
Interest and Fiscal Charges	2,043	0	4,067,733	128	4,069,904
Total Expenditures	<u>157,864,183</u>	<u>27,873,711</u>	<u>9,741,009</u>	<u>22,858,172</u>	<u>218,337,075</u>
Excess of Revenues Over (Under) Expenditures	<u>12,725,979</u>	<u>(1,682,974)</u>	<u>(2,629,297)</u>	<u>(14,060,283)</u>	<u>(5,646,575)</u>
Other Financing Sources (Uses):					
Proceeds from Sale of Bonds	0	0	12,190,000	0	12,190,000
Proceeds from Sale of Fixed Assets	2,323,999	0	0	160,796	2,484,795
Operating Transfers - In	1,297,963	4,311,624	1,032,123	12,935,333	19,577,043
Operating Transfers - Out	(16,657,766)	(155,945)	(31,985)	(1,232,695)	(18,078,391)
Total Other Financing Sources (Uses)	<u>(13,035,804)</u>	<u>4,155,679</u>	<u>13,190,138</u>	<u>11,863,434</u>	<u>16,173,447</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(309,825)</u>	<u>2,472,705</u>	<u>10,560,841</u>	<u>(2,196,849)</u>	<u>10,526,872</u>
Fund Balances at Beginning of Year - Restated (Note 3)	<u>52,818,816</u>	<u>7,264,849</u>	<u>18,340,357</u>	<u>26,277,965</u>	<u>104,701,987</u>
Fund Balances at End of Year	<u>\$52,508,991</u>	<u>\$9,737,554</u>	<u>\$28,901,198</u>	<u>\$24,081,116</u>	<u>\$115,228,859</u>

See accompanying notes to the general purpose financial statements

CITY OF DAYTON, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 GENERAL FUND, SPECIAL REVENUE FUNDS, AND DEBT SERVICE FUND
 BUDGET BASIS
 FOR THE YEAR ENDED DECEMBER 31, 1999

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:						
Municipal Income Taxes	\$109,486,022	\$109,247,348	(\$238,674)	\$0	\$0	\$0
Property and Other Local Taxes	9,418,105	9,661,736	243,631	1,455,525	1,310,511	(145,014)
State Shared Taxed	15,039,798	16,691,102	1,651,304	4,431,657	4,472,663	41,006
Intergovernmental	867,758	963,034	95,276	2,241,424	3,148,346	906,922
Special Assessments	117,352	130,237	12,885	0	0	0
Charges for Services	20,394,023	22,633,198	2,239,175	639,101	791,720	152,619
Licenses and Permits	1,459,901	1,620,192	160,291	0	0	0
Fines and Forfeitures	1,057,579	1,151,501	113,922	47,102	59,583	12,481
Interest	5,209,893	5,781,916	572,023	22,114	27,974	5,860
Other	3,237,915	2,709,898	(528,017)	300,226	369,444	69,218
Total Revenues	166,268,346	170,590,162	4,321,816	9,137,149	10,180,241	1,043,092
Expenditures:						
Current:						
Policy Development	4,526,787	4,123,040	403,747	0	0	0
Economic Development	9,322,708	8,491,211	831,497	118,000	90,774	27,226
Neighborhood Development	11,313,451	10,304,399	1,009,052	865,223	811,822	53,401
Land Use	30,068,847	27,663,437	2,405,410	95,423	87,883	7,540
Community Security	52,084,044	47,438,643	4,645,401	2,790,233	2,330,362	459,871
Human Development	17,168,377	15,637,120	1,531,257	329,903	259,842	70,061
Transportation	3,590,679	3,270,425	320,254	8,886,411	8,675,035	211,376
Administrative Services	53,029,581	48,636,975	4,392,606	1,302,173	1,162,349	139,824
Capital Outlay	59,712	54,386	5,326	40,711	38,982	1,729
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	2,350	2,143	207	0	0	0
Total Expenditures	181,166,536	165,621,779	15,544,757	14,428,077	13,457,049	971,028
Excess of Revenues Over (Under) Expenditures	(14,898,190)	4,968,383	19,866,573	(5,290,928)	(3,276,808)	2,014,120
Other Financing Sources (Uses):						
Proceeds from Sale of Fixed Assets	0	2,323,999	2,323,999	0	0	0
Proceeds from Sale of Bonds	0	0	0	0	0	0
Operating Transfers - In	1,297,963	1,297,963	0	4,207,258	4,207,258	0
Operating Transfers - Out	(16,657,766)	(16,657,766)	0	(86,927)	(86,927)	0
Total Other Financing Sources (Uses)	(15,359,803)	(13,035,804)	2,323,999	4,120,331	4,120,331	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(30,257,993)	(8,067,421)	22,190,572	(1,170,597)	843,525	2,014,120
Fund Balances at Beginning of Year	45,598,859	45,598,859	0	1,384,650	1,384,650	0
Unexpended Prior Year Encumbrances	5,994,899	5,994,899	0	791,194	791,194	0
Fund Balances at End of Year	\$21,335,765	\$43,526,357	\$22,190,572	\$1,005,247	\$3,019,367	\$2,014,120

See accompanying notes to the general purpose financial statements

DEBT SERVICE FUND

<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
\$0	\$0	\$0
6,250,197	5,621,131	(629,066)
0	0	0
2,017,473	635,427	(1,382,046)
645,231	203,223	(442,008)
1,167,033	367,461	(799,572)
0	0	0
0	0	0
0	21,970	21,970
<u>853,704</u>	<u>262,500</u>	<u>(571,204)</u>
<u>10,913,638</u>	<u>7,111,712</u>	<u>(3,801,926)</u>
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
245,589	201,820	43,769
0	0	0
6,809,746	5,475,795	1,333,951
<u>5,058,667</u>	<u>4,070,844</u>	<u>987,823</u>
<u>12,114,002</u>	<u>9,748,459</u>	<u>2,365,543</u>
<u>(1,200,364)</u>	<u>(2,636,747)</u>	<u>(1,436,383)</u>
0	0	0
0	12,190,000	12,190,000
1,032,123	1,032,123	0
<u>(31,985)</u>	<u>(31,985)</u>	<u>0</u>
<u>1,000,138</u>	<u>13,190,138</u>	<u>12,190,000</u>
(200,226)	10,553,391	10,753,617
18,340,357	18,340,357	0
0	0	0
<u>\$18,140,131</u>	<u>\$28,893,748</u>	<u>\$10,753,617</u>

CITY OF DAYTON, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND EQUITY
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND
 FOR THE YEAR ENDED DECEMBER 31, 1999

	PROPRIETARY FUND TYPES	
	ENTERPRISE	INTERNAL SERVICE
Operating Revenues:		
Charges for Services	\$96,987,517	\$10,683,306
Interest	0	0
Other	5,708,536	62,857
Total Operating Revenues	<u>102,696,053</u>	<u>10,746,163</u>
Operating Expenses:		
Personal Services	26,646,990	2,823,339
Benefit Payments	7,663,255	824,932
Contractual Services	17,378,226	3,254,070
Materials and Supplies	5,784,507	82,895
Utilities	9,556,172	1,870
Cost of Sales	0	3,145,490
Claims	0	6,198,129
Depreciation	18,216,013	168,557
Other	5,633,051	33,964
Total Operating Expenses	<u>90,878,214</u>	<u>16,533,246</u>
Operating Income (Loss)	<u>11,817,839</u>	<u>(5,787,083)</u>
Non-Operating Revenues (Expenses):		
Interest	4,115,474	0
Loss on Disposal of Fixed Assets	(16,757)	0
Interest and Fiscal Charges	(9,284,803)	(16,893)
Total Non-Operating Revenues (Expenses)	<u>(5,186,086)</u>	<u>(16,893)</u>
Income (Loss) Before Operating Transfers	6,631,753	(5,803,976)
Operating Transfers - In	320,865	8,281
Operating Transfers - Out	(567,125)	(1,260,673)
Net Income (Loss)	6,385,493	(7,056,368)
Retained Earnings/Fund Balance at Beginning of Year - Restated (Note 3)	<u>201,558,125</u>	<u>2,186,198</u>
Retained Earnings (Deficit) /Fund Balance at End of Year	<u>207,943,618</u>	<u>(4,870,170)</u>
Contributed Capital at Beginning of Year	119,236,400	55,499
Current Capital Contributions	12,552,977	0
Contributed Capital at End of Year	<u>131,789,377</u>	<u>55,499</u>
Total Fund Equity (Deficit)	<u>\$339,732,995</u>	<u>(\$4,814,671)</u>

See accompanying notes to the general purpose financial statements

FIDUCIARY FUND TYPE	TOTAL (MEMORANDUM ONLY)
NONEXPENDABLE TRUST	
\$0	\$107,670,823
(13,887)	(13,887)
0	5,771,393
(13,887)	113,428,329
0	29,470,329
0	8,488,187
0	20,632,296
0	5,867,402
0	9,558,042
0	3,145,490
0	6,198,129
0	18,384,570
0	5,667,015
0	107,411,460
(13,887)	6,016,869
0	4,115,474
0	(16,757)
0	(9,301,696)
0	(5,202,979)
(13,887)	813,890
0	329,146
0	(1,827,798)
(13,887)	(684,762)
81,717	203,826,040
67,830	203,141,278
0	119,291,899
0	12,552,977
0	131,844,876
\$67,830	\$334,986,154

CITY OF DAYTON, OHIO
 COMBINED STATEMENT OF CASH FLOWS
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND
 FOR THE YEAR ENDED DECEMBER 31, 1999

	PROPRIETARY FUND TYPES	
	ENTERPRISE	INTERNAL SERVICE
Increase (Decrease) in Cash and Cash Equivalents:		
Cash Flows from Operating Activities:		
Cash Received from Customers	\$92,470,109	\$3,057
Cash Received from Quasi-External Operating Transactions with Other Funds	2,638,205	12,261,343
Cash Payments for Employee Services and Benefits	(35,109,691)	(3,685,629)
Cash Payments to Suppliers for Goods and Services	(35,070,015)	(5,888,065)
Cash Payments for Quasi-External Operating Transactions with Other Funds	(3,570,517)	(52,055)
Cash Payments for Claims	0	(3,647,611)
Utility Deposits Received	159,095	0
Utility Deposits Returned	(16,555)	0
Cash Received from Other Operating Revenues	4,871,312	3,165,149
Cash Payments for Other Operating Expenses	(5,509,619)	(9,283)
Net Cash Provided By Operating Activities	<u>20,862,324</u>	<u>2,146,906</u>
Cash Flows from Noncapital Financing Activities:		
Proceeds of Advance from General Fund	1,726,552	1,255,206
Return of Advance from General Fund	(37,329)	(875,000)
Advance to Component Unit	(532,981)	0
Operating Transfers - In	320,865	8,281
Operating Transfers - Out	(567,125)	(1,260,673)
Net Cash Provided By (Used For) Noncapital Financing Activities	<u>909,982</u>	<u>(872,186)</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition and Construction of Fixed Assets	(20,735,026)	(42,782)
Passenger Facility Charges	3,139,637	0
Capital Contributed by Grants	9,389,173	0
Proceeds from Sale of General Obligation Bonds and Notes	58,790,000	0
Principal Paid on Notes Payable	(14,100,000)	0
Interest Paid on Notes Payable	(383,361)	0
Principal Paid on OWDA Loan Payable	(2,962,995)	0
Interest Paid on OWDA Loan Payable	(2,298,280)	0
Principal Paid on General Obligation Bonds	(605,000)	0
Interest Paid on General Obligation Bonds	(232,388)	0
Principal Paid on Revenue Bonds Payable	(57,530,000)	0
Interest Paid on Revenue Bonds Payable	(4,725,156)	0
Premium Paid on Called Bonds	(508,050)	0
Bond Issuance Costs	(421,791)	0
Principal Paid on Capital Leases	(106,563)	(75,794)
Interest Paid on Capital Leases	(7,737)	(16,893)
Net Cash Used For Capital and Related Financing Activities	<u>(33,297,537)</u>	<u>(135,469)</u>
Cash Flows from Investing Activities:		
Sale of Investments	10,358,720	0
Purchase of Investments	(3,128,142)	0
Interest	5,424,913	0
Change in Fair Value of Cash Equivalents	(952,880)	0
Net Cash Provided By Investing Activities	<u>11,702,611</u>	<u>0</u>
Net Increase in Cash and Cash Equivalents	177,380	1,139,251
Cash and Cash Equivalents Beginning of Year	104,431,774	21,020,773
Cash and Cash Equivalents End of Year	<u>\$104,609,154</u>	<u>\$22,160,024</u>

FIDUCIARY FUND TYPE	TOTAL (MEMORANDUM ONLY)
NONEXPENDABLE TRUST	
\$0	\$92,473,166
0	14,899,548
0	(38,795,320)
0	(40,958,080)
0	(3,622,572)
0	(3,647,611)
0	159,095
0	(16,555)
0	8,036,461
0	(5,518,902)
<u>0</u>	<u>23,009,230</u>
0	2,981,758
0	(912,329)
0	(532,981)
0	329,146
0	(1,827,798)
<u>0</u>	<u>37,796</u>
0	(20,777,808)
0	3,139,637
0	9,389,173
0	58,790,000
0	(14,100,000)
0	(383,361)
0	(2,962,995)
0	(2,298,280)
0	(605,000)
0	(232,388)
0	(57,530,000)
0	(4,725,156)
0	(508,050)
0	(421,791)
0	(182,357)
0	(24,630)
<u>0</u>	<u>(33,433,006)</u>
0	10,358,720
0	(3,128,142)
666	5,425,579
0	(952,880)
<u>666</u>	<u>11,703,277</u>
666	1,317,297
8,733	125,461,280
<u>59,399</u>	<u>\$126,778,577</u>

(Continued)

CITY OF DAYTON, OHIO
 COMBINED STATEMENT OF CASH FLOWS
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND
 FOR THE YEAR ENDED DECEMBER 31, 1999
 (Continued)

	PROPRIETARY FUND TYPES	
	ENTERPRISE	INTERNAL SERVICE
Reconciliation of Operating Income (Loss) to Net Cash Provided By Operating Activities:		
Operating Income (Loss)	\$11,817,839	(\$5,787,083)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By Operating Activities:		
Depreciation	18,216,013	168,557
Interest - Nonexpendable Trust Fund	0	0
Changes in Assets and Liabilities:		
(Increase) in Accounts Receivable	(8,389,963)	0
(Increase) Decrease in Due from Other Funds	(336,252)	1,525,214
Decrease in Due from Other Governments	37,258	0
(Increase) Decrease in Inventory Held for Resale	(73,147)	12,745
(Increase) in Interfund Receivable	(656,437)	0
Decrease in Judgment Receivable	60,000	0
Increase (Decrease) in Accounts Payable	(1,064,037)	63,588
Increase in Contracts Payable	685,738	3,266
Increase in Contracts Payable Retainage	223,408	0
Increase in Accrued Wages and Benefits	104,160	17,704
Increase (Decrease) in Due to Other Funds	(212,740)	3,057,778
Increase in Due to Other Governments	90,904	536,427
Increase in Deferred Revenue	94,520	0
Increase in Utility Deposits	142,540	0
Increase (Decrease) in Compensated Absences Payable	122,520	(1,808)
Increase in Claims Payable	0	2,550,518
Net Cash Provided By Operating Activities	<u>\$20,862,324</u>	<u>\$2,146,906</u>

Non-Cash Transactions:

The Schantz Waldruhe Park Trust nonexpendable trust fund's fair value of investments decreased by \$14,553.

During 1999, the Sewer and Storm Water enterprise funds received fixed assets from governmental funds in the amounts of \$31,115 and \$5,000, respectively.

During 1999, the Dayton International Airport enterprise fund received \$1,126,097 in capital grants, which was recognized as a receivable in 1998.

During 1999, the Sewer enterprise fund recognized a receivable of \$1,114,149 for a capital grant.

Reconciliation of Cash and Cash Equivalents of Nonexpendable Trust Fund to Balance Sheet:

Cash and Cash Equivalents - All Fiduciary Funds	\$6,751,549
Cash and Cash Equivalents - Agency Funds	(6,742,150)
Cash and Cash Equivalents - Nonexpendable Trust Fund	<u>\$9,399</u>

See accompanying notes to the general purpose financial statements

FIDUCIARY FUND TYPE	TOTAL (MEMORANDUM ONLY)
NONEXPENDABLE TRUST	
(\$13,887)	\$6,016,869
0	18,384,570
13,887	13,887
0	(8,389,963)
0	1,188,962
0	37,258
0	(60,402)
0	(656,437)
0	60,000
0	(1,000,449)
0	689,004
0	223,408
0	121,864
0	2,845,038
0	627,331
0	94,520
0	142,540
0	120,712
0	2,550,518
<u>50</u>	<u>\$23,009,230</u>

CITY OF DAYTON, OHIO
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND BALANCES
DISCRETELY PRESENTED COMPONENT UNIT
FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>CITYWIDE DEVELOPMENT CORPORATION</u>
Operating Revenues:	
Rental Income	\$1,166,736
SBA Service Fees	174,722
Contract Revenue	751,153
Other	<u>620,741</u>
Total Operating Revenues	<u>2,713,352</u>
Operating Expenses:	
Salaries, Wages and Related Benefits	1,321,911
Depreciation and Amortization	452,391
Interest	0
Office and Equipment Rent	17,970
Legal Fees	100,710
Professional Fees	429,807
Real Estate Costs	297,345
Advertising and Printing	143,585
Travel and Training	38,673
Insurance	22,670
Provision for Loan Losses	93,566
Other	<u>193,656</u>
Total Operating Expenses	<u>3,112,284</u>
Net Operating Loss	<u>(398,932)</u>
Non-Operating Revenues (Expenses):	
Interest on Loans	550,688
Investment Income	227,640
Interest Expense	<u>(225,017)</u>
Net Non-Operating Revenues	<u>553,311</u>
Net Income Before Capital Additions	154,379
Capital Additions	<u>1,015,935</u>
Net Income After Capital Additions	1,170,314
Fund Balance at Beginning of Year	<u>19,452,299</u>
Fund Balance at End of Year	<u>\$20,622,613</u>

See accompanying notes to the general purpose financial statements

CITY OF DAYTON, OHIO
STATEMENT OF CASH FLOWS
DISCRETELY PRESENTED COMPONENT UNIT
FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>CITYWIDE DEVELOPMENT CORPORATION</u>
Cash Flows from Operating Activities:	
Net Operating Loss	(\$398,932)
Adjustments to Reconcile Net Operating Loss to Net Cash Provided by (Used in) Operating Activities:	
Depreciation and Amortization	452,391
Provision for Loan Losses	93,566
Provision for Investment Losses	(40,554)
Change in Assets:	
Contracts and Grants and Other Receivables	863,872
Other Assets	(283,220)
Change in Liabilities:	
Accounts Payable	63,129
Due to Other Governments	(17,149)
Accrued Liabilities	102,469
Net Cash Provided By Operating Activities	<u>835,572</u>
Cash Flows from Investing Activities:	
Principal Payments Received on Loans to Other Borrowers	2,664,598
Loan Disbursements to Other Borrowers	(2,669,984)
Purchase of Investments	(99,263)
Interest Earned on Loans	401,494
Interest Earned on Investments	178,712
Net Cash Provided By Noncapital Financing Activities	<u>475,557</u>
Cash Flows from Noncapital Financing Activities:	
Proceeds from Notes Payable	1,072,981
Repayment of Notes Payable	(444,176)
Net Cash Provided By Noncapital Financing Activities	<u>628,805</u>
Cash Flows from Capital and Related Financing Activities:	
Purchase of Furniture and Equipment	(31,435)
Capital Additions	1,015,935
Repayment of Bonds Payable	(190,000)
Proceeds from Loan Payable	2,046,000
Repayment of Loan Payable	(11,376)
Interest Paid on Long-Term Debt	(210,179)
Purchase of Real Estate Held for Investment	(3,199,133)
Net Cash Used in Capital and Related Financing Activities	<u>(580,188)</u>
Net Increase in Cash and Cash Equivalents	1,359,746
Cash and Cash Equivalents Beginning of Year	<u>3,182,988</u>
Cash and Cash Equivalents End of Year	<u>\$4,542,734</u>

See accompanying notes to the general purpose financial statements

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 1 - DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of Dayton ("The City") is located in Montgomery County in southwestern Ohio approximately seventy-six miles west of Columbus and fifty-four miles north of Cincinnati. The City charter was approved in 1913 and the City became the first large community in the United States to adopt the Commission-Manager Plan form of government. Subsequent amendments to the charter have been made. Legislative power is vested in a five-member commission, one of the members being the Mayor. The City Manager is the chief executive officer and the head of the administrative agencies of the City. The City Manager appoints all department heads, except the Secretary of the Civil Service Board and the Director of the Human Relations Council, who are appointed by the City Commission.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are not misleading. The primary government consists of all funds, departments and agencies that are not legally separate from the City. For the City, this includes providing water supply and treatment, sewer and storm water maintenance, wastewater treatment, airport services, fire and emergency medical services, police protection, a convention center, building inspection, correctional facilities, neighborhood support, recreation and parks, golf, street and bridge maintenance, waste collection, and a municipal court.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves their budget, the issuance of their debt or the levying of their taxes for the organization.

The City has included one discretely presented component unit, the CityWide Development Corporation (CWDC), as part of this report. CWDC was established in 1972 as a private, non-profit development organization which supports the City in a number of ways - primarily as its development financing arm. CWDC's relationship with the City is established via its stated mission: fostering economic development through creating and retaining jobs for City residents, providing administrative support to assist in neighborhood development, increasing tax revenues, and improving the Dayton area economy. Because the City appoints all members of CWDC's board of trustees and is empowered to remove them at will, CWDC is a component unit of the City. CWDC issues separately audited financial statements with a December 31 year end. Its most recently audited financial statements may be obtained from CityWide Development Corporation, 8 North Main Street, Dayton, Ohio 45402-1916. Further disclosures for the discretely presented component unit can be found in Note 23.

**CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999**

NOTE 1 - DESCRIPTION OF THE CITY AND REPORTING ENTITY (Continued)

The City is also associated with six jointly governed organizations. These organizations are discussed in Note 22 to the general purpose financial statements. These organizations are:

Miami Valley Regional Planning Commission
Miami Valley Fire/EMS Alliance
Economic Development/Government Equity Program
Montgomery County Family and Children First Council
Hazardous Material Response Team
Miami Valley Emergency Management Agency

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Dayton 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 City also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its proprietary activities provided they do not conflict with or contradict GASB pronouncements.

The preparation of financial statements in conformity with generally accepted accounting principles 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.

The more significant of the City's accounting policies are described below:

A. Basis of Presentation - Fund Accounting

The City uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain City functions or activities.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

For financial statement presentation purposes, the various funds of the City are grouped into the following generic fund types under the broad fund categories: governmental, proprietary, and fiduciary.

Governmental Fund Types Governmental funds are those through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The following are the City's governmental fund types:

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

Special Revenue Funds Special revenue funds are established to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditure for specific purposes.

Debt Service Fund The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term and special assessment debt principal, interest and related costs.

Capital Projects Funds Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the proprietary and nonexpendable trust funds).

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Fund Types Proprietary funds are used to account for the City's ongoing activities that are similar to those found in the private sector. The following are the City's proprietary fund types:

Enterprise Funds Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be recovered or financed primarily through user charges, or where it has been decided that a periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Internal Service Funds Internal service funds are used to account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis.

Fiduciary Funds Fiduciary funds are used to account for assets the City holds in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. The following are the City's fiduciary fund types:

Nonexpendable Trust Fund The nonexpendable trust fund is used to account for financial resources of which only the interest earnings may be used for specific purposes as stated in the trust agreement. The fund is accounted for in essentially the same manner as proprietary funds.

Agency Funds Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Account Groups To make a clear distinction between fixed assets related to specific funds and those of general government, and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

General Fixed Assets Account Group This account group is used to account for all general fixed assets of the City other than those accounted for in proprietary and nonexpendable trust funds.

General Long-Term Obligations Account Group This account group is used to account for all long-term obligations of the City except those accounted for in the proprietary and nonexpendable trust funds.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus and Basis of Accounting

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary fund types and the nonexpendable trust fund are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Operating statements of these funds present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Basis of accounting refers to the time when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current year or soon enough thereafter to be used to pay liabilities of the current year. The available period for the City is thirty-one days after year end.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: state-levied locally shared taxes (including gasoline tax), grants, fines and forfeitures, income tax withheld by employers, charges for services, earnings on investments, and special assessments received during the available period.

The City reports deferred revenues in its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In the subsequent period, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Current and delinquent property taxes measurable as of December 31, 1999, whose availability is indeterminate and which are not intended to finance current period obligations, have been recorded as a receivable and deferred revenue. Levied special assessments are measurable, and have been recorded as a receivable.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Special assessments are deferred except the amount received within the available period. During 1999, the City loaned the Riverfront Area Redevelopment Enterprises, Inc. \$11,200,000 (See Note 9), which is recorded as a reserve of fund balance in the Debt Service Fund as of December 31, 1999.

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. Principal and interest on general obligation and special assessment long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year, and costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period employees earn them. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The accrual basis of accounting is utilized for reporting purposes by the proprietary funds and non-expendable trust fund. Revenues are recognized when they are earned and become measurable, and expenses are recognized when they are incurred. Unbilled service charges receivable are recognized as revenue at year end.

C. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds except agency funds are legally required to be budgeted. Capital projects funds and the HUD Programs Special Revenue fund, pursuant to the City's charter, are not required to be budgeted annually. These funds' appropriations, after their initial appropriations by Council at the time capital monies/grants are received (bond proceeds, etc.), remain intact until they are expended or modified by Council. Such monies are appropriated on a project level with specific identification of each project being budgeted. Budget basis financial statements for these funds are not, therefore, presented in this report because such statements would not be meaningful, nor are they required. The legal level of budgetary control is at the department level. Budgetary modifications at this level may only be made by resolution of the City Commission.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tax Budget

A tax budget of estimated revenues and expenditures for all budgeted funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

Estimated Resources

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Budget Commission certifies its actions to the City by October 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenues of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if the fiscal officer determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 1999.

Appropriations

A temporary appropriation measure to control expenditures may be passed on or about January 1 of each year for the period from January 1 to March 31. The annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the fund and department level. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations between line items within a department may be modified with approval of the City Manager. All other modifications may only be made by ordinance of City Commission. During the year, several supplemental appropriation measures were passed, however none of them were significant. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations. On the GAAP basis, encumbrances outstanding at year end are reported as reservations of fund balances for subsequent-year expenditures for governmental funds and reported in the notes to the financial statements for the enterprise funds.

Lapsing of Appropriations

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding calendar year.

D. Cash and Cash Equivalents

Cash balances of the City's funds, except cash and cash equivalents and investments held by fiscal agents and cash and cash equivalents and investments in segregated accounts, are pooled and invested in short-term investments in order to provide improved cash management. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the combined balance sheet. During 1999, investments were limited to commercial paper, U.S. Treasury Notes, City owned debt, mutual funds, Dayton Power and Light stock, certificates of deposit, and STAR Ohio. Except for non-participating investment contracts, investments are stated at fair value which is based on quoted market prices. For open-end mutual funds, fair value is determined by the fund's share price at December 31, 1999. Non-participating investment contracts such as non negotiable certificates of deposit are reported at cost.

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 December 31, 1999.

For purposes of the statement of cash flows and for presentation on the combined balance sheet, the City's cash management pool and investments with original maturities of three months or less are considered to be cash and cash equivalents. Investments not part of the cash management pool, with an initial maturity of more than three months, are reported as investments.

The City utilizes a financial institution to service bonded debt as principal and interest payments become due. The balance in these accounts along with retainage, reserves held for replacement and improvement for enterprise funds, money held by the municipal court and money in the executive savings plan are shown as "cash and cash equivalents with fiscal agents" and "investments with fiscal agents."

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and cash equivalents that are held separately by CityWide Development Corporation, the discretely presented component unit, are recorded on the balance sheet as "cash and cash equivalents in segregated accounts."

Interest income is distributed to the funds according to City Ordinance and statutory requirements. Interest revenue earned during 1999 was \$5,781,916 in the General fund, which includes \$4,433,157 assigned from other City funds. The Special Revenue funds, Debt Service fund, Capital Projects funds, Enterprise funds, and Nonexpendable Trust fund also received interest revenue of \$27,974, \$21,970, \$345,533, \$4,115,474, and (\$13,887), respectively.

E. Inventory of Supplies

Inventories of proprietary funds are valued using a weighted average method (cost of purchases added to current inventory value divided by the number of items in stock.) The cost of inventory items are recorded as expenses when used. As other departments purchase supplies from the internal services funds, they are charged an amount equal to the weighted average plus an average of fifteen percent markup. Inventory reported by the internal service funds consist of supplies held for use by other City departments. Inventory reported by the enterprise fund consists of pipes, valves, and clamps that have not yet been put into service.

F. Restricted Assets

Restricted assets are those which are legally restricted in their use by bond indentures, or other legal instruments. Restricted assets in the enterprise funds include "cash and cash equivalents" and "investments with fiscal agents." "Cash and cash equivalents" represent utility deposits held by the City. "Investments with fiscal agents" are the proceeds from revenue bond issues that are required by the bond indenture to be held by a financial services corporation. Restricted assets in the debt service fund include "cash and cash equivalents with fiscal agents." This represents the residual proceeds from baseball bonds issued during 1999 after the loan was made to Riverfront Area Redevelopment Enterprises, Inc., that are being held in a money market account. This money is restricted for the interest payments on the new baseball revenue bonds.

G. Fixed Assets and Depreciation

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the General Fixed Assets Account Group. Fixed assets utilized in the proprietary funds are capitalized in the respective fund. All fixed assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are valued at their estimated fair market value on the date received. The City maintains a capitalization threshold of five thousand dollars.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Interest incurred during the construction of general fixed assets is also not capitalized.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs, gutters, sidewalks, and drainage systems are not capitalized, as these assets are immovable and of value only to the City.

Depreciation of all fixed assets is computed using the straight-line method over the following useful lives:

Buildings and Building Improvements	10 to 40 years
Improvements other than Buildings	10 to 25 years
Equipment	3 to 15 years
Motorized Vehicles	3 to 10 years

Improvements to fixed assets are depreciated over the remaining useful lives of the related fixed assets.

H. Capitalization of Interest

The City's policy is to capitalize net interest on revenue bond construction projects until substantial completion of the project. The amount of capitalized interest equals the difference between the interest cost associated with the tax exempt borrowing used to finance the project and the interest earned from temporary investment of the debt proceeds. When a project is substantially complete (over ninety percent or when the asset is placed in service) the asset is moved from construction-in-progress to its appropriate fixed asset account. Capitalized interest is amortized on the straight-line basis over the estimated useful life of the asset. For 1999, interest costs incurred on construction projects in proprietary funds were not material.

I. Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as grants awarded on a non-reimbursement basis, entitlements and shared revenues are recorded as receivables and revenues when measurable and available. Reimbursable grants are recorded as intergovernmental receivables and revenues when the related expenditures are incurred. Grants and entitlements for proprietary fund operations are recognized as non-operating revenues in the accounting period in which they are earned and became measurable. Such resources restricted for the construction of capital assets are recorded as contributed capital.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Interfund Assets/Liabilities

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables". Long-term interfund loans are classified as "advances to/from other funds" and are equally offset by a fund balance reserve account which indicates that they do not constitute expendable resources since they are not a component of net current assets.

K. Compensated Absences

The City follows the provisions of Governmental Accounting Standards Board Statement No. 16 "Accounting for Compensated Absences." Vacation and compensatory time 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 City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time and compensatory time when earned for all employees with more than one year of service.

Sick leave benefits are accrued using the termination method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using available expendable resources. The amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the General Long-Term Obligations Account Group. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

L. Accrued Liabilities and Long-Term Obligations

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, compensated absences that will be paid from governmental funds are reported as a liability in the General Long-Term Obligations Account Group to the extent that they will not be paid with current expendable available financial resources. Payments made more than thirty-one days after year-end are considered not to have been paid using current available financial resources. Bonds are recognized as a liability of the General Long-Term Obligations Account Group until due.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate proprietary funds.

M. Bond Premiums and Discounts

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Bond discounts and issuance costs for proprietary fund types are deferred and amortized over the term of the bonds using the straight line method since the results are not significantly different from the effective interest method. Bond discounts are presented as a reduction of the face amount of the bonds payable whereas issuance costs are recorded as deferred charges.

The accounting loss on the refunded bonds (difference between the reacquisition price and the net carrying amount of the old debt) is being amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

N. Interfund Transactions

Quasi-external transactions are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All remaining interfund transfers are reported as operating transfers.

O. Reservations of Fund Equity

The City reserves fund balance for amounts that are legally segregated for a specific purpose or which are not available for appropriation. Unreserved fund balance indicates a portion of fund equity which is available for appropriation in future periods. Fund equity reserves are established for encumbrances, claimants, advances to other funds, advances to component unit, amounts reserved for contributions for the nonexpendable trust fund in accordance with the trust agreement, and reserved for loan receivable from Riverfront Area Redevelopment Enterprises, Inc. The reserve for claimants represents unclaimed monies that the City must hold for five years before the money can be used for general fund expenditures. Retained earnings have been reserved for revenue bond renewal and replacement (accumulation of resources for unforeseen repairs and replacements of assets originally acquired with bond proceeds).

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Contributed Capital

Contributed capital represents resources from other funds, other governments, and private sources provided to the proprietary funds that are not subject to repayment. These assets are recorded at their fair market value on the date contributed. Depreciation on those assets acquired or constructed with contributed resources is expensed and closed to unreserved retained earnings at year end.

Because the City did not prepare financial statements in accordance with generally accepted accounting principles prior to 1980, the exact amount of contributed capital cannot be determined. Consequently, only those amounts that have been able to be identified specifically have been classified as contributed capital in the accompanying combined financial statements. All other fund equity amounts pertaining to the proprietary funds have been classified as retained earnings.

Q. Total Columns on General Purpose Financial Statements

Total columns on the General Purpose Financial Statements are captioned Total "(Memorandum Only)," to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

When the title of a statement indicates that the component unit is included, two columns are presented. The first is captioned "Total Primary Government (Memorandum Only)" to indicate that only those activities that comprise the City's legal entity have been included. The second is captioned "Total Reporting Entity (Memorandum Only)" and includes the activities and operations of the City's legally separate discretely presented component unit. The total column on the statements which do not include component units have no additional caption.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 3 - RESTATEMENT OF FUND EQUITY

Due to accounting errors that occurred in 1998, the City restated beginning fund balance/retained earnings for withholdings and deposits, accounts receivable, and claims payable. The effect of these changes on the excess of revenues and other financing sources over expenditures and other financing uses/net income (loss) and the effect on opening fund balance/retained earnings follows:

	Governmental		
	Fund Type	Proprietary Fund Types	
	General	Enterprise	Internal Service
Excess/Income (Loss) as previously reported	\$8,098,266	\$10,537,846	(\$830,310)
Restatements:			
Accounts Receivable	0	(1,122,919)	0
Withholdings and Deposits	1,904,727	0	0
Claims Payable	0	0	1,826,824
Restated Amounts for the year ended December 31, 1998	<u>\$10,002,993</u>	<u>\$9,414,927</u>	<u>\$996,514</u>

	Governmental		
	Fund Type	Proprietary Fund Types	
	General	Enterprise	Internal Service
Fund Balance/Retained Earnings at December 31, 1998	\$50,914,089	\$202,681,044	\$359,374
Restatements:			
Accounts Receivable	0	(1,122,919)	0
Withholdings and Deposits	1,904,727	0	0
Claims Payable	0	0	1,826,824
Fund Balance/Retained Earnings at January 1, 1999	<u>\$52,818,816</u>	<u>\$201,558,125</u>	<u>\$2,186,198</u>

NOTE 4 - ACCOUNTABILITY

The Fleet Management and the Workers' Compensation Internal Service Funds had retained earnings deficits at December 31, 1999, of \$165,869 and \$5,163,817, respectively. The deficits are due to revenues not covering operating costs. The City has made routine operating transfers in the past and plan to continue to do so in the future on an as-needed basis.

The Street and Miscellaneous Grants Special Revenue Funds had appropriations in excess of estimated resources plus available balances in the amount of \$230,363 and \$529,782, respectively.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund, Special Revenue Funds, and Debt Service Fund - Budget Basis is presented on a modified accrual basis with some adjustments. The adjustments between the budget basis and the GAAP basis are:

1. Encumbrance balances at year end are added to expenditures.
2. Expenditures against prior year encumbrances which are not reappropriated are deducted from expenditures.

The HUD Programs Special Revenue Fund is not budgeted and is not included in the Special Revenue Fund (Budget Basis) statements. In addition, the capital projects funds are not budgeted.

The adjustments necessary to convert the results of operations for the year ended December 31, 1999, on the GAAP basis to the budget basis are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>
GAAP Basis	(\$309,825)	\$2,472,705	\$10,560,841
Less:			
Reserve for Encumbrances (Adjusted for Nonbudgeted Funds)	(8,982,654)	(1,154,711)	(7,450)
Add:			
Expenditures Against Prior Year Budgets	1,225,058	366,888	0
Nonbudgeted Activity	<u>0</u>	<u>(841,359)</u>	<u>0</u>
Budget Basis	<u>(\$8,067,421)</u>	<u>\$843,523</u>	<u>\$10,553,391</u>

**CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999**

NOTE 6 - DEPOSITS AND INVESTMENTS

The investment and deposit of City monies are governed by City Ordinance and the Ohio Revised Code. State statutes classify monies held by the City into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that Commission has identified as not required for use within the current two year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

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

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

According to City Ordinance, interim monies can be invested in the following obligations which mature within five years from the date the investments were completed:

1. U. S. Treasury bills, notes, and bonds;
2. U.S. government agency and instrumentality coupon and discount securities;
3. Certificates of Deposit;
4. Repurchase agreements with institutions having a signed master repurchase agreement on file with the *Director of Finance*;
5. Securities lending agreements with institutions having a signed securities lending agreement on file with the *Director of Finance*;
6. Bankers' Acceptances;
7. NOW accounts;
8. Money Market Mutual Funds (open ended investment companies) registered with the Securities and Exchange Commission;
9. State of Ohio Treasurer's investment pool (STAR Ohio);
10. Securities of any of the states of the United States or any of their political sub-divisions rated "A" or better by Moody's or S&P;
11. Prime commercial paper; and
12. Corporate notes rated at least AA (not to exceed 15% of the portfolio).

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

The City may also invest in the following instruments within the indicated maturities:

1. Repurchase agreements that do not exceed ninety days;
2. Money Market Mutual Funds with an average portfolio maturity which does not exceed 120 days;
3. Investments matched to a specific cash flow requirement; and
4. City of Dayton notes or bonds up to twenty years maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the finance director or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

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

Deposits

At year end, the carrying amount of the City's deposits was \$3,841,708 and the related bank balance was \$14,767,806. Of the bank balance, \$368,707 was covered by federal deposit insurance and \$14,399,099 was considered uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the Federal Deposit Insurance Corporation.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

Investments

Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name. STAR Ohio, an investment fund operated by the Ohio State Treasurer, and Mutual Fund Investments are unclassified since they are not evidenced by securities that exist in physical or book entry form.

	Primary Government			Fair Value
	Category 1	Category 2	Category 3	
Commercial Paper	\$15,626,054	\$0	\$0	\$15,626,054
U.S. Treasury Notes	169,546,023	11,066,570	984,195	181,596,788
Dayton Special Assessment Debt	420,844	0	0	420,844
Mutual Fund Investments	0	0	0	3,212,181
Dayton Power and Light Stock	58,431	0	0	58,431
STAR Ohio	0	0	0	20,866,178
Total	\$185,651,352	\$11,066,570	\$984,195	\$221,780,476

The classification of cash and cash equivalents, and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. The reconciliation between classifications of cash and investments on the general purpose financial statements and the classifications per GASB Statement No. 3 is as follows:

	Primary Government	
	Cash and Cash Equivalents	Investments
GASB Statement No. 9	\$221,367,377	\$4,254,807
Investments:		
Commercial Paper	(15,626,054)	15,626,054
U.S. Treasury Notes	(180,612,593)	180,612,593
Dayton Special Assessment Debt	(420,844)	420,844
STAR Ohio	(20,866,178)	20,866,178
GASB Statement No. 3	\$3,841,708	\$221,780,476

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 1999 for real and public utility property taxes represents collections of 1998 taxes. Property tax payments received during 1999 for tangible personal property (other than public utility property) is for 1999 taxes.

1999 real property taxes are levied after October 1, 1999, on the assessed value as of January 1, 1999, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 1999 real property taxes are collected in and intended to finance 2000.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 1999 public utility property taxes became a lien December 31, 1998, are levied after October 1, 1999, and are collected in 2000 with real property taxes.

1999 tangible personal property taxes are levied after October 1, 1998, on the value as of December 31, 1998. Collections are made in 1999. Tangible personal property assessments are 25 percent of true value.

The full tax rate for all City operations for the year ended December 31, 1999, was \$10.00 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 1999 property tax receipts were based are as follows:

	Amount	Percent
Real Property	\$1,199,695,480	69.02%
Public Utility Real Personal Property	150,755,290	8.67
Tangible Personal Property	387,618,846	22.31
Total	\$1,738,069,616	100.00%

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

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 7 - PROPERTY TAXES (Continued)

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable at September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Dayton. Property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 1999. Although total property tax collections for the next fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, nor are they intended to finance 1999 operations. The receivable is therefore offset by a credit to deferred revenue.

NOTE 8 - INCOME TAX

On March 27, 1984, the City Commission levied a municipal income tax of 1.75 percent on substantially all income earned within the City. In addition, the City enacted an additional .50 percent levy through December 31, 2000. The City income tax also applies to the net income of businesses located or doing business within the City. The residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100 percent of the City's current tax rate.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City of Dayton at least quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. The City of Dayton administers the collection of income taxes and the assessment of interest and penalties. Income tax proceeds are to be used to pay the cost of administering the tax and are recorded in the General Fund. Income tax revenue for 1999 was \$109,247,348.

**CITY OF DAYTON, OHIO
 NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 1999**

NOTE 8 - INCOME TAX (Continued)

The City acts as the income tax collecting agent for the following communities:

Brookville	Trotwood
Farmersville	Englewood
Yellow Springs	Phillipsburg
Cedarville	West Milton
Huber Heights	

For this collection service, the City charges a fee ranging from approximately two percent to five percent of gross collections. Undistributed taxes collected for these cities are shown as withholdings and deposits in the agency funds.

NOTE 9 - RECEIVABLES

Receivables at December 31, 1999, consisted of property and other local taxes, municipal income taxes, accounts, special assessments, accrued interest, due from other funds, interfund, and intergovernmental receivables arising from grants and entitlements. Utility accounts receivable at December 31, 1999, were \$24,399,666. Receivables are considered fully collectible except utility accounts which have a one percent uncollectible rate.

A. Intergovernmental Receivables

A summary of intergovernmental receivables follows:

<u>GENERAL FUND</u>	
Estate Tax Advance	\$649,506
State Local Government Fund	144,439
Care and Board of Inmates	349,995
Fines and Forfeitures	220,051
Security Provided	6,963
Other	17,656
	17,656
Total General Fund	\$1,388,610

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 9 - RECEIVABLES (Continued)

SPECIAL REVENUE FUNDS

Street	
State and Local Government Highway	\$155,789
State Gas Excise Tax	79,068
	<hr/>
Total Street	234,857
	<hr/>
Highway Maintenance	
State and Local Government Highway	12,632
State Gas Excise Tax	6,411
	<hr/>
Total Highway Maintenance	19,043
	<hr/>
HUD Programs	
HOME Program	1,606,221
Shelter Care Plus	2,115,324
Emergency Shelter	275,817
	<hr/>
Total HUD Programs	3,997,362
	<hr/>
Miscellaneous Grants	
Domestic Violence Against Women	136,893
COPS in Shops	17,450
Ohio Victim Witness	10,638
Prison Release Program	9,361
Victim Assistance	4,772
Safe Estates	7,314
Crash Reduction '99	17,874
EMS Training	16,230
Dayton Business Incubator	145,376
COPS MORE '98	89,731
MBCAP Grant	25,750
Other	21,902
	<hr/>
Total Miscellaneous Grants	503,291
	<hr/>
Other Special Revenue	
Probation Fees	3,980
	<hr/>
Total Special Revenue	\$4,758,533
	<hr/>

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 9 - RECEIVABLES (Continued)

CAPITAL PROJECTS FUNDS

Capital Improvement	
Baseball Stadium	\$1,530,673
Other	3,705
 Total Capital Improvement	 1,534,378
 Economic Development/Government Equity Improvement	
Economic Development/Government Equity Improvement Grants	96,963
 Issue II	
Issue II Grants	671,357
 Total Capital Projects	 2,302,698

ENTERPRISE FUNDS

Dayton International Airport	
Cargo/Concorde Exit	51,006
Other	942
 Total Dayton International Airport	 51,948
 Water	
Montgomery County	2,887
 Sewer	
Sludge Disposal/Montgomery County	1,311,339
 Total Enterprise	 1,366,174
 Total All Funds	 \$9,816,015

B. Loans Receivable

During 1999, the City issued taxable economic development revenue bonds payable from nontax revenues of the City, in the amount of \$12,190,000 (See Note 17) and loaned \$11,200,000 of the proceeds to Riverfront Area Redevelopment Enterprises, Inc (Stadium Owner) to assist in financing the costs of constructing a baseball stadium. In consideration of the repayment of the loan, the Stadium Owner shall make loan payments in the amount of \$560,000 on April 1 of each year for twenty years, commencing April 1, 2000. All loan payments received will be credited against the outstanding principal amount of the loan, there being no interest payable on the loan.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 9 - RECEIVABLES (Continued)

The obligations of the stadium owner to make a loan payment on any loan payment date shall be forgiven if neither the stadium owner nor the team owner has materially breached, violated, or failed to fully perform any provision contained in the ground lease, the stadium lease, or the plaza lease (See Note 16) and the team owner has committed to play all club home games at the stadium during the then current calendar year.

NOTE 10 - FIXED ASSETS

Changes in general fixed assets during the year ended December 31, 1999, were as follows:

<u>Asset Category</u>	Balance at January 1, 1999	Additions	Deletions	Balance at December 31, 1999
Land	\$42,590,900	\$3,240,818	\$3,626,692	\$42,205,026
Buildings	41,054,006	0	0	41,054,006
Building				
Improvements	44,676,023	668,111	0	45,344,134
Improvements other than Buildings	41,136,067	8,557,329	0	49,693,396
Equipment	14,563,854	1,262,719	1,677,164	14,149,409
Motorized Vehicles	36,412,466	1,409,618	806,890	37,015,194
Construction-In- Progress	11,060,007	6,889,843	7,668,462	10,281,388
Totals	<u>231,493,323</u>	<u>\$22,028,438</u>	<u>\$13,779,208</u>	<u>239,742,553</u>
Less: Accumulated Depreciation	<u>(103,395,070)</u>			<u>(107,790,493)</u>
Net Fixed Assets	<u>\$128,098,253</u>			<u>\$131,952,060</u>

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 10 - FIXED ASSETS (Continued)

Construction-in-progress reported for general fixed assets is composed of the following:

	Project <u>Authorization</u>	Expended at <u>12/31/99</u>	<u>Committed</u>
Facility Improvement	\$1,356,352	\$436,363	\$919,989
ITS Infrastructure Improvements	1,955,026	1,743,606	211,420
Rehabilitation Center	123,907	41,843	82,064
Fire Facility Improvement	183,635	1,388	182,247
Convention Center Improvements	578,762	305,336	273,426
Recreation and Parks Improvements	369,852	243,776	126,076
Signal Upgrade	719,000	3,705	715,295
ODD Dayton Supply	500,000	257,017	242,983
Cashier's Finance System	113,705	86,655	27,050
Underground Storage	1,005,512	244,066	761,446
ITS Enterprise	3,903,310	2,846,960	1,056,350
KDTS	1,965,594	1,758,598	206,996
One-Stop-Shop	1,767,200	700,914	1,066,286
ITS Enterprise Solutions	2,368,000	1,261,096	1,106,904
Northwest Site Office	82,100	61,017	21,083
Rehabilitation and Parks Improvements	280,000	250,578	29,422
Innereast Defensible Space	139,500	2,547	136,953
North Gettysburg Revitalization	57,000	2,670	54,330
Brown Warren Shared Parking	60,000	33,253	26,747
Total General Fixed Assets	<u>\$17,528,455</u>	<u>\$10,281,388</u>	<u>\$7,247,067</u>

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 10 - FIXED ASSETS (Continued)

A summary of the enterprise funds' fixed assets at December 31, 1999, follows:

Asset Category	Dayton International		Sewer	Storm		Golf	Total
	Airport	Water		Water			
Land	\$20,051,916	\$7,362,648	\$2,103,937	50	\$594,927	\$30,113,428	
Buildings	26,870,125	11,798,634	3,629,246	0	1,844,551	44,142,556	
Building Improvements	23,849,753	33,513,538	408,017	0	95,683	57,866,991	
Improvements other than Buildings	137,386,409	97,690,249	158,033,534	0	1,576,312	394,686,504	
Equipment	1,046,381	3,129,163	1,927,098	0	266,207	6,368,849	
Motorized Vehicles	7,649,104	9,744,196	4,089,552	293,285	2,915,884	24,692,021	
Construction-In-Progress	2,336,106	2,972,264	3,743,385	0	2,483,549	11,535,304	
Totals	219,189,794	166,210,692	173,934,769	293,285	9,777,113	569,405,653	
Less: Accumulated Depreciation	(92,818,204)	(67,484,782)	(79,057,052)	(23,354)	(5,022,925)	(244,406,317)	
Net Fixed Assets	\$126,371,590	\$98,725,910	\$94,877,717	\$269,931	\$4,754,188	\$324,999,336	

Construction-in-progress reported in the enterprise funds is composed of the following:

	Project Authorization	Expended at 12/31/99	Committed
<u>Dayton International Airport</u>			
Terminal Infrastructure	\$1,325,000	\$56,250	\$1,268,750
Taxiway W Design	1,000,199	610,451	389,748
Emery Warehouse	2,104,484	252,780	1,851,704
Law Enforcement Facilities Renovation	770,365	0	770,365
Development/Design Partnership	42,000	28,615	13,385
Rehabilitation T/W "W"	358,558	0	358,558
Rehabilitation T/W A&Z/Cargo Apro	246,036	70,987	175,049
Construction Airport Fuel Farm	455,380	53,248	402,132
HVAC & Roof Replacement C Concourse	164,990	0	164,990
Ticket Counter Remodeling	254,589	0	254,589
Cargo /Concourse Dr. Construction	1,000,000	10,704	989,296
Cargo/Concorde Road	295,920	0	295,920
Cargo Apron Expansion	504,310	370,843	133,467
Bag Claim Rehabilitation	329,415	242,228	87,187
Cargo Master Plan	584,000	0	584,000
Dayton Airport Inn Terminal Drive	0	640,000	(640,000)
Taxiway W Phase II	0	0	0
Taxiway W Reconstruction	6,438,125	0	6,438,125
Total Dayton International Airport	\$15,873,371	\$2,336,106	\$13,537,265

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 10 - FIXED ASSETS (Continued)

	Project Authorization	Expended at 12/31/99	Committed
<u>Water</u>			
Water Revenue Hard/Software	\$621,658	\$133,373	\$488,285
Water Main Extension Improvement	2,215,000	122,445	2,092,555
Strand Avenue Elevated Tank	600,000	467,107	132,893
Burkhard Water Tower	500,000	81,064	418,936
Well Rehabilitation	700,000	228,392	471,608
Wellfield Improvement II	1,988,090	58,395	1,929,695
Wellfield Improvement Miami/Mad	1,189,386	29,202	1,160,184
Parallel Raw Water Main Construction	668,761	54,583	614,178
Treatment Plant I	250,000	165,305	84,695
Wellfield Interconnection	0	6,239	(6,239)
Parallel Raw Water Main Company	3,000,000	510	2,999,490
Emergency Power	1,000,000	474,860	525,140
Miscellaneous Water Mains	750,000	60,566	689,434
Chlorine Gas Scrubbers	300,000	111,510	188,490
Burkhart Reservoir	160,000	1,145	158,855
Electrical Maintenance Facility	150,000	111,470	38,530
Wellfield Improvement I	10,050,000	62,690	9,987,310
Data Network System	0	346,295	(346,295)
Well Rehabilitation/Replacement	0	57,205	(57,205)
Miami/Ottawa TP Improvement	250,000	14,740	235,260
Miami TP Filter Improvement	1,250,000	133,265	1,116,735
Miami TP/PS Improvement Phase II	1,500,000	170,845	1,329,155
Ottawa WTP Reroofing	500,000	71,250	428,750
Ottawa SCADA Treatment System	0	9,808	(9,808)
Total Water	<u>\$27,642,895</u>	<u>\$2,972,264</u>	<u>\$24,670,631</u>

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 10 - FIXED ASSETS (Continued)

	Project Authorization	Expended at 12/31/99	Committed
<u>Sewer</u>			
Sludge Disposal Program	\$2,728,527	\$160,166	\$2,568,361
Rickling Filter	500,000	86,848	413,152
Edison Avenue Sanitary Sewer	172,000	8,773	163,227
Wastewater Treatment Plant Laboratory	2,800,000	2,236,247	563,753
Broadway Interceptor	1,500,000	859,421	640,579
Superior Avenue I2	214,241	132,330	81,911
Salem Avenue I2	43,665	29,242	14,423
Alleys Near Sherman I2	177,520	132,216	45,304
Vogel Lane I2	81,765	4,433	77,332
Bowen Avenue I2	160,820	3,550	157,270
Prescott Avenue I2	57,220	39,812	17,408
Garfield Street I2	54,220	41,046	13,174
WWT-WWTP SCADA System	300,000	6,661	293,339
Sewer Maintenance Vehicle Shelter	80,000	2,640	77,360
Total Sewer	<u>\$8,869,978</u>	<u>\$3,743,385</u>	<u>\$5,126,593</u>
<u>Golf</u>			
Golf Cart Storage Building	\$210,000	\$33,408	\$176,592
Community Golf Renovation	3,305,000	2,450,141	854,859
Total Golf	<u>\$3,515,000</u>	<u>\$2,483,549</u>	<u>\$1,031,451</u>
Total Enterprise Funds	<u>\$55,901,244</u>	<u>\$11,535,304</u>	<u>\$44,365,940</u>

A summary of the internal service funds' fixed assets at December 31, 1999, follows:

Asset Category	Fleet Management	Stores and Reproduction	Workers' Compensation	Total
Buildings	\$719,196	\$0	\$0	\$719,196
Building Improvements	43,907	0	0	43,907
Equipment	755,575	560,659	40,496	1,356,730
Motorized Vehicles	906,796	0	0	906,796
Totals	<u>2,425,474</u>	<u>560,659</u>	<u>40,496</u>	<u>3,026,629</u>
Less: Accumulated Depreciation	<u>(2,117,726)</u>	<u>(195,018)</u>	<u>(32,824)</u>	<u>(2,345,568)</u>
Net Fixed Assets	<u>\$307,748</u>	<u>\$365,641</u>	<u>\$7,672</u>	<u>\$681,061</u>

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 11 - RISK MANAGEMENT

A. Property and Liability

The City 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. In 1999, the City contracted with various insurance companies to provide the following coverages:

<u>Type of Coverage</u>	<u>Coverage</u>
Primary and Excess Airport Liability	\$100,000,000
Per Occurrence	25,000,000
Property	521,821,274
General Liability	
(NorthWest Railway)	5,000,000
Commercial Liability	
(Convention Center)	1,000,000
Errors and Omissions	
(Ambulance Attendants)	500,000
Garagekeepers/Operators Liability	3,000,000
Comprehensive/Catastrophic Fleet	20,000,000
Air Show Liability	95,000,000

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

B. Workers' Compensation

The City has elected to take advantage of the workers' compensation plan being offered by the State of Ohio. This plan, called retrospective rating, allows the City to pay a fraction of the premium it would pay as an experience-rated risk.

Retrospective rating constitutes a step closer to self-insurance. In the retrospective rating plan, the City agrees to assume a portion of the risk in return for a possible reduction in premiums. The greater the percentage of the risk the City assumes, the greater the potential reduction in the premium. If the City's loss experience is better than predicted by the experience-rating system, its premium obligation will be less than what it would have paid under experience rating. If its experience is worse than predicted, its premium obligation will be more than it would have been assessed under experience rating, limited to a maximum premium. The City has assumed the risk for individual claims up to a maximum of \$300,000.

**CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999**

NOTE 11 - RISK MANAGEMENT (Continued)

The City has agreed to pay all claims up to a maximum of 200% of what the City would have paid had the City remained an experience-rated risk. Claims exceeding these limits will be paid by the State. Each year, the City pays the State a "minimum premium" for retaining the risk of having to pay claims which exceeds the City's maximum claim limits. For each year the City elects the retrospective plan for workers' compensation, liability is attached for ten years. The City has established a Workers' Compensation Internal Service Fund to account for and finance its uninsured risks of loss in this program.

The claims liability of \$23,983,503 reported at December 31, 1999, as estimated by the third party administrator, is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for unpaid claims cost 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 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.

Changes in the funds' claims liability amount in 1998 and 1999 were:

	Balance at <u>Beginning of Year</u>	Current Year <u>Claims</u>	Claim <u>Payments</u>	Balance at <u>End of Year</u>
1998	\$18,620,874	\$4,638,935	\$0	\$23,259,809
1999 (Restated)	21,432,985	6,198,129	3,647,611	23,983,503

NOTE 12 - DEFINED BENEFIT PENSION PLANS

A. Public Employees Retirement System

All City full-time employees, other than teachers, participate in the Public Employees Retirement System of Ohio (PERS), a cost-sharing multiple employer public employee retirement system administered by the Public Employees Retirement Board. PERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone report which may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations and the City is required to contribute 9.35 percent. Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's required contributions to PERS for the years ended December 31, 1999, 1998, and 1997 were \$7,515,575, \$7,321,621, and \$6,580,754, respectively. The full amount has been contributed for 1999, 1998 and 1997.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 12 - DEFINED BENEFIT PENSION PLANS (Continued)

B. Police and Firemen's Disability and Pension Fund

The City contributes to the Police and Firemen's Disability and Pension Fund of Ohio (the "Fund"), a cost-sharing multiple employer public employee retirement system administered by the Fund's Board of Trustees. The Fund provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and by Chapter 742 of the Ohio Revised Code. The Fund issues a publicly available financial report that includes financial information and required supplementary information for the Fund. That report may be obtained by writing to the Police and Firemen's Disability and Pension Fund of Ohio, 140 East Town Street, Columbus, Ohio 43215-5164.

Police and firefighters are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 12.5 percent for police and 17 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the Fund for police and firefighters were \$3,075,488 and \$3,172,684 for the year ended December 31, 1999, \$3,237,703 and \$3,255,695 for 1998, and \$3,111,423 and \$3,027,150 for 1997. The full amount has been contributed for 1998 and 1997. A total of 89 percent and 90 percent has been contributed for 1999 for police and firefighters, respectively, with the remainder being reported as a fund liability in the General Fund.

NOTE 13 - POSTEMPLOYMENT BENEFITS

A. Public Employees Retirement System

The Public Employees Retirement System of Ohio (PERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of postretirement health care based on authority granted by State statute. The 1999 employer contribution rate was 13.55 percent of covered payroll; 4.2 percent was the portion that was used to fund health care for 1999.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 13 - POSTEMPLOYMENT BENEFITS (Continued)

For 1999, benefits were funded on a pay-as-you-go basis. OPEB are financed through employer contributions and investment earnings. The contributions allocated to retiree health and medicare, along with investment income on allocated assets and periodic adjustments in health care provisions, are expected to be sufficient to sustain the program indefinitely. During 1999, OPEB expenditures made by PERS were \$523,599,349. As of December 31, 1999, the unaudited estimated net assets available for future OPEB payments were \$9,870,285,641. At December 31, 1999, the total number of benefit recipients eligible for OPEB through PERS was 118,062. The City's actual contributions for 1999 which were used to fund OPEB were \$3,375,980.

B. Police and Firemen's Disability and Pension Fund

The Police and Firemen's Disability and Pension Fund (the "Fund") provides postretirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the Police and Firemen's Disability and Pension Fund's board of trustees to provide health care coverage and states that health care cost paid from the Police and Firemen's Disability and Pension Fund shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7 percent of covered payroll is applied to the postemployment health care program. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

The number of participants eligible to receive health care benefits as of December 31, 1998, (the latest information available) was 11,424 for police and 9,186 for firefighters. The City's actual contributions for 1999 that were used to fund postemployment benefits were \$1,722,273 for police and \$1,306,399 for fire. The Fund's total health care expenses for the year ended December 31, 1998, (the latest information available) were \$78,596,790.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 14 - OTHER EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation, compensatory time and sick leave components are derived from negotiated agreements and State laws. Vacation time is accrued at the rate of one day per month, plus one to nine additional days per year, depending upon the length of service. The maximum accrual which can be carried forward into January is thirty days. Accumulated unused vacation time is paid to employees upon termination or retirement.

Compensatory time off in lieu of overtime pay is an option given to uniformed Police under union contract. It is given on the basis of time and one-half for actual hours worked. Police officers, sergeants, and lieutenants may accumulate up to 136 hours. Currently, overtime pay is paid as overtime hours worked by those uniformed employees who have already accumulated the maximum hours allowed.

All uniformed employees of the Fire Department also have the option to choose compensatory time in lieu of overtime pay, and they may accumulate up to one hundred twenty hours of compensatory time. Employees who have accumulated the maximum hours are paid overtime as overtime hours are worked.

Sick leave is accrued at the rate of one and one-fourth days per month. The maximum sick leave accrual which can be carried forward into January is 125 days. Accrued sick leave in excess of 125 days must be converted to vacation days in January at the rate of two sick leave days for one vacation day. Upon retirement, payment is made for one-half of the total sick leave accumulation, up to a maximum of 140 days.

B. Insurance Benefits

Medical insurance is provided to employees through United Health Care or Anthem Blue Cross/Blue Shield Health Maintenance insurance plans. Dental insurance is provided to employees through Superior Dental Care and American Federation of State and Municipal Employees. Group Life and Accidental Death and Dismemberment insurance is provided to employees through Trans-General Life Insurance. Life insurance coverage amounts range from \$12,000 to \$300,000 according to employee position.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 14 - OTHER EMPLOYEE BENEFITS (Continued)

C. Deferred Compensation Plans

City employees and elected officials participate in either the International City Managers Association (ICMA) Deferred Compensation Plan, or the Ohio Public Employees Deferred Compensation Plan. These plans are created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plans permit deferral of compensation until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

NOTE 15 - CAPITAL LEASES - LESSEE DISCLOSURE

In prior years, the City entered into capitalized leases for copiers and 150 golf carts. The leases meet the criteria of capital leases as defined by Statement of Financial Accounting Standard No. 13 "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Fund fixed assets acquired by capital lease and the related liability and interest expense have been reported in the Golf Enterprise fund and Stores and Reproduction Internal Service fund. Principal payments in 1999 totaled \$106,563 for the Golf Enterprise fund and \$75,794 for the Stores and Reproduction Internal Service fund.

The following is an analysis of assets leased under capital leases as of December 31, 1999:

	Enterprise	Internal Service
	Golf Fund	Stores and Reproduction Fund
Equipment	\$0	\$399,327
Motorized Vehicles	515,100	0
Accumulated Depreciation	(309,060)	(159,730)
Carrying Value	<u>\$206,040</u>	<u>\$239,597</u>

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 15 - CAPITAL LEASES - LESSEE DISCLOSURE (Continued)

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 December 31, 1999:

<u>Year Ending December 31,</u>	<u>Enterprise</u>	<u>Internal Service</u>
	<u>Golf Fund</u>	<u>Stores and Reproduction Fund</u>
2000	\$114,300	\$92,685
2001	0	92,685
2002	0	75,222
Total	114,300	260,592
Less: Amount Representing Interest	(3,936)	(21,417)
Present Value of Minimum Lease Payments	<u>\$110,364</u>	<u>\$239,175</u>

NOTE 16 - OPERATING LEASE - LESSEE AND LESSOR DISCLOSURE

The City leases office space under noncancelable leases. Total costs for such leases were \$399,226 for the year ended December 31, 1999. The future minimum lease payments as of December 31, 1999, are as follows:

<u>Year Ending December 31,</u>	<u>Minimum Lease Payments</u>
2000	\$415,905
2001	432,584
2002	223,846
2003	148,707
2004	74,354
Totals	<u>\$1,295,396</u>

The City is the lessor of land and space (mostly through Dayton International Airport and Golf Enterprise funds) under noncancelable leases. Leases have varying terms from three to sixty five years. The future minimum rentals as of December 31, 1999, are as follows:

**CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999**

NOTE 16 - OPERATING LEASE - LESSEE AND LESSOR DISCLOSURE (Continued)

Year Ending December 31,	Minimum Lease Payments
2000	\$538,376
2001	544,660
2002	550,003
2003	545,861
2004	449,462
2005-2042	5,870,144
Totals	\$8,498,506

The City is also the lessor of land and space to the Riverfront Area Redevelopment Enterprises, Inc. The ground lease is \$9,000 per year and the plaza lease is \$1,000 per year, both payable in annual installments before or on April 1 each year for the next 20 years. Both of these payments must be made each year for the \$560,000 loan payment to be forgiven each year (Note 9). The future minimum rentals as of December 31, 1999, are as follows:

Year Ending December 31,	Minimum Lease Payments
2000	\$10,000
2001	10,000
2002	10,000
2003	10,000
2004	10,000
2005-2019	150,000
Totals	\$200,000

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 17- LONG-TERM OBLIGATIONS

Changes in the City's general long-term obligations during 1999 were as follows:

	Issue Date	Maturity Date	Interest Rate	Balance at December 31, 1998	Increases	Decreases	Balance at December 31, 1999
General Obligation Bonds:							
Courthouse Square Parking Garage	04/01/81	10/01/01	10.50%	\$480,000	\$0	\$160,000	\$320,000
Western Avenue Improvement	06/01/86	12/01/06	7.625	3,600,000	0	450,000	3,150,000
Wegerzyn Center Improvement	06/01/86	12/01/06	7.625	400,000	0	50,000	350,000
Exhibition Center Improvement	06/01/86	12/01/06	7.625	2,480,000	0	310,000	2,170,000
Road Improvements	06/01/89	12/01/09	7.000	2,860,000	0	260,000	2,600,000
Human Rehabilitation Center	06/01/89	12/01/09	7.000	1,345,000	0	120,000	1,225,000
Police District Facilities	06/01/89	12/01/09	7.000	1,005,000	0	90,000	915,000
Capital Facilities	10/01/93	11/01/13	4.5 to 4.75	5,435,000	0	425,000	5,010,000
Taxable Housing Improvements	10/01/93	11/01/13	5.35 to 6.5	2,285,000	0	150,000	2,135,000
Capital Facilities	10/01/94	11/01/14	4.5 to 8.0	2,545,000	0	185,000	2,360,000
Capital Facilities	05/01/98	12/01/08	4.6 to 5.0	15,630,000	0	775,000	14,855,000
Various Purpose Bonds	12/01/98	12/01/20	3.1 to 5.125	22,200,000	0	1,020,000	21,180,000
Special Obligation Bonds	12/30/98	12/01/18	4.4	1,300,000	0	1,300,000	0
Total General Obligation Bonds				61,565,000	0	5,295,000	56,270,000
Revenue Bonds:							
Economic Development Baseball Revenue Bonds	03/01/99	12/01/19	5.69 to 6.85	\$0	\$12,190,000	\$0	\$12,190,000

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 17- LONG-TERM OBLIGATIONS (Continued)

	Issue Date	Maturity Date	Interest Rate	Balance at December 31, 1998	Increases	Decreases	Balance at December 31, 1999
Special Assessment Bonds:							
Stanley - Valley Improvement	12/01/79	12/01/99	6.000	\$8,000	\$0	\$8,000	\$0
Sidewalk Construction	06/01/91	06/01/01	6.000	18,000	0	6,000	12,000
Sidewalk Construction	06/01/91	06/01/01	6.000	15,000	0	5,000	10,000
Sidewalk Construction	12/01/91	12/01/01	6.000	4,114	0	1,370	2,744
Ornamental Lighting	11/23/92	11/23/02	6.000	192,000	0	48,000	144,000
Sidewalk Construction	12/01/92	12/01/02	6.000	8,000	0	2,000	6,000
Sidewalk Construction	12/01/93	12/01/03	6.000	14,500	0	2,900	11,600
Sidewalk Construction	11/01/94	11/01/99	6.000	12,000	0	12,000	0
Sidewalk Construction	11/01/94	11/01/04	6.000	9,000	0	1,500	7,500
Sidewalk Construction	11/01/95	11/01/00	6.000	29,200	0	14,600	14,600
Sidewalk Construction	11/01/95	11/01/05	6.000	21,000	0	3,000	18,000
Sidewalk Construction	11/01/96	11/01/06	6.000	24,000	0	3,000	21,000
Sidewalk Construction	11/01/96	11/01/01	6.000	36,900	0	12,300	24,600
Sidewalk Construction	11/01/96	11/01/99	6.000	17,000	0	17,000	0
Ornamental Lighting	11/01/97	11/01/07	6.000	63,900	0	7,100	56,800
Sidewalk Construction	11/01/97	11/01/07	6.000	9,000	0	1,000	8,000
Sidewalk Construction	11/01/97	11/01/02	6.000	17,600	0	4,400	13,200
Sidewalk Construction	11/01/97	11/01/00	6.000	21,400	0	10,700	10,700
Sidewalk Construction	11/01/98	11/01/03	6.000	41,384	0	10,543	30,841
Sidewalk Construction	11/01/98	11/01/01	6.000	30,543	0	9,384	21,159
Sidewalk Construction	11/01/98	11/01/08	6.000	9,098	0	998	8,100
Total Special Assessment Bonds				<u>601,639</u>	<u>0</u>	<u>180,795</u>	<u>420,844</u>
Compensated Absences				<u>9,384,137</u>	<u>843,869</u>	<u>0</u>	<u>10,228,006</u>
Total General Long Term Obligations Account Group				<u>\$71,550,776</u>	<u>\$13,033,869</u>	<u>\$5,475,795</u>	<u>\$79,108,850</u>

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 17- LONG-TERM OBLIGATIONS (Continued)

On March 1, 1999, the City issued \$12,190,000 in economic development revenue bonds that mature in the year 2019. They carry an interest rate between 5.69 and 6.85%. These revenue bonds were used to loan money to Riverfront Redevelopment Enterprises, Inc, so that they could construct a baseball stadium. These revenue bonds will be paid from the Debt Service Fund.

General obligation bonds are unvoted and were used to construct street improvements and government construction projects or to pay off the police and fire pension liability. All general obligation bonds will be paid through the Debt Service Fund from property tax revenues.

Special assessment bond issues represent assessments for sidewalk, curb and gutter reconstruction, and lighting. They are payable from tax assessments against the property owner whose benefits from the improvements exceed that of the general public. The special assessment bond issues are backed by the full faith and credit of the City. In the event that an assessed property owner fails to make payments, the City will be required to pay the related debt. These bonds will be paid from the Debt Service Fund.

Compensated absences will be paid from the fund from which the employees' salaries are paid.

Changes during 1999 in the City's long-term proprietary fund obligations were as follows:

	Issue Date	Maturity Date	Interest Rate	Balance at December 31, 1998	Increases	Decreases	Balance at December 31, 1999
General Obligation Bonds:							
Waterworks	04/01/81	10/01/01	10.50%	\$240,000	\$0	\$80,000	\$160,000
Dayton International Airport	04/01/81	10/01/01	10.50%	855,000	0	285,000	570,000
Dayton International Airport	06/01/82	12/01/02	12.63%	930,000	0	240,000	690,000
Total General Obligation Bonds				<u>2,025,000</u>	<u>0</u>	<u>605,000</u>	<u>1,420,000</u>
Revenue Bonds:							
Dayton International Airport	10/01/92	12/01/11	3.25 to 5.8	11,840,000	0	650,000	11,190,000
Dayton International Airport	10/15/95	12/15/15	3.85 to 5.5	27,535,000	0	1,075,000	26,460,000
Waterworks	04/15/87	12/01/10	4.0 to 6.75	50,805,000	0	50,805,000	0
Refunding Waterworks	03/01/99	12/01/07	variable	0	46,181,950	4,943,550	41,238,400
Total Revenue Bonds				<u>\$90,180,000</u>	<u>\$46,181,950</u>	<u>\$57,473,550</u>	<u>\$78,888,400</u>

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 17- LONG-TERM OBLIGATIONS (Continued)

	Issue Date	Maturity Date	Interest Rate	Restated Balance at December 31, 1998	Increases	Decreases	Balance at December 31, 1999
Other Proprietary Fund Long-Term Obligations:							
Ohio Water Development Authority							
Loan	12/20/88	12/01/13	6.85 to 8.3	\$28,846,138	\$0	\$2,962,995	\$25,883,143
Advances from Other Funds				193,500	0	0	193,500
Compensated Absences Payable				2,549,656	120,713	0	2,670,369
Capital Leases Payable				531,896	0	182,357	349,539
Claims Payable				21,432,985	6,198,129	3,647,611	23,983,503
Total Proprietary Fund Long-Term Obligations				\$145,759,175	\$52,500,792	\$64,871,513	\$133,388,454

During 1999, the City issued \$46,690,000 in water system revenue refunding bonds at a premium of \$64,312. The City used the \$46,690,000 in bond proceeds and put in \$6,306,850 of City contributions to pay off the 1987 waterworks revenue bonds for the amount of \$50,805,000. The current refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$508,050. This difference, reported in the accompanying financial statements as a deduction from revenue bonds payable, is being charged to operations through the year 2007 using the straight line method, which is comparable to the effective interest method. The unamortized deferred charge at December 31, 1999 was \$451,000. The City decreased its total debt service payments by \$13,413,482 as a result of the current refunding. The economic gain (difference between the present values of the old debt and new debt service payments) was \$6,661,964.

Enterprise fund general obligation bonds were used for the Water System and the Dayton International Airport improvements. The bonds will be paid from the respective enterprise fund.

Revenues bonds were issued for the Dayton International Airport and water system improvements. The revenue bonds are pledged against the revenue generated by the specific enterprise fund, and will be paid from the respective enterprise fund.

The revenue bonds in the Dayton International Airport Enterprise fund are reported at carrying value. Face value of the bond was \$37,650,000. The unamortized bond discount was \$373,600 and the unamortized deferred charge on the 1995 refunding was \$2,126,470. The deferred charge is being amortized as part of interest expense over the life of the new debt.

The City of Dayton's Wastewater Treatment Plant capital improvement project is funded through the joint efforts of the United States Environmental Protection Agency (EPA) and the Ohio Water Development Authority (OWDA). Repayment amounts include capital expenses, administration fees, and accrued interest. The Ohio Water Development Authority Loan will be paid from the Sewer Enterprise fund.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 17- LONG-TERM OBLIGATIONS (Continued)

The advance from other funds will be paid from the Dayton International Airport Enterprise fund. Compensated absences will be paid from the fund from which the employees' salaries are paid. Capital leases will be paid from the Golf Enterprise fund and Stores and Reproduction Internal Service fund. The claims payable liability will be paid from the Workers' Compensation Internal Service fund.

As of December 31, 1999, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$191,006,180 and unvoted legal debt margin was \$104,102,699. Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 1999, were as follows:

General Long-Term Obligations Account Group

Year	Special Assessment Bonds	General Obligation Bonds	Economic Development Revenue Bonds	Totals
2000	\$166,690	\$7,382,114	\$804,690	\$8,353,494
2001	132,888	7,196,833	786,482	8,116,203
2002	91,556	6,821,247	766,660	7,679,463
2003	32,248	6,661,937	745,204	7,439,389
2004	19,704	6,512,630	722,290	7,254,624
2005-2009	41,076	22,239,137	3,203,480	25,483,693
2010-2014	0	13,536,578	2,299,548	15,836,126
2015-2019	0	8,593,373	994,278	9,587,651
2020	0	1,020,825	0	1,020,825
Totals	\$484,162	\$79,964,674	\$10,322,632	\$90,771,468

Proprietary Funds

Year	General Obligation Bonds	Revenue Bonds	OWDA Loans	Totals
2000	\$758,763	\$10,097,638	\$5,023,624	\$15,880,025
2001	691,400	10,098,557	4,785,974	15,575,931
2002	259,038	10,096,133	4,548,323	14,903,494
2003	0	10,094,852	4,310,673	14,405,525
2004	0	10,093,765	4,073,023	14,166,788
2005-2009	0	36,999,023	13,194,357	50,193,380
2010-2014	0	15,029,784	0	15,029,784
2015-2019	0	2,478,638	0	2,478,638
Totals	\$1,709,201	\$104,988,390	\$35,935,974	\$142,633,565

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 17- LONG-TERM OBLIGATIONS (Continued)

The City has the following conduit debt obligations at December 31, 1999:

	Amount Outstanding
Emery Revenue Refunding - 1988	\$46,000,000
Emery Revenue Refunding - 1988	17,000,000
Emery Revenue Refunding - 1988	13,000,000
Emery Revenue Refunding - 1993	16,000,000
Emery Revenue Refunding - 1993	16,000,000
Good Samaritan Hospital Revenue - 1973	14,420,000
Good Samaritan Hospital Revenue - 1978	1,410,000

These bonds do not constitute a general obligation, debt or bonded indebtedness of the City. Neither is the full faith and credit or taxing power of the City pledged to make repayment, and therefore they have been excluded entirely from the City's debt presentation. There has not been and is not any condition of default under the bond or the related financing documents.

NOTE 18 - SHORT-TERM OBLIGATIONS

A summary of the short-term note transactions for the year ended December 31, 1999, follows:

	Issue Date	Maturity Date	Interest Rate	Balance at December 31, 1998	Increases	Decreases	Balance at December 31, 1999
General Obligation Notes:							
Airport Improvement Notes	06/03/99	03/03/00	3.65%	\$14,100,000	\$12,100,000	\$14,100,000	\$12,100,000
Special Assessment Notes:							
Ornamental Lighting	11/01/98	11/01/99	6.00	28,393	0	28,393	0
Sidewalk Construction	11/01/98	11/01/99	6.00	2,574	0	2,574	0
Ornamental Lighting	11/01/98	11/01/99	6.00	5,654	0	5,654	0
Total Special Assessment Notes				36,621	0	36,621	0
Total Notes Payable				\$14,136,621	\$12,100,000	\$14,136,621	\$12,100,000

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 18 - SHORT-TERM OBLIGATIONS (Continued)

The general obligation note payable is a bond anticipation note and will be paid from Dayton International Airport Enterprise fund. It is backed by the full faith and credit of the City and matures within one year.

Special assessment notes represent assessments for sidewalk improvements and ornamental lighting. They are payable from tax assessments against the property owner whose benefits from the improvements exceed that of the general public. The special assessment notes are backed by the full faith and credit of the City. In the event that an assessed property owner fails to make payments, the City will be required to pay the related debt. These notes were repaid from the General fund and the Capital Improvement Capital Projects fund.

NOTE 19 - INTERFUND ASSETS/LIABILITIES

Individual interfund receivables and payables balances at December 31, 1999, were as follows:

	Receivables (Due from Other funds)	Payables (Due to Other funds)
Funds:		
General	\$4,824,666	\$8,920,879
Special Revenue		
Street	225,900	225,195
HUD Programs	187,058	21,838
Law Enforcement	65	550
Miscellaneous Grants	23,161	1,441
Total Special Revenue	436,184	249,024
Debt Service Fund	3,147	0
Capital Projects		
Capital Improvement	94,908	89,248
Issue II	2,601	108
Total Capital Projects	97,509	89,356
Enterprise		
Dayton International Airport	286,062	47,856
Water	3,827,790	376,668
Sewer	259,928	2,846,617
Storm Water	0	137,821
Golf	44,203	100,406
Total Enterprise	\$4,417,983	\$3,509,368

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 19 - INTERFUND ASSETS/LIABILITIES (Continued)

	Receivables (Due from Other funds)	Payables (Due to Other funds)
Funds:		
Internal Service		
Fleet Management	\$925,510	\$0
Stores and Reproduction	93,501	7,268
Workers' Compensation	2,337,084	0
Total Internal Service	3,356,095	7,268
Agency Funds	0	359,689
Total	\$13,135,584	\$13,135,584
Interfund Payables / Receivables:		
	Interfund Receivables	Interfund Payables
Funds:		
General	\$8,121,064	\$0
Special Revenue		
Street	121,763	0
HUD Programs	103,984	2,921,490
Total Special Revenue	225,747	2,921,490
Enterprise		
Dayton International Airport	155,615	0
Water	304,080	0
Sewer	152,149	0
Storm Water	17,434	0
Golf	27,159	1,726,552
Total Enterprise	656,437	1,726,552
Internal Service		
Fleet Management	0	1,255,206
Workers' Compensation	0	3,100,000
Total Internal Service	0	4,355,206
Total	\$9,003,248	\$9,003,248

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 19 - INTERFUND ASSETS/LIABILITIES (Continued)

Advances:	<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>	<u>Advances to Component Unit</u>	<u>Advances from Primary Government</u>
Primary Government Funds:				
Special Revenue:				
HUD Programs	\$0	\$0	\$5,469,889	\$0
Debt Service	193,500	0	0	0
Capital Projects				
Capital Improvement	0	0	1,053,600	0
Enterprise				
Dayton International Airport	0	193,500	0	0
Water	0	0	3,371,513	0
Total Primary Government Fund Type	<u>193,500</u>	<u>193,500</u>	<u>9,895,002</u>	<u>0</u>
Component Unit:				
CityWide Development	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,895,002</u>
Total Advances	<u>\$193,500</u>	<u>\$193,500</u>	<u>\$9,895,002</u>	<u>\$9,895,002</u>

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 19 - INTERFUND ASSETS/LIABILITIES (Continued)

Operating Transfers:

	<u>Operating Transfer - In</u>	<u>Operating Transfer - Out</u>
Funds:		
General	<u>\$1,297,963</u>	<u>\$16,657,766</u>
Special Revenue		
Street	3,816,381	47,400
HUD Programs	104,366	69,018
Law Enforcement	78,512	0
Miscellaneous Grants	312,365	18,023
Other Special Revenue	0	21,504
Total Special Revenue	<u>4,311,624</u>	<u>155,945</u>
Debt Service	<u>1,032,123</u>	<u>31,985</u>
Capital Projects		
Capital Improvement	12,087,564	1,175,295
Economic Development/Government		
Equity Improvement	42,346	57,400
Issue II	805,423	0
Total Capital Projects	<u>12,935,333</u>	<u>1,232,695</u>
Enterprise		
Dayton International Airport	69,511	0
Water	133,279	0
Sewer	66,721	0
Storm Water	884	567,125
Golf	50,470	0
Total Enterprise	<u>320,865</u>	<u>567,125</u>
Internal Service		
Fleet Management	8,281	0
Workers' Compensation	0	1,260,673
Total Internal Service	<u>8,281</u>	<u>1,260,673</u>
Total Operating Transfers	<u>\$19,906,189</u>	<u>\$19,906,189</u>

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 20 - SEGMENT INFORMATION

The City maintains five enterprise funds to account for the Dayton International Airport, Water, Sewer, Storm Water and Golf activities. Key financial information as of and for the year ended December 31, 1999, for each enterprise fund is as follows:

	Dayton International Airport	Water	Sewer	Storm Water	Golf	Total
Operating Revenues	\$25,319,548	\$42,947,843	\$29,786,887	\$2,202,880	\$2,438,895	\$102,696,053
Depreciation Expense	6,172,469	5,022,920	6,485,987	9,039	525,598	18,216,013
Operating Income (Loss)	2,363,033	7,459,598	2,342,049	428,260	(775,101)	11,817,839
Interest Income	495,483	2,782,044	765,946	63,481	8,520	4,115,474
Loss on Disposal of Fixed Assets	0	(16,757)	0	0	0	(16,757)
Interest and Fiscal Charges	(2,973,180)	(4,124,432)	(2,179,454)	0	(7,737)	(9,284,803)
Operating Transfers - In	69,511	133,279	66,721	884	50,470	320,865
Operating Transfers - Out	0	0	0	(567,125)	0	(567,125)
Net Income (Loss)	(45,153)	6,233,732	995,262	(74,500)	(723,848)	6,385,493
Current Contributed Capital	11,402,713	0	1,145,264	5,000	0	12,552,977
Fixed Assets:						
Additions	9,827,485	3,952,335	4,259,758	248,090	2,483,473	20,771,141
Deletions	174,722	2,020,463	507,917	0	0	2,703,102
Net Working Capital (Deficit)	(1,673,598)	75,829,972	28,789,917	2,801,893	(1,791,216)	103,956,968
Total Assets	146,499,495	188,290,046	130,906,452	3,350,863	4,846,561	473,893,417
Long-Term Obligations:						
General Obligation Bonds Payable	745,000	80,000	0	0	0	825,000
Revenue Bonds Payable	33,349,930	36,613,400	0	0	0	69,963,330
OWDA Loan Payable	0	0	24,401,646	0	0	24,401,646
Other Long-Term Obligations						
Payable from Revenues	642,104	1,036,620	668,540	29,664	296,317	2,673,245
Total Equity	93,519,843	141,906,889	98,597,448	3,042,160	2,666,655	339,732,995
Total Encumbrances	9,229,710	14,965,014	6,828,210	184,835	466,333	31,674,102

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 21 - CONTRIBUTED CAPITAL

During the year, contributed capital increased by the following amounts:

Source	Dayton International					Total
	Airport	Water	Sewer	Storm Water	Golf	
Contributions from Other Funds	\$0	\$0	\$31,115	\$5,000	\$0	\$36,115
Intergovernmental	8,263,076	0	1,114,149	0	0	9,377,225
Passenger Facility Charges	3,139,637	0	0	0	0	3,139,637
Contributed Capital at						
December 31, 1998	72,226,998	61,997	45,324,650	0	1,622,755	119,236,400
Contributed Capital at						
December 31, 1999	<u>\$83,629,711</u>	<u>\$61,997</u>	<u>\$46,469,914</u>	<u>\$5,000</u>	<u>\$1,622,755</u>	<u>\$131,789,377</u>

NOTE 22 - JOINTLY GOVERNED ORGANIZATIONS

A. Miami Valley Regional Planning Commission

The Miami Valley Regional Planning Commission (the Commission) is a jointly governed organization between Preble, Clark, Clinton, Darke, Greene, Miami, and Montgomery Counties, the City of Dayton and the City of Huber Heights. The Commission prepares plans, including studies, maps, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the region. These reports show recommendations for systems of transportation, highways, parks and recreational facilities, water supply, sewage disposal, garbage disposal, civic centers, and other public improvements and land uses which affect the development of the region. The degree of control exercised by any participating government is limited to its representation on the Board. Members of the Board are as follows: the officers of the Commission (elected by member representatives), the immediate past Chair of the Commission, the Commission member representing the City of Dayton, the Commission member representing each of the respective member counties, the representatives selected by each county caucus, a nongovernmental member, and two at-large representatives. Payments to the Commission are made from the General Fund. The City contributed \$83,740 for the operation of the Commission during 1999. Financial information can be obtained from Nora Lake, Executive Director, at 40 West Fourth Street, Dayton, Ohio 45402.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 22 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

B. Miami Valley Fire/EMS Alliance

The Miami Valley Fire/EMS Alliance (the Alliance) is a jointly governed organization between municipal corporations and townships in Montgomery, Greene and Warren Counties. The purpose of the Alliance is to foster cooperation among the political subdivisions by promoting programs and recommending matters which will result in more efficient methods of delivering fire and emergency medical services in the region. The Board of the Alliance is made up of a representative appointed by the City of Dayton, a representative appointed by the members who are provided Fire/EMS Services by volunteers, two representatives appointed by the members who are provided Fire/EMS Services by a combination of full time employees and volunteers, and a representative appointed by the members who are provided Fire/EMS Services by full time employees. Payments to the Alliance are made from the General Fund. The City contributed \$43,090 for the operation of the Alliance during 1999. Financial information can be obtained from Mike Hoverland, Director, at 444 W. Third Street, Suite 13-204, Dayton, Ohio 45402.

C. Economic Development/Government Equity Program

The Economic Development/Government Equity Program (ED/GE) was established pursuant to Ohio Revised Code Chapter 307 for the purpose of developing and promoting plans and programs designed to assure that County resources are efficiently used, economic growth is properly balanced, and that County economic development is coordinated with that of the State of Ohio and other local governments. Members include villages, township, and cities within Montgomery County, and Montgomery County itself. Cooperation and coordination between the members is intended to promote economic health and improve the economic opportunities of the people in Montgomery County by assisting in the establishment or expansion within the County of industrial, commercial or research facilities and by creating and preserving job and employment opportunities for the people of the County. The ED/GE Advisory Committee, made up of one representative for each member entity on an alternating basis, decides which proposed projects will be granted each year. Sales tax revenues, set aside by Montgomery County, are used to fund the projects. Members annually contribute to or receive benefits based on an elaborate zero-based formula designed to distribute growth in contributing communities to those communities experiencing less economic growth. The City has agreed to be a member for nine years, ending December 31, 2001. Any member in default of paying its contributions will be liable for the amount of the contribution, any interest accrued, and penalties. During this time, the member will not be entitled to any allocations from ED/GE. Payments to ED/GE are made from the General Fund. The City did not contribute to the operation of ED/GE during 1999. Financial information can be obtained from Linda Gum, Administrative Assistant, at 451 West Third Street, Dayton, Ohio 45402.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 22 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

D. Montgomery County Family and Children First Council

The City participates in the Montgomery County Family and Children First Council. The Council coordinates and integrates those services within Montgomery County which are available for families and children and establishes a comprehensive, coordinated, multi-disciplinary, interagency system for the delivery of such services in order to more effectively meet the needs of families and children. The Council is governed by a board of nineteen trustees, one of which is the Mayor of the City of Dayton. During 1999, the City contributed \$26,500 to the Council. Financial information can be obtained from Sue Daily, Executive Director, at 451 West Third Street, P.O. Box 972, Dayton, Ohio 4522-3100.

E. Hazardous Material Response Team

The City is a member of a Hazardous Material Response Team ("HAZ MAT") which is a jointly governed organization with other local governments. The organization was created to provide hazardous material response protection and mutual assistance in the event of a hazardous material incident.

The HAZ MAT Advisory Board oversees the operation of HAZ MAT and consists of representatives from sixteen organizations. The City's ability to affect operations is limited to its representation on the board.

The Board established hazardous materials incident response guidelines to provide for response procedures in the event of an incident. In the event of a hazardous material incident within any local government that is a member of this organization, the other members will respond to render assistance. The funding for the operation of the response team is through contributions from each entity. In addition, the persons or company responsible for any hazardous materials emergency is required by state law to reimburse the team any costs associated with clean up. There is no explicit and measurable equity interest in HAZ MAT. During 1999, the City contributed \$14,560 to HAZ MAT. Financial information can be obtained from Edwin Kovar, Executive Director at 4200 Lake Center Drive, Trotwood, Ohio 45426.

F. Miami Valley Emergency Management Agency

The Miami Valley Emergency Management Agency (the Agency) is a jointly governed organization between various political subdivisions in Montgomery and Greene Counties. The purpose of the Agency is to help provide emergency management preparedness which includes training and incident mitigation. The fourteen member Board of the Agency is made up of a representative appointed by the City of Dayton.

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 22 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

The funding for the operation of the Agency is through contributions from each participating entity. Payments to the Agency are made from the General Fund. The City contributed \$16,381 for the operation of the Agency during 1999. Financial information can be obtained from Edwin Kovar, Executive Director at 4200 Lake Center Drive, Trotwood, Ohio 45426.

NOTE 23 - DISCRETELY PRESENTED COMPONENT UNIT

A. Basis of Accounting

CityWide prepares its financial statements in accordance with Governmental Accounting Standards Board (GASB) Statement Number 29, "The Use of Not-for-Profit Accounting and Financial Accounting Principles by Governmental Entities." CityWide elected to use the not-for-profit model, which includes the accounting and financial reporting principles contained in Statement of Position 78-10 as modified by all applicable Financial Accounting Standards Board pronouncements issued through November 30, 1989, and as modified by all GASB pronouncements issued after GASB Statement Number 1, "Authoritative Status of NCGA Pronouncements and AICPA Industry Audit Guide."

B. Deposits and Investments

In 1999, CityWide implemented GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." This statement requires CityWide to carry its investments at fair value, as opposed to its previous policy of carrying investments at cost.

The carrying amount of CityWide Development Corporation deposits was \$192,397 and the related bank balance was \$347,866. Of the bank balance \$327,624 was covered by federal deposit insurance and \$20,242 was uninsured and uncollateralized according to GASB 3. The following is a schedule of CityWide's investments according to GASB 3 Categorization:

	Category 1	Fair Value
Mutual Funds	\$0	\$220,652
Money Markets	0	180
Commercial Paper	4,129,505	4,129,505
Total Investments	\$4,129,505	\$4,350,337

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 23 - DISCRETELY PRESENTED COMPONENT UNIT (Continued)

C. Notes Payable/Advance from Primary Government

Notes payable/advance from primary government at December 31, 1999, consisted of the following:

Note	Payable to	Amount
Noninterest-bearing Note for Landing Project	City of Dayton	\$5,433,600
Noninterest-bearing Note for Wellfield Project	City of Dayton	3,371,513
Note for Renovation of Western Manor	City of Dayton and the Dayton Montgomery County Housing Authority	200,830
Note for Redevelopment of Hawthorn School Building	City of Dayton	744,718
Note for Renovation of 119 North Main Street	City of Dayton	150,000
Total Advance from Primary Government		<u>9,895,002</u>
Note for Redevelopment of Hawthorne School Building	McPherson Town Neighborhood Development Corporation, Inc.	250,000
Other Notes Payable	Not Disclosed	124,040
Total Notes Payable		<u>374,040</u>
Total Advance from Primary Government/Notes Payable		<u>\$10,269,042</u>

The amounts payable to the City are shown on the combined balance sheet as "advance from primary government".

D. Bonds Payable

During 1996, CityWide issued \$2,560,000 County of Montgomery Ohio, Adjustable Rate Industrial Development Revenue Bonds, Series 1996. Also during 1996, CityWide issued \$2,420,000 in Montgomery County Series, 1996A Industrial Development Revenue Bonds. The Series 1996A Indenture refunded a Trust Indenture dated as of December 1, 1988. Proceeds of the bonds were used to construct a building and an addition to an existing building to be rented to Advanced Assembly Automation, Inc.

Principal maturities due under these agreements are as follows:

Year Ending December 31,	Amount
2000	\$200,000
2001	210,000
2002	225,000
2003	235,000
2004	250,000
Thereafter	3,230,000
Total	<u>\$4,350,000</u>

CITY OF DAYTON, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 24 - CONTINGENT LIABILITIES

A. Litigation

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

B. State Grants

For the period January 1, 1999, to December 31, 1999, the City received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

NOTE 25 - SUBSEQUENT EVENTS

On March 3, 2000, the City issued new Airport Improvement Notes for \$10,100,000 at the rate of 4.6%, with final maturity on December 1, 2000. On March 15, 2000, the City paid off the \$12,100,000 Airport Improvement Notes issued June 3, 1999.

FINANCIAL STATEMENTS AND SCHEDULES
OF INDIVIDUAL
FUNDS AND ACCOUNT GROUPS

GENERAL FUND

To account for government resources which are not required to be accounted for in any other fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter and/or the general laws of Ohio.

CITY OF DAYTON, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 BUDGET BASIS
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 1999

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Municipal Income Taxes	\$109,486,022	\$109,247,348	(\$238,674)
Property and Other Local Taxes	9,418,105	9,661,736	243,631
Other	47,364,219	51,681,078	4,316,859
Total Revenues	166,268,346	170,590,162	4,321,816
Expenditures:			
General Operating:			
City Commission	212,800	197,217	15,583
Clerk of Commission	893,600	821,104	72,496
Civil Service Board	1,106,900	976,636	130,264
Human Relations Council	741,800	632,709	109,091
City Manager's Office	875,700	858,298	17,402
Department of Public Affairs	933,300	771,444	161,856
Department of Planning	3,131,000	2,982,131	148,869
Zoning Commissions	2,768,300	2,449,558	318,742
Clerk of Courts	2,842,200	2,771,328	70,872
Municipal Court	3,151,600	2,987,977	163,623
Department of Economic Development	710,700	580,361	130,339
Department of Management and Budget	1,101,500	985,823	115,677
Department of Water	51,800	47,188	4,612
Department of Law	2,236,900	2,052,669	184,231
Department of Finance	4,510,000	4,281,212	228,788
Department of Human Resources	1,460,200	1,399,713	60,487
Department of Information and Technology Services	7,325,600	6,509,301	816,299
Department of Police	51,853,131	50,489,316	1,363,815
Department of Fire	35,260,776	35,252,367	8,409
Department of Public Works	21,142,100	20,109,440	1,032,660
Department of Parks, Recreation, and Culture	9,949,155	9,188,012	761,143
Non-Departmental	9,293,535	5,794,627	3,498,908
Contingency	47,300	0	47,300
Convention Center Operating	2,739,300	2,713,762	25,538
Special Assessments	411,000	363,146	47,854
Special Projects	16,416,339	10,406,440	6,009,899
Total Expenditures	181,166,536	165,621,779	15,544,757
Excess of Revenues Over (Under) Expenditures	(14,898,190)	4,968,383	19,866,573
Other Financing Sources (Uses):			
Proceeds from Sale of Fixed Assets	0	2,323,999	2,323,999
Operating Transfers - In	1,297,963	1,297,963	0
Operating Transfers - Out	(16,657,766)	(16,657,766)	0
Total Other Financing Sources (Uses)	(15,359,803)	(13,035,804)	2,323,999
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	(30,257,993)	(8,067,421)	22,190,572
Fund Balance at Beginning of Year	45,598,859	45,598,859	0
Unexpended Prior Year Encumbrances	5,994,899	5,994,899	0
Fund Balance at End of Year	\$21,335,765	\$43,526,337	\$22,190,572

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SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditures for specific purposes.

Street

To account for monies for all street and road repairs and general upkeep to ensure safe, smooth transportation for all users of Dayton roadways. Funds are provided by shared tax revenues and registration fees from the State of Ohio and Montgomery County, respectively.

Highway Maintenance

To account for lighting the freeways through Dayton. Funds are provided by shared tax revenues and registration fees from the State of Ohio and Montgomery County, respectively.

HUD Programs

To account for various program funds administered by the Department of Housing and Urban Development. Such monies are appropriated on a project level with specific identification of each project being budgeted. Budget basis financial statements for these funds are not, therefore, presented in this report because such statements would not be meaningful. The first three programs listed below are entitlement grants. Funds are granted annually using a statutory formula.

The Community Development Block Grant Program (CDBG) was established in 1974 to assist in the development of viable urban communities, to conserve and renew older urban areas, to improve the living environment of low and moderate income families, and to develop opportunities for economic growth.

Emergency Shelter Grant Program (EMRG) was established in 1987 to provide for the creation and operations of emergency shelters for the homeless.

HOME Program was established in 1990 to expand the supply of decent and affordable housing for low income families.

Urban Development Action Grants (UDAG) are granted on a project basis. The City has used these funds for projects such as the renovation of the Arcade and The Landing rental housing downtown.

Law Enforcement

To account for the fines generated from the prosecution of those in possession of contraband and the proceeds gained from the sale of confiscated contraband. This money may be spent for any law enforcement activity.

(Continued)

SPECIAL REVENUE FUNDS
(Continued)

Miscellaneous Grants

To account for miscellaneous grant projects. These projects include food service for children at child care and recreation centers, additional police patrol in high density traffic areas, juvenile court mediation services, and drug rehabilitation programs. Funding sources include the United States Departments of Justice, Housing and Urban Development, Agriculture, Education, Interior, and Transportation, and the Ohio Departments of Education, Development, Highway Safety, and Natural Resources.

Other Special Revenue

To account for probation fees and municipal court fees that are used for victim witness assistance and operation of the probation department.

CITY OF DAYTON, OHIO
 COMBINING BALANCE SHEET
 ALL SPECIAL REVENUE FUNDS
 DECEMBER 31, 1999

	<u>STREET</u>	<u>HIGHWAY MAINTENANCE</u>	<u>HUD PROGRAMS</u>
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$1,118,315	\$400,624	\$0
Receivables:			
Property and Other Local Taxes	2,420,012	0	0
Accounts	0	0	1,584
Special Assessments	0	0	387,880
Accrued Interest	0	0	0
Due from Other Funds	225,900	0	187,058
Due from Other Governments	234,857	19,043	3,997,362
Interfund Receivable	121,763	0	103,984
Advances to Component Unit	0	0	5,469,889
Total Assets	<u>\$4,120,847</u>	<u>\$419,667</u>	<u>\$10,147,757</u>
Liabilities:			
Accounts Payable	\$69,351	\$25,000	\$1,016,198
Contracts Payable	0	0	56,775
Contracts Payable Retainage	0	0	54,188
Accrued Wages and Benefits	252,835	0	111,244
Due to Other Funds	225,195	0	21,838
Due to Other Governments	0	0	16,512
Interfund Payable	0	0	2,921,490
Deferred Revenue	2,420,012	0	386,036
Total Liabilities	<u>2,967,393</u>	<u>25,000</u>	<u>4,584,281</u>
Fund Equity:			
Fund Balances:			
Reserved for Encumbrances	314,934	0	11,011,161
Reserved for Advances to Component Unit	0	0	5,469,889
Unreserved (Deficit)	838,520	394,667	(10,917,574)
Total Fund Equity	<u>1,153,454</u>	<u>394,667</u>	<u>5,563,476</u>
Total Liabilities and Fund Equity	<u>\$4,120,847</u>	<u>\$419,667</u>	<u>\$10,147,757</u>

<u>LAW ENFORCEMENT</u>	<u>MISCELLANEOUS GRANTS</u>	<u>OTHER SPECIAL REVENUE</u>	<u>TOTAL</u>
\$1,521,407	\$655,677	\$75,557	\$3,771,580
0	0	0	2,420,012
0	5,044	0	6,628
0	0	0	387,880
7,743	0	0	7,743
65	23,161	0	436,184
0	503,291	3,980	4,758,533
0	0	0	225,747
0	0	0	5,469,889
<u>\$1,529,215</u>	<u>\$1,187,173</u>	<u>\$79,537</u>	<u>\$17,484,196</u>
\$8,978	\$121,307	\$0	\$1,240,834
0	0	0	56,775
0	0	0	54,188
0	28,571	0	392,650
550	1,441	0	249,024
9,121	0	0	25,633
0	0	0	2,921,490
0	0	0	2,806,048
<u>18,649</u>	<u>151,319</u>	<u>0</u>	<u>7,746,642</u>
292,082	547,695	0	12,165,872
0	0	0	5,469,889
<u>1,218,484</u>	<u>488,159</u>	<u>79,537</u>	<u>(7,898,207)</u>
<u>1,510,566</u>	<u>1,035,854</u>	<u>79,537</u>	<u>9,737,554</u>
<u>\$1,529,215</u>	<u>\$1,187,173</u>	<u>\$79,537</u>	<u>\$17,484,196</u>

CITY OF DAYTON, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 ALL SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>STREET</u>	<u>HIGHWAY MAINTENANCE</u>	<u>HUD PROGRAMS</u>
Revenues:			
Property and Other Local Taxes	\$1,310,511	\$0	\$0
State Shared Taxes	4,137,213	335,450	0
Intergovernmental	146,495	0	15,277,984
Special Assessments	0	0	46,856
Charges for Services	341,415	0	454,659
Fines and Forfeitures	0	0	0
Interest	0	0	0
Other	150,539	34,826	230,997
Total Revenues	<u>6,086,173</u>	<u>370,276</u>	<u>16,010,496</u>
Expenditures:			
Current:			
Policy Development	0	0	279,597
Economic Development	0	0	504,447
Neighborhood Development	700,745	0	10,941,563
Land Use	76,875	0	1,123,970
Community Security	0	0	596
Human Development	29,029	0	2,004,050
Transportation	8,355,951	325,000	5,122
Administrative Services	252,175	0	290,952
Capital Outlay	0	0	54,188
Total Expenditures	<u>9,414,775</u>	<u>325,000</u>	<u>15,204,485</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,328,602)</u>	<u>45,276</u>	<u>806,011</u>
Other Financing Sources (Uses):			
Operating Transfers - In	3,816,381	0	104,366
Operating Transfers - Out	(47,400)	0	(69,018)
Total Other Financing Sources (Uses)	<u>3,768,981</u>	<u>0</u>	<u>35,348</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>440,379</u>	<u>45,276</u>	<u>841,359</u>
Fund Balances at Beginning of Year	<u>713,075</u>	<u>349,391</u>	<u>4,722,117</u>
Fund Balances at Year End	<u>\$1,153,454</u>	<u>\$394,667</u>	<u>\$5,563,476</u>

<u>LAW ENFORCEMENT</u>	<u>MISCELLANEOUS GRANTS</u>	<u>OTHER SPECIAL REVENUE</u>	<u>TOTAL</u>
\$0	\$0	\$0	\$1,310,511
0	0	0	4,472,663
1,189,605	1,812,246	0	18,426,330
0	0	0	46,856
6,000	422,655	21,650	1,246,379
59,583	0	0	59,583
27,974	0	0	27,974
65,428	116,765	1,886	600,441
<u>1,348,590</u>	<u>2,351,666</u>	<u>23,536</u>	<u>26,190,737</u>
0	13	0	279,610
0	68,486	0	572,933
0	86,721	11,322	11,740,351
0	83	0	1,200,928
756,257	1,052,454	0	1,809,307
0	174,261	0	2,207,340
0	30,326	0	8,716,399
445,307	270,571	2,133	1,261,138
31,517	0	0	85,705
<u>1,233,081</u>	<u>1,682,915</u>	<u>13,455</u>	<u>27,873,711</u>
<u>115,509</u>	<u>668,751</u>	<u>10,081</u>	<u>(1,682,974)</u>
78,512	312,365	0	4,311,624
0	(18,023)	(21,504)	(155,945)
<u>78,512</u>	<u>294,342</u>	<u>(21,504)</u>	<u>4,155,679</u>
194,021	963,093	(11,423)	2,472,705
1,316,545	72,761	90,960	7,264,849
<u>\$1,510,566</u>	<u>\$1,035,854</u>	<u>\$79,537</u>	<u>\$9,737,554</u>

CITY OF DAYTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUDGET BASIS
STREET FUND
FOR THE YEAR ENDED DECEMBER 31, 1999

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Property and Other Local Taxes	\$1,455,525	\$1,310,511	(\$145,014)
Other	3,787,244	4,775,662	988,418
Total Revenues	5,242,769	6,086,173	843,404
Expenditures:			
Department of Public Works	9,588,300	9,362,821	225,479
Total Expenditures	9,588,300	9,362,821	225,479
Excess of Revenues Under Expenditures	(4,345,531)	(3,276,648)	1,068,883
Other Financing Sources (Uses):			
Operating Transfers - In	3,816,381	3,816,381	0
Operating Transfers - Out	(47,400)	(47,400)	0
Total Other Financing Sources (Uses)	3,768,981	3,768,981	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(576,550)	492,333	1,068,883
Fund Balance at Beginning of Year	248,676	248,676	0
Unexpended Prior Year Encumbrances	97,511	97,511	0
Fund Balance (Deficit) at End of Year	(\$230,363)	\$838,520	\$1,068,883

CITY OF DAYTON, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 BUDGET BASIS
 HIGHWAY MAINTENANCE FUND
 FOR THE YEAR ENDED DECEMBER 31, 1999

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Other	\$300,000	\$370,276	\$70,276
Total Revenues	300,000	370,276	70,276
Expenditures:			
Department of Public Works	325,000	325,000	0
Total Expenditures	325,000	325,000	0
Excess of Revenues Over (Under) Expenditures	(25,000)	45,276	70,276
Fund Balance at Beginning of Year	349,391	349,391	0
Fund Balance at End of Year	\$324,391	\$394,667	\$70,276

CITY OF DAYTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUDGET BASIS
LAW ENFORCEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 1999

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Other	\$1,571,488	\$1,348,590	(\$222,898)
Total Revenues	<u>1,571,488</u>	<u>1,348,590</u>	<u>(222,898)</u>
Expenditures:			
Department of Police	1,600,000	1,525,163	74,837
Total Expenditures	<u>1,600,000</u>	<u>1,525,163</u>	<u>74,837</u>
Excess of Revenues Over (Under) Expenditures	<u>(28,512)</u>	<u>(176,573)</u>	<u>(148,061)</u>
Other Financing Sources:			
Operating Transfers - In	78,512	78,512	0
Total Other Financing Sources	<u>78,512</u>	<u>78,512</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	50,000	(98,061)	(148,061)
Fund Balance at Beginning of Year	993,769	993,769	0
Unexpended Prior Year Encumbrances	322,776	322,776	0
Fund Balance at End of Year	<u>\$1,366,545</u>	<u>\$1,218,484</u>	<u>(\$148,061)</u>

CITY OF DAYTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUDGET BASIS
MISCELLANEOUS GRANTS FUND
FOR THE YEAR ENDED DECEMBER 31, 1999

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Other	\$1,997,892	\$2,351,666	\$353,774
Total Revenues	<u>1,997,892</u>	<u>2,351,666</u>	<u>353,774</u>
Expenditures:			
Department of Economic Development	12,800	5,384	7,416
Other Grants	2,881,977	2,225,226	656,751
Total Expenditures	<u>2,894,777</u>	<u>2,230,610</u>	<u>664,167</u>
Excess of Revenues Over (Under) Expenditures	<u>(896,885)</u>	<u>121,056</u>	<u>1,017,941</u>
Other Financing Sources (Uses):			
Operating Transfers - In	312,365	312,365	0
Operating Transfers - Out	(18,023)	(18,023)	0
Total Other Financing Sources (Uses)	<u>294,342</u>	<u>294,342</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(602,543)</u>	<u>415,398</u>	<u>1,017,941</u>
Fund Balance (Deficit) at Beginning of Year	(291,896)	(291,896)	0
Unexpended Prior Year Encumbrances	364,657	364,657	0
Fund Balance (Deficit) at End of Year	<u>(\$529,782)</u>	<u>\$488,159</u>	<u>\$1,017,941</u>

CITY OF DAYTON, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 BUDGET BASIS
 OTHER SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Other	<u>\$25,000</u>	<u>\$23,536</u>	<u>(\$1,464)</u>
Total Revenues	<u>25,000</u>	<u>23,536</u>	<u>(1,464)</u>
Expenditures:			
Municipal Court	<u>20,000</u>	<u>13,455</u>	<u>6,545</u>
Total Expenditures	<u>20,000</u>	<u>13,455</u>	<u>6,545</u>
Excess of Revenues Over Expenditures	<u>5,000</u>	<u>10,081</u>	<u>5,081</u>
Other Financing Uses:			
Operating Transfers - Out	<u>(21,504)</u>	<u>(21,504)</u>	<u>0</u>
Total Other Financing Uses	<u>(21,504)</u>	<u>(21,504)</u>	<u>0</u>
Excess of Revenues Under Expenditures and Other Financing Uses	<u>(16,504)</u>	<u>(11,423)</u>	<u>5,081</u>
Fund Balances at Beginning of Year	84,710	84,710	0
Unexpended Prior Year Encumbrances	<u>6,250</u>	<u>6,250</u>	<u>0</u>
Fund Balances at End of Year	<u>\$74,456</u>	<u>\$79,537</u>	<u>\$5,081</u>

CITY OF DAYTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
BUDGET BASIS
ALL BUDGETED SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Property and Other Local Taxes	\$1,455,525	\$1,310,511	(\$145,014)
Other	7,681,624	8,869,730	1,188,106
Total Revenues	9,137,149	10,180,241	1,043,092
Expenditures:			
Department of Public Works	9,913,300	9,687,821	225,479
Department of Police	1,600,000	1,525,163	74,837
Department of Economic Development	12,800	5,384	7,416
Municipal Court	20,000	13,455	6,545
Other Grants	2,881,977	2,225,226	656,751
Total Expenditures	14,428,077	13,457,049	971,028
Excess of Revenues Under Expenditures	(5,290,928)	(3,276,808)	2,014,120
Other Financing Sources (Uses):			
Operating Transfers - In	4,207,258	4,207,258	0
Operating Transfers - Out	(86,927)	(86,927)	0
Total Other Financing Sources (Uses)	4,120,331	4,120,331	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,170,597)	843,523	2,014,120
Fund Balances at Beginning of Year	1,384,650	1,384,650	0
Unexpended Prior Year Encumbrances	791,194	791,194	0
Fund Balances at End of Year	\$1,005,247	\$3,019,367	\$2,014,120

DEBT SERVICE FUND

To account for the accumulation of resources for, and the payment of, general long-term and special assessment debt principal, interest and related costs.

Debt Service

To account for various revenues collected for the payment of general obligation and special assessment bonded debt.

CITY OF DAYTON, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 BUDGET BASIS
 DEBT SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 1999

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Property and Other Local Taxes	\$6,250,197	\$5,621,131	(\$629,066)
Other	4,663,441	1,490,581	(3,172,860)
Total Revenues	10,913,638	7,111,712	(3,801,926)
Expenditures:			
Department of Finance	12,114,002	9,748,459	2,365,543
Total Expenditures	12,114,002	9,748,459	2,365,543
Excess of Revenues Under Expenditures	(1,200,364)	(2,636,747)	(1,436,383)
Other Financing Sources (Uses):			
Proceeds from Sale of Bonds	0	12,190,000	12,190,000
Operating Transfers - In	1,032,123	1,032,123	0
Operating Transfers - Out	(31,985)	(31,985)	0
Total Other Financing Sources (Uses)	1,000,138	13,190,138	12,190,000
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(200,226)	10,553,391	10,753,617
Fund Balance at Beginning of Year	18,340,357	18,340,357	0
Unexpended Prior Year Encumbrances	0	0	0
Fund Balance at End of Year	\$18,140,131	\$28,893,748	\$10,753,617

CAPITAL PROJECTS FUNDS

To account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by the proprietary or nonexpendable trust funds.

Capital Improvement

To account for grants, operating transfers and bond revenues used to purchase equipment and construct buildings.

Economic Development/Government Equity Improvement

To account for grant revenues received from the County and used to develop and promote economic development.

Issue II

To account for Issue II funds received from the State of Ohio for each project awarded through this program and local matching funds.

The above funds appropriate monies on a project level with specific identification of each project being budgeted. Budget basis financial statements for these funds are not, therefore, presented in this report because such statements would not be meaningful.

CITY OF DAYTON, OHIO
 COMBINING BALANCE SHEET
 ALL CAPITAL PROJECTS FUNDS
 DECEMBER 31, 1999

	CAPITAL IMPROVEMENT	ECONOMIC DEVELOPMENT/ GOVERNMENT EQUITY IMPROVEMENT	ISSUE II	TOTAL
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$20,828,676	\$347,537	\$862,403	\$22,038,616
Receivables:				
Property and Other Local Taxes	24,733	0	0	24,733
Accounts	2,500	0	0	2,500
Accrued Interest	86,619	0	0	86,619
Due from Other Funds	94,908	0	2,601	97,509
Due from Other Governments	1,534,378	96,963	671,357	2,302,698
Advances to Component Unit	1,053,600	0	0	1,053,600
Total Assets	\$23,625,414	\$444,500	\$1,536,361	\$25,606,275
Liabilities:				
Accounts Payable	\$1,086,254	\$28,240	\$168	\$1,114,662
Contracts Payable	167,413	36,633	0	204,046
Contracts Payable Retainage	76,972	0	0	76,972
Accrued Wages and Benefits	14,639	0	2,088	16,727
Due to Other Funds	89,248	0	108	89,356
Due to Other Governments	23,396	0	0	23,396
Total Liabilities	1,457,922	64,873	2,364	1,525,159
Fund Equity:				
Fund Balance:				
Reserved for Encumbrances	21,754,413	163,627	1,008,777	22,926,817
Reserved for Advances to Component Unit	1,053,600	0	0	1,053,600
Unreserved (Deficit)	(640,521)	216,000	525,220	100,699
Total Fund Equity	22,167,492	379,627	1,533,997	24,081,116
Total Liabilities and Fund Equity	\$23,625,414	\$444,500	\$1,536,361	\$25,606,275

CITY OF DAYTON, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 ALL CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 1999

	CAPITAL IMPROVEMENT	ECONOMIC DEVELOPMENT/ GOVERNMENT EQUITY IMPROVEMENT	ISSUE II	TOTAL
Revenues:				
Property and Other Local Taxes	\$330,805	\$0	\$0	\$330,805
Intergovernmental	5,021,212	663,261	2,323,681	8,008,154
Special Assessments	2,728	0	0	2,728
Charges for Services	12,120	0	0	12,120
Licenses and Permits	67,129	0	0	67,129
Interest	345,533	0	0	345,533
Other	31,420	0	0	31,420
Total Revenue	5,810,947	663,261	2,323,681	8,797,889
Expenditures:				
Capital Outlay	19,367,648	645,843	2,844,553	22,858,044
Debt Service:				
Interest and Fiscal Charges	128	0	0	128
Total Expenditures	19,367,776	645,843	2,844,553	22,858,172
Excess of Revenues Over (Under) Expenditures	(13,556,829)	17,418	(520,872)	(14,060,283)
Other Financing Sources (Uses):				
Proceeds from Sale of Fixed Assets	160,796	0	0	160,796
Operating Transfers - In	12,087,564	42,346	805,423	12,935,333
Operating Transfers - Out	(1,175,295)	(57,400)	0	(1,232,695)
Total Other Financing Sources (Uses)	11,073,065	(15,054)	805,423	11,863,434
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,483,764)	2,364	284,551	(2,196,849)
Fund Balances at Beginning of Year	24,651,256	377,263	1,249,446	26,277,965
Fund Balances at End of Year	\$22,167,492	\$379,627	\$1,533,997	\$24,081,116

ENTERPRISE FUNDS

The enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs (expenses, including depreciation) of providing services to the general public on a continuing basis be recovered primarily through user charges, or where it has been decided that a periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Dayton International Airport

To account for the provision of air traffic, primarily commercial, including air freight. Revenues are derived from landing fees, concessionaire fees, and space rentals. The Dayton-Wright Brothers Airport is included in this fund.

Water

To account for the provision of water service and water pollution control activities of the City. The Department also provides water services to several areas outside the City. Revenue is generated by charges for services including those to other departments of the City. The water supply is maintained through the development of well fields, storage facilities, and pumping stations.

Sewer

To account for the provision of sanitary sewer service to the residential, commercial, and industrial consumers of the City of Dayton and various communities within the Dayton Metropolitan area. The charges for services are based on the City's needs for the cost of service and expenses of improvements to expand the capacity to meet the Environmental Protection Agency (EPA) standards.

Storm Water

To account for the provision of storm sewers to the residents of the City of Dayton. Charges for services are used to maintain the storm sewers throughout the City.

Golf

To account for the operations of the City's six golf courses. Revenue is generated by golf fees charged for the use of the facilities. The six golf courses provide needed green space inside the City with three providing scenic cover to the City's north well field.

CITY OF DAYTON, OHIO
 COMBINING BALANCE SHEET
 ALL ENTERPRISE FUNDS
 DECEMBER 31, 1999

	DAYTON INTERNATIONAL AIRPORT	WATER	SEWER
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$13,460,776	\$65,920,807	\$23,827,545
Investments with Fiscal Agent	9,013	196,266	0
Receivables:			
Accounts, net	2,493,098	12,373,797	10,220,820
Accrued Interest	112,508	722,714	256,954
Due from Other Funds	286,062	3,827,790	259,928
Due from Other Governments	51,948	2,887	1,311,339
Supplies Inventory	0	1,134,768	0
Interfund Receivable	155,615	304,080	152,149
Total Current Assets	16,569,020	84,483,109	36,028,735
Unamortized Bond Issuance Costs	942,413	853,883	0
Restricted Assets:			
Cash and Cash Equivalents	0	159,240	0
Investments with Fiscal Agents	2,616,472	306,391	0
Advances to Component Unit	0	3,371,513	0
Judgment Receivable	0	390,000	0
Fixed Assets (Net of Accumulated Depreciation)	126,371,590	98,725,910	94,877,717
Total Assets	\$146,499,495	\$188,290,046	\$130,906,452
Liabilities:			
Accounts Payable	\$893,505	\$2,132,000	\$692,548
Contracts Payable	262,331	372,580	883,427
Contracts Payable Retainage	597,495	52,983	67,350
Accrued Wages and Benefits	284,558	458,188	222,093
Accrued Interest Payable on Bonds and Notes	277,532	4,200	0
Accrued Interest Payable on OWDA Loan	0	0	1,038,137
Due to Other Funds	47,856	376,668	2,846,617
Due to Other Governments	1,069,947	252,419	7,149
Interfund Payable	0	0	0
Current Portion of General Obligation Bonds Payable from Restricted Assets:	515,000	80,000	0
Utility Deposits	0	159,240	0
Accrued Interest Payable	166,194	139,859	0
Current Portion of Revenue Bonds	1,800,000	4,625,000	0
Deferred Revenue	228,200	0	0
General Obligation Notes Payable	12,100,000	0	0
Current Portion of OWDA Loan Payable	0	0	1,481,497
Total Current Liabilities	18,242,618	8,653,137	7,238,818
Long-Term Liabilities:			
Advance From Other Funds	193,500	0	0
OWDA Loan Payable	0	0	24,401,646
General Obligation Bonds Payable	745,000	80,000	0
Revenue Bonds Payable	33,349,930	36,613,400	0
Compensated Absences Payable	448,604	1,036,620	668,540
Capital Leases Payable	0	0	0
Total Liabilities	52,979,652	46,383,157	32,309,004
Fund Equity:			
Contributed Capital	83,629,711	61,997	46,469,914
Retained Earnings:			
Reserve for Revenue Bond Renewal and Replacement	2,543,671	194,805	0
Unreserved	7,346,461	141,650,087	52,127,534
Total Fund Equity	93,519,843	141,906,889	98,597,448
Total Liabilities and Fund Equity	\$146,499,495	\$188,290,046	\$130,906,452

STORM WATER	GOLF	TOTAL
\$1,240,786	\$0	\$104,449,914
0	0	205,279
1,805,049	15,688	26,908,452
17,663	5,323	1,115,162
0	44,203	4,417,983
0	0	1,366,174
0	0	1,134,768
17,434	27,159	656,437
<u>3,080,932</u>	<u>92,373</u>	<u>140,254,169</u>
0	0	1,796,296
0	0	159,240
0	0	2,922,863
0	0	3,371,513
0	0	390,000
269,931	4,754,188	324,999,336
<u>\$3,350,863</u>	<u>\$4,846,561</u>	<u>\$473,893,417</u>
\$88,202	\$23,764	\$3,830,019
0	0	1,518,338
0	0	717,828
53,016	32,055	1,049,910
0	0	281,732
0	0	1,038,137
137,821	100,406	3,509,368
0	812	1,330,327
0	1,726,552	1,726,552
0	0	595,000
0	0	159,240
0	0	306,053
0	0	6,425,000
0	0	228,200
0	0	12,100,000
0	0	1,481,497
<u>279,039</u>	<u>1,883,589</u>	<u>36,297,201</u>
0	0	193,500
0	0	24,401,646
0	0	825,000
0	0	69,963,330
29,664	185,953	2,369,381
0	110,364	110,364
<u>308,703</u>	<u>2,179,906</u>	<u>134,160,422</u>
5,000	1,622,755	131,789,377
0	0	2,738,476
<u>3,037,160</u>	<u>1,043,900</u>	<u>205,205,142</u>
<u>3,042,160</u>	<u>2,666,655</u>	<u>339,732,995</u>
<u>\$3,350,863</u>	<u>\$4,846,561</u>	<u>\$473,893,417</u>

CITY OF DAYTON, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND EQUITY
 ALL ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 1999

	DAYTON INTERNATIONAL AIRPORT	WATER	SEWER
Operating Revenues:			
Charges for Services	\$24,906,115	\$39,518,256	\$27,978,952
Other	413,433	3,429,587	1,807,935
Total Operating Revenues	25,319,548	42,947,843	29,786,887
Operating Expenses:			
Personal Services	6,597,155	12,216,915	5,960,294
Benefit Payments	1,971,594	3,503,665	1,683,968
Contractual Services	2,497,271	4,552,892	9,255,550
Materials and Supplies	1,057,811	2,499,415	1,575,784
Utilities	2,284,207	5,358,502	1,739,114
Depreciation	6,172,469	5,022,920	6,485,987
Other	2,376,008	2,333,936	744,141
Total Operating Expenses	22,956,515	35,488,245	27,444,838
Operating Income (Loss)	2,363,033	7,459,598	2,342,049
Non-Operating Revenues (Expenses):			
Interest	495,483	2,782,044	765,946
Loss on Disposal of Fixed Assets	0	(16,757)	0
Interest and Fiscal Charges	(2,973,180)	(4,124,432)	(2,179,454)
Total Non-Operating Revenues (Expenses)	(2,477,697)	(1,359,145)	(1,413,508)
Income (Loss) Before Operating Transfers	(114,664)	6,100,453	928,541
Operating Transfers - In	69,511	133,279	66,721
Operating Transfers - Out	0	0	0
Net Income (Loss)	(45,153)	6,233,732	995,262
Retained Earnings at Beginning of Year	9,935,285	135,611,160	51,132,272
Retained Earnings at End of Year	9,890,132	141,844,892	52,127,534
Contributed Capital at Beginning of Year	72,226,998	61,997	45,324,650
Current Capital Contributions	11,402,713	0	1,145,264
Contributed Capital at End of Year	83,629,711	61,997	46,469,914
Total Fund Equity	\$93,519,843	\$141,906,889	\$98,597,448

<u>STORM WATER</u>	<u>GOLF</u>	<u>TOTAL</u>
\$2,185,446	\$2,398,748	\$96,987,517
17,434	40,147	5,708,536
<u>2,202,880</u>	<u>2,438,895</u>	<u>102,696,053</u>
788,849	1,083,777	26,646,990
256,975	247,053	7,663,255
316,113	756,400	17,378,226
377,840	273,657	5,784,507
0	174,349	9,556,172
9,039	525,598	18,216,013
25,804	153,162	5,633,051
<u>1,774,620</u>	<u>3,213,996</u>	<u>90,878,214</u>
428,260	(775,101)	11,817,839
63,481	8,520	4,115,474
0	0	(16,757)
0	(7,737)	(9,284,803)
<u>63,481</u>	<u>783</u>	<u>(5,186,086)</u>
491,741	(774,318)	6,631,753
884	50,470	320,865
(567,125)	0	(567,125)
(74,500)	(723,848)	6,385,493
<u>3,111,660</u>	<u>1,767,748</u>	<u>201,558,125</u>
<u>3,037,160</u>	<u>1,043,900</u>	<u>207,943,618</u>
0	1,622,755	119,236,400
5,000	0	12,552,977
<u>5,000</u>	<u>1,622,755</u>	<u>131,789,377</u>
<u>\$3,042,160</u>	<u>\$2,666,655</u>	<u>\$339,732,995</u>

CITY OF DAYTON, OHIO
 COMBINING STATEMENT OF CASH FLOWS
 ALL ENTERPRISE FUNDS
 FOR YEAR ENDED DECEMBER 31, 1999

	DAYTON INTERNATIONAL AIRPORT	WATER	SEWER
Increase (Decrease) in Cash and Cash Equivalents:			
Cash Flows from Operating Activities:			
Cash Received from Customers	\$26,593,124	\$36,314,382	\$25,733,795
Cash Received from Quasi-External Operating Transactions with Other Funds	0	2,638,205	0
Cash Payments for Employee Services and Benefits	(9,160,958)	(15,908,185)	(7,739,281)
Cash Payments to Suppliers for Goods and Services	(7,163,777)	(14,282,218)	(12,477,451)
Cash Payments for Quasi-External Operating Transactions with Other Funds	(840,859)	(1,609,147)	(573,134)
Utility Deposits Received	0	159,095	0
Utility Deposits Returned	0	(16,555)	0
Cash Received from Other Operating Revenues	405,847	4,295,464	158,033
Cash Payments for Other Operating Expenses	(1,315,480)	(3,495,371)	(554,221)
Net Cash Provided By (Used For) Operating Activities	<u>8,517,897</u>	<u>8,095,670</u>	<u>4,547,741</u>
Cash Flows from Noncapital Financing Activities:			
Proceeds of Advance from General Fund	0	0	0
Return of Advance from General Fund	(37,329)	0	0
Advance to Component Unit	0	(532,981)	0
Operating Transfers - In	69,511	133,279	66,721
Operating Transfers - Out	0	0	0
Net Cash Provided By (Used For) Noncapital Financing Activities	<u>32,182</u>	<u>(399,702)</u>	<u>66,721</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition and Construction of Fixed Assets	(9,827,485)	(3,952,335)	(4,228,643)
Passenger Facility Charges	3,139,637	0	0
Capital Contributed by Grants	9,389,173	0	0
Proceeds from Sale of General Obligation Bonds and Notes	12,100,000	46,690,000	0
Principal Paid on Notes Payable	(14,100,000)	0	0
Interest Paid on Notes Payable	(383,361)	0	0
Principal Paid on OWDA Loan Payable	0	0	(2,962,995)
Interest Paid on OWDA Loan Payable	0	0	(2,298,280)
Principal Paid on General Obligation Bonds	(525,000)	(80,000)	0
Interest Paid on General Obligation Bonds	(207,188)	(25,200)	0
Principal Paid on Revenue Bonds Payable	(1,725,000)	(55,805,000)	0
Interest Paid on Revenue Bonds Payable	(2,073,164)	(2,651,992)	0
Premium Paid on Called Bonds	0	(508,050)	0
Bond Issuance Costs	0	(421,791)	0
Principal Paid on Capital Leases	0	0	0
Interest Paid on Capital Leases	0	0	0
Net Cash Used For Capital and Related Financing Activities	<u>(4,212,388)</u>	<u>(16,754,368)</u>	<u>(9,489,918)</u>
Cash Flows from Investing Activities:			
Sale of Investments	2,537,474	7,821,246	0
Purchase of Investments	(2,625,485)	(502,657)	0
Interest	628,057	3,619,963	1,080,113
Change in Fair Value of Cash Equivalents	(96,136)	(617,542)	(219,562)
Net Cash Provided By Investing Activities	<u>443,910</u>	<u>10,321,010</u>	<u>860,551</u>
Net Increase (Decrease) in Cash and Cash Equivalents	4,781,601	1,262,610	(4,014,905)
Cash and Cash Equivalents Beginning of Year	8,679,175	64,817,437	27,842,450
Cash and Cash Equivalents End of Year	<u>\$13,460,776</u>	<u>\$66,080,047</u>	<u>\$23,827,545</u>

<u>STORM WATER</u>	<u>GOLF</u>	<u>TOTAL</u>
\$1,436,893	\$2,391,915	\$92,470,109
0	0	2,638,205
(998,106)	(1,303,161)	(35,109,691)
(365,221)	(781,348)	(35,070,015)
(199,359)	(348,018)	(3,570,517)
0	0	159,095
0	0	(16,555)
0	11,968	4,871,312
(934)	(143,613)	(5,509,619)
<u>(126,727)</u>	<u>(172,257)</u>	<u>20,862,324</u>
0	1,726,552	1,726,552
0	0	(37,329)
0	0	(532,981)
884	50,470	320,865
(567,125)	0	(567,125)
<u>(566,241)</u>	<u>1,777,022</u>	<u>909,982</u>
(243,090)	(2,483,473)	(20,735,026)
0	0	3,139,637
0	0	9,389,173
0	0	58,790,000
0	0	(14,100,000)
0	0	(383,361)
0	0	(2,962,995)
0	0	(2,298,280)
0	0	(605,000)
0	0	(232,388)
0	0	(57,530,000)
0	0	(4,725,156)
0	0	(508,050)
0	0	(421,791)
0	(106,563)	(106,563)
0	(7,737)	(7,737)
<u>(243,090)</u>	<u>(2,597,773)</u>	<u>(33,297,537)</u>
0	0	10,358,720
0	0	(3,128,142)
79,277	17,503	5,424,913
(15,092)	(4,548)	(952,880)
<u>64,185</u>	<u>12,955</u>	<u>11,702,611</u>
(871,873)	(980,053)	177,380
2,112,659	980,053	104,431,774
<u>\$1,240,786</u>	<u>\$0</u>	<u>\$104,609,154</u>

(Continued)

CITY OF DAYTON, OHIO
 COMBINING STATEMENT OF CASH FLOWS
 ALL ENTERPRISE FUNDS
 FOR YEAR ENDED DECEMBER 31, 1999
 (Continued)

	DAYTON INTERNATIONAL AIRPORT	WATER	SEWER
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:			
Operating Income (Loss)	\$2,363,033	\$7,459,598	\$2,342,049
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:			
Depreciation	6,172,469	5,022,920	6,485,987
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	524,228	(4,301,900)	(3,806,749)
(Increase) Decrease in Due from Other Funds	(37,236)	(281,933)	(17,365)
(Increase) Decrease in Due from Other Governments	14,463	198,336	(175,541)
(Increase) Decrease in Supplies Inventory	11,169	(84,316)	0
(Increase) in Interfund Receivable	(155,615)	(304,080)	(152,149)
Decrease in Judgment Receivable	0	60,000	0
Increase (Decrease) in Accounts Payable	(438,678)	1,461	(723,015)
Increase (Decrease) in Contracts Payable	(231,956)	359,675	558,019
Increase in Contracts Payable Retainage	168,592	52,983	1,833
Increase in Accrued Wages and Benefits	10,261	34,763	1,815
Increase (Decrease) in Due to Other Funds	(64,147)	(315,189)	19,432
Increase (Decrease) in Due to Other Governments	73,173	17,842	(104)
Increase in Deferred Revenue	94,520	0	0
Increase in Utility Deposits	0	142,540	0
Increase (Decrease) in Compensated Absences	13,621	32,970	13,529
Net Cash Provided By (Used for) Operating Activities	<u>\$8,517,897</u>	<u>\$8,095,670</u>	<u>\$4,547,741</u>

Non-Cash Transactions:

During 1999, the Sewer and Storm Water enterprise funds received fixed assets from governmental funds in the amounts of \$31,115 and \$5,000 respectively.

During 1999, the Dayton International Airport enterprise fund received \$1,126,097 in capital grants, which was recognized as a receivable in 1998.

During 1999, the Sewer enterprise fund recognized a receivable of \$1,114,149 for a capital grant.

<u>STORM WATER</u>	<u>GOLF</u>	<u>TOTAL</u>
\$428,260	(\$775,101)	\$11,817,839
9,039	525,598	18,216,013
(792,487)	(13,055)	(8,389,963)
0	282	(336,252)
0	0	37,258
0	0	(73,147)
(17,434)	(27,159)	(656,437)
0	0	60,000
86,039	10,156	(1,064,037)
0	0	685,738
0	0	223,408
53,016	4,305	104,160
112,006	35,158	(212,740)
0	(7)	90,904
0	0	94,520
0	0	142,540
(5,166)	67,566	122,520
<u>(\$126,727)</u>	<u>(\$172,257)</u>	<u>\$20,862,324</u>

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INTERNAL SERVICE FUNDS

Internal service funds account for the financing of goods or services provided by one department or agency to other departments of the City of Dayton on a cost-reimbursement basis. Accounting for these funds is designed to accumulate all of the costs incurred by the internal service funds in providing goods and services to other departments. However, charges to the other departments are not intended to produce a significant profit in the long run, but to recover the total costs of providing goods or services.

Fleet Management

To account for the maintenance of City vehicles. Revenues are derived from direct charges to other departments for fuel usage and repairs. General maintenance is charged to the other funds on a pro-rated basis.

Stores and Reproduction

Stores is used in purchasing and storage of office materials and supplies for the entire organization. The other departments are charged the cost of the materials and supplies plus an average of fifteen percent markup to cover the overhead cost of operating this fund. Reproduction is used to account for the reproducing of written material, and the printing, binding, and distribution of the City's various publications. All costs are recouped from charges to other departments within the organization on a per-job basis.

Workers' Compensation

To account for claims and administrative payments to cover risks due to job-related injuries to City employees. Revenues are derived from pro-rated charges against personnel costs of each department to cover claim payments and costs of administering the fund.

CITY OF DAYTON, OHIO
 COMBINING BALANCE SHEET
 ALL INTERNAL SERVICE FUNDS
 DECEMBER 31, 1999

	<u>FLEET MANAGEMENT</u>	<u>STORES AND REPRODUCTION</u>
Assets:		
Equity in Pooled Cash and Cash Equivalents	\$1,746	\$236,680
Due from Other Funds	925,510	93,501
Inventory Held for Resale	431,077	75,514
Total Current Assets	1,358,333	405,695
Fixed Assets (Net of Accumulated Depreciation)	307,748	365,641
Total Assets	\$1,666,081	\$771,336
Liabilities:		
Accounts Payable	\$191,122	\$12,056
Accrued Wages and Benefits	100,223	6,106
Due to Other Funds	0	7,268
Due to Other Governments	0	0
Interfund Payable	1,255,206	0
Claims Payable	0	0
Compensated Absences Payable	229,900	47,215
Capital Leases Payable	0	239,175
Total Liabilities	1,776,451	311,820
Fund Equity:		
Contributed Capital	55,499	0
Retained Earnings:		
Unreserved (Deficit)	(165,869)	459,516
Total Fund Equity (Deficit)	(110,370)	459,516
Total Liabilities and Fund Equity	\$1,666,081	\$771,336

<u>WORKERS'</u> <u>COMPENSATION</u>	<u>TOTAL</u>
\$21,921,598	\$22,160,024
2,337,084	3,356,095
0	506,591
<u>24,258,682</u>	<u>26,022,710</u>
7,672	681,061
<u>\$24,266,354</u>	<u>\$26,703,771</u>
\$9,917	\$213,095
8,897	115,226
0	7,268
2,303,981	2,303,981
3,100,000	4,355,206
23,983,503	23,983,503
23,873	300,988
0	239,175
<u>29,430,171</u>	<u>31,518,442</u>
0	55,499
<u>(5,163,817)</u>	<u>(4,870,170)</u>
<u>(5,163,817)</u>	<u>(4,814,671)</u>
<u>\$24,266,354</u>	<u>\$26,703,771</u>

CITY OF DAYTON, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND EQUITY
 ALL INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>FLEET MANAGEMENT</u>	<u>STORES AND REPRODUCTION</u>
Operating Revenues:		
Charges for Services	\$6,066,907	\$668,793
Other	19,888	1,492
Total Operating Revenues	<u>6,086,795</u>	<u>670,285</u>
Operating Expenses:		
Personal Services	2,347,227	200,172
Benefit Payments	678,871	59,842
Contractual Services	854,101	0
Materials and Supplies	37,908	0
Utilities	1,870	0
Cost of Sales	2,633,314	512,176
Claims	0	0
Depreciation	70,062	89,485
Other	29,663	0
Total Operating Expenses	<u>6,653,016</u>	<u>861,675</u>
Operating Loss	(566,221)	(191,390)
Non-Operating Expenses:		
Interest and Fiscal Charges	0	(16,893)
Loss Before Operating Transfers	(566,221)	(208,283)
Operating Transfers - In	8,281	0
Operating Transfers - Out	0	0
Net Loss	(557,940)	(208,283)
Retained Earnings at Beginning of Year	<u>392,071</u>	<u>667,799</u>
Retained Earnings (Deficit) at End of Year	(165,869)	459,516
Contributed Capital at Beginning and End of Year	<u>55,499</u>	<u>0</u>
Total Fund Equity (Deficit)	<u>(\$110,370)</u>	<u>\$459,516</u>

<u>WORKERS'</u> <u>COMPENSATION</u>	<u>TOTAL</u>
\$3,947,606	\$10,683,306
41,477	62,857
<u>3,989,083</u>	<u>10,746,163</u>
275,940	2,823,339
86,219	824,932
2,399,969	3,254,070
44,987	82,895
0	1,870
0	3,145,490
6,198,129	6,198,129
9,010	168,557
4,301	33,964
<u>9,018,555</u>	<u>16,533,246</u>
(5,029,472)	(5,787,083)
<u>0</u>	<u>(16,893)</u>
(5,029,472)	(5,803,976)
0	8,281
<u>(1,260,673)</u>	<u>(1,260,673)</u>
(6,290,145)	(7,056,368)
<u>1,126,328</u>	<u>2,186,198</u>
(5,163,817)	(4,870,170)
<u>0</u>	<u>55,499</u>
<u>(\$5,163,817)</u>	<u>(\$4,814,671)</u>

CITY OF DAYTON, OHIO
 COMBINING STATEMENT OF CASH FLOWS
 ALL INTERNAL SERVICE FUNDS
 FOR YEAR ENDED DECEMBER 31, 1999

	<u>FLEET MANAGEMENT</u>	<u>STORES AND REPRODUCTION</u>
Increase (Decrease) in Cash and Cash Equivalents:		
Cash Flows from Operating Activities:		
Cash Received from Customers	\$0	\$3,057
Cash Received from Quasi-External Operating Transactions with Other Funds	6,163,673	667,538
Cash Payments for Employee Services and Benefits	(3,055,014)	(267,851)
Cash Payments to Suppliers for Goods and Services	(3,469,683)	(486,802)
Cash Payments for Quasi-External Operating Transactions with Other Funds	(6,833)	(43,692)
Cash Payments for Claims	0	0
Cash Received from Other Operating Revenues	23,672	0
Cash Payments for Other Operating Expenses	(9,283)	0
Net Cash Provided By (Used For) Operating Activities	<u>(353,468)</u>	<u>(127,750)</u>
Cash Flows from Noncapital Financing Activities:		
Proceeds of Advance from General Fund	1,255,206	0
Return of Advance from General Fund	(875,000)	0
Operating Transfers - In	8,281	0
Operating Transfers - Out	0	0
Net Cash Provided By (Used for) Noncapital Financing Activities	<u>388,487</u>	<u>0</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition and Construction of Fixed Assets	(42,782)	0
Principal Paid on Capital Leases	0	(75,794)
Interest Paid on Capital Leases	0	(16,893)
Net Cash Used For Capital and Related Financing Activities	<u>(42,782)</u>	<u>(92,687)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(7,763)	(220,437)
Cash and Cash Equivalents Beginning of Year	9,509	457,117
Cash and Cash Equivalents End of Year	<u>\$1,746</u>	<u>\$236,680</u>
Reconciliation of Operating Loss to Net		
Cash Provided By (Used For) Operating Activities:		
Operating Loss	(\$566,221)	(\$191,390)
Adjustments to Reconcile Operating Loss		
to Net Cash Provided By (Used For) Operating Activities		
Depreciation	70,062	89,485
Changes in Assets and Liabilities:		
(Increase) Decrease in Due from Other Funds	79,370	(14,729)
(Increase) Decrease in Inventory Held for Resale	17,657	(4,912)
Increase (Decrease) in Accounts Payable	66,237	(3,239)
Increase in Contracts Payable	0	0
Increase in Accrued Wages and Benefits	16,532	1,172
Increase (Decrease) in Due to Other Funds	(37,694)	(232)
Increase in Due to Other Governments	0	0
Increase (Decrease) in Compensated Absences Payable	589	(3,905)
Increase in Claims Payable	0	0
Net Cash Provided By (Used For) Operating Activities	<u>(\$353,468)</u>	<u>(\$127,750)</u>

<u>WORKERS'</u> <u>COMPENSATION</u>	<u>TOTAL</u>
\$0	\$3,057
5,430,132	12,261,343
(362,764)	(3,685,629)
(1,931,580)	(5,888,065)
(1,530)	(52,055)
(3,647,611)	(3,647,611)
3,141,477	3,165,149
0	(9,283)
<u>2,628,124</u>	<u>2,146,906</u>
0	1,255,206
0	(875,000)
0	8,281
(1,260,673)	(1,260,673)
<u>(1,260,673)</u>	<u>(872,186)</u>
0	(42,782)
0	(75,794)
0	(16,893)
<u>0</u>	<u>(135,469)</u>
1,367,451	1,139,251
<u>20,554,147</u>	<u>21,020,773</u>
<u>\$21,921,598</u>	<u>\$22,160,024</u>

(\$5,029,472) (\$5,787,083)

9,010	168,557
1,460,573	1,525,214
0	12,745
590	63,588
3,266	3,266
0	17,704
3,095,704	3,057,778
536,427	536,427
1,508	(1,808)
2,550,518	2,550,518
<u>\$2,628,124</u>	<u>\$2,146,906</u>

FIDUCIARY FUNDS

To account for assets the City holds in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

NONEXPENDABLE TRUST

Schantz Waldruhe Park Trust

The Schantz Waldruhe Park Trust fund accounts for the interest earned on Dayton Power & Light stock that is used for the improvement care and maintenance of Waldruhe Park.

AGENCY

Agency Funds

Agency funds are custodial in nature and, thus, do not recognize revenues and expenditures, only changes in assets and liabilities. These funds are used to record the collection and payment of employee payroll withholdings, medical and life insurance premiums, refundable deposits, PERS, Police and Fire Pension funds, taxes collected for other governments, and municipal court.

CITY OF DAYTON, OHIO
 COMBINING BALANCE SHEET
 ALL FIDUCIARY FUNDS
 DECEMBER 31, 1999

	<u>Nonexpendable Trust</u>	<u>Agency</u>	<u>Total</u>
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$9,399	\$6,212,889	\$6,222,288
Investments	58,431	0	58,431
Cash and Cash Equivalents with Fiscal Agents	0	529,261	529,261
Investments with Fiscal Agents	0	1,068,234	1,068,234
Taxes Levied for Other Governments	0	2,330,987	2,330,987
Total Assets	\$67,830	\$10,141,371	\$10,209,201
Liabilities:			
Due to Other Funds	\$0	\$359,689	\$359,689
Due to Other Governments	0	3,359,236	3,359,236
Withholdings and Deposits	0	6,422,446	6,422,446
Total Liabilities	0	10,141,371	10,141,371
Fund Equity:			
Fund Balance:			
Reserved for Contributions for Nonexpendable Trust	58,431	0	58,431
Unreserved	9,399	0	9,399
Total Fund Equity	67,830	0	67,830
Total Liabilities and Fund Equity	\$67,830	\$10,141,371	\$10,209,201

STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

	Balance 1/1/99	Additions	Reductions	Balance 12/31/99
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$5,696,699	\$83,907,363	\$83,391,173	\$6,212,889
Cash and Cash Equivalents with Fiscal Agents	584,472	10,530,848	10,586,059	529,261
Investments with Fiscal Agents	1,020,088	73,296	25,150	1,068,234
Taxes Levied for Other Governments	1,766,715	2,330,987	1,766,715	2,330,987
Total Assets	<u>\$9,067,974</u>	<u>\$96,842,494</u>	<u>\$95,769,097</u>	<u>\$10,141,371</u>
Liabilities:				
Accounts Payable	\$5,520	\$0	\$5,520	\$0
Due to Other Funds	406,429	3,519,866	3,566,606	359,689
Due to Other Governments	2,823,123	6,190,598	5,654,485	3,359,236
Withholdings and Deposits	5,832,902	87,132,030	86,542,486	6,422,446
Total Liabilities	<u>\$9,067,974</u>	<u>\$96,842,494</u>	<u>\$95,769,097</u>	<u>\$10,141,371</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets other than those accounted for in the proprietary and nonexpendable trust funds.

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CITY OF DAYTON, OHIO
 SCHEDULE OF GENERAL FIXED ASSETS
 BY SOURCE
 DECEMBER 31, 1999

General Fixed Assets:

Land	\$42,205,026
Buildings	41,054,006
Building Improvements	45,344,134
Improvements other than Buildings	49,693,396
Equipment	14,149,409
Motorized Vehicles	37,015,194
Construction-in-Progress	<u>10,281,388</u>
 Total General Fixed Assets	 239,742,553
 Less: Accumulated Depreciation	 <u>(107,790,493)</u>
 Net Fixed Assets	 <u>\$131,952,060</u>

Investment in General Fixed Assets From:

General Fund Revenues	\$75,851,586
Special Revenue Funds Revenues	47,668,747
Capital Projects Funds Revenues	114,786,990
Trust and Agency Funds	1,423,930
Donations	<u>11,300</u>
 Total Investment in General Fixed Assets	 239,742,553
 Less: Accumulated Depreciation	 <u>(107,790,493)</u>
 Net Fixed Assets	 <u>\$131,952,060</u>

CITY OF DAYTON, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
DECEMBER 31, 1999

FUNCTION AND ACTIVITY	LAND	BUILDINGS	BUILDING IMPROVEMENTS
General Government:			
Control:			
City Commission	\$0	\$0	\$0
City Manager	0	3,359,703	2,090,707
Courts	0	0	0
Total Control	0	3,359,703	2,090,707
Maintenance and Support:			
Planning	0	0	43,698
Law	0	0	0
Finance	0	0	0
Personnel	0	0	0
Data Processing	0	0	0
Purchasing	0	0	0
General Government	40,824,770	12,475,103	15,942,979
Neighborhood and Human Resources	0	0	986,121
Total Maintenance and Support	40,824,770	12,475,103	16,972,798
Total General Government	40,824,770	15,834,806	19,063,505
Public Safety:			
Police Protection	0	4,043,410	1,084,526
Fire Protection	0	5,783,374	1,857,420
Urban Development	0	0	0
Engineering	0	0	1,334,308
Redevelopment	0	0	0
Neighborhood Development	0	0	0
Human Rehabilitation	0	628,503	7,955,625
Total Public Safety	0	10,455,287	12,231,879
Public Works	0	0	21,762
Street Maintenance	0	232,861	0
Waste Collection	0	0	138,281
Recreation and Parks	0	8,008,113	2,421,113
Convention Center	1,380,256	6,522,939	11,467,594
Total General Fixed Assets Allocated to Functions	\$42,205,026	\$41,054,006	\$45,344,134
Construction-in-Progress			
Total General Fixed Assets			
Less: Accumulated Depreciation			
Net Fixed Assets			

IMPROVEMENTS OTHER THAN BUILDINGS	EQUIPMENT	MOTORIZED VEHICLES	TOTAL
\$0	\$69,023	\$229,755	\$298,778
814,272	1,998,362	118,322	8,381,366
0	135,552	162,831	298,383
<u>814,272</u>	<u>2,202,937</u>	<u>510,908</u>	<u>8,978,527</u>
118,621	88,726	0	251,045
0	13,956	0	13,956
502,036	721,379	0	1,223,415
15,400	5,481	25,085	45,966
1,405,301	5,052,594	154,111	6,612,006
284,046	17,613	0	301,659
26,793,677	186,696	685,526	96,908,751
804,812	48,596	0	1,839,529
<u>29,923,893</u>	<u>6,135,041</u>	<u>864,722</u>	<u>107,196,327</u>
<u>30,738,165</u>	<u>8,337,978</u>	<u>1,375,630</u>	<u>116,174,854</u>
9,588,430	1,882,379	4,133,578	20,732,323
497,119	1,247,070	9,663,048	19,048,031
116,813	0	28,200	145,013
196,270	151,910	280,655	1,963,143
2,436,905	14,348	0	2,451,253
0	220,851	345,766	566,617
76,352	285,374	307,426	9,253,280
<u>12,911,889</u>	<u>3,801,932</u>	<u>14,758,673</u>	<u>54,159,660</u>
271,021	41,268	37,490	371,541
0	1,072,059	10,913,611	12,218,531
0	45,920	6,206,214	6,390,415
5,098,769	375,657	3,700,596	19,604,248
673,552	474,595	22,980	20,541,916
<u>\$49,693,396</u>	<u>\$14,149,409</u>	<u>\$37,015,194</u>	229,461,165
			<u>10,281,388</u>
			239,742,553
			<u>(107,790,493)</u>
			<u>\$131,952,060</u>

CITY OF DAYTON, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 1999

FUNCTION AND ACTIVITY	GENERAL FIXED ASSETS 1/1/99	ADDITIONS	DELETIONS	GENERAL FIXED ASSETS 12/31/99
General Government:				
Control:				
City Commission	\$302,124	\$9,816	\$13,162	\$298,778
City Manager	8,332,119	96,292	47,045	8,381,366
Courts	324,675	0	26,292	298,383
Total Control	8,958,918	106,108	86,499	8,978,527
Maintenance and Support:				
Planning	286,251	0	35,206	251,045
Law	22,759	0	8,803	13,956
Finance	724,487	507,287	8,359	1,223,415
Personnel	96,741	0	50,775	45,966
Data Processing	5,867,094	1,953,798	1,208,886	6,612,006
Purchasing	310,177	0	8,518	301,659
General Government	91,331,923	9,330,561	3,753,733	96,908,751
Neighborhood and Human Resources	1,858,724	0	19,195	1,839,529
Total Maintenance and Support	100,498,156	11,791,646	5,093,475	107,196,327
Total General Government	109,457,074	11,897,754	5,179,974	116,174,854
Public Safety:				
Police Protection	20,695,989	413,519	377,185	20,732,323
Fire Protection	18,245,431	802,600	0	19,048,031
Urban Development	195,616	0	50,603	145,013
Engineering	1,728,352	308,118	73,327	1,963,143
Redevelopment	2,451,253	0	0	2,451,253
Neighborhood Development	571,562	0	4,945	566,617
Human Rehabilitation	9,169,816	83,464	0	9,253,280
Total Public Safety	53,058,019	1,607,701	506,060	54,159,660
Public Works:				
Public Works	287,740	83,801	0	371,541
Street Maintenance	11,784,431	490,819	56,719	12,218,531
Waste Collection	6,709,467	45,841	364,893	6,390,415
Recreation and Parks	18,879,940	727,408	3,100	19,604,248
Convention Center	20,256,645	285,271	0	20,541,916
Construction-in-Progress	11,060,007	6,889,843	7,668,462	10,281,388
Total General Fixed Assets	231,493,323	\$22,028,438	\$13,779,208	239,742,553
Less: Accumulated Depreciation	(103,395,070)			(107,790,493)
Net Fixed Assets	\$128,098,253			\$131,952,060



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STATISTICAL SECTION

THE FOLLOWING UNAUDITED STATISTICAL TABLES
REFLECT SOCIAL AND ECONOMIC DATA, FINANCIAL TRENDS AND
FISCAL CAPACITY OF THE CITY

CITY OF DAYTON, OHIO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
LAST TEN YEARS (1)

Year	Policy Development	Economic Development	Neighborhood Development	Land Use	Community Security	Human Development	Transportation	Administrative Services	Capital Outlay	Debt Service	Total
1999	\$4,209,530	\$8,666,422	\$21,562,100	\$27,568,631	\$47,025,960	\$17,112,029	\$11,833,639	\$47,817,478	\$137,543	\$9,545,571	\$195,478,903
1998	3,906,544	8,129,048	20,916,252	27,023,884	43,658,203	15,513,271	11,015,768	42,719,087	1,600,399	4,545,625	179,028,081
1997	3,517,339	6,234,581	22,007,949	24,691,637	41,438,538	16,557,005	12,598,951	41,180,581	1,456,176	5,520,712	175,203,469
1996	3,333,165	5,176,240	19,680,327	24,204,931	36,719,057	15,469,711	12,851,449	35,982,191	1,259,976	6,229,068	160,906,115
1995	3,035,584	5,016,975	17,697,932	23,086,873	33,746,207	13,812,617	13,461,208	36,941,100	3,116,588	6,462,872	156,377,956
1994	2,741,913	2,329,099	18,166,050	23,413,484	34,946,963	13,142,781	12,415,315	32,918,053	4,166,146	8,074,252	152,314,056
1993	3,183,915	2,339,069	20,507,222	22,431,467	29,816,483	14,520,709	14,554,398	32,267,293	7,709,116	7,467,236	154,796,908
1992	2,896,353	2,064,102	17,693,721	21,915,364	28,855,889	13,998,118	14,553,499	32,009,407	5,908,070	9,589,726	149,484,249
1991	2,985,685	2,148,276	17,380,050	20,856,226	27,570,518	12,725,074	14,075,954	32,007,511	6,718,226	13,591,245	150,058,765
1990	3,259,081	2,561,968	16,367,307	20,789,582	25,198,514	13,370,648	13,534,728	30,001,177	9,062,578	7,687,839	141,831,422

(1) - Includes General, Special Revenue, and Debt Service Funds.

Source: Finance Department; City of Dayton, Ohio

CITY OF DAYTON, OHIO
GENERAL GOVERNMENTAL REVENUES BY SOURCE
LAST TEN YEARS (1)

Year	Taxes	Intergovernmental	Special Assessments	Charges for Services	Licenses and Permits	Fines and Forfeitures	Interest	Other	Total
1999	\$147,004,491	\$20,024,791	\$380,316	\$24,247,038	\$1,620,192	\$1,211,084	\$5,831,860	\$3,572,839	\$203,892,611
1998	143,115,776	15,426,707	499,771	21,049,556	1,651,854	1,486,577	7,403,205	2,203,395	192,836,841
1997	142,195,336	13,332,977	388,842	18,391,334	1,537,560	1,081,276	6,663,012	2,195,147	185,785,484
1996	136,955,246	11,160,341	532,893	14,169,018	1,341,104	3,141,376	6,035,638	2,000,914	175,336,530
1995	131,722,164	10,136,704	425,856	15,086,577	1,101,256	906,991	4,541,703	1,689,196	165,610,447
1994	129,387,223	11,555,482	524,771	11,848,319	1,095,730	2,382,328	3,020,007	689,687	160,503,547
1993	123,336,911	9,264,452	728,560	12,371,976	968,402	2,483,473	3,998,178	1,031,452	154,183,404
1992	120,549,938	9,064,694	903,047	13,500,332	981,122	2,535,513	5,770,720	1,716,531	155,021,897
1991	120,718,521	8,656,594	688,649	11,567,345	958,716	2,315,260	7,073,561	667,033	152,645,679
1990	114,539,447	12,124,505	733,682	11,636,125	984,203	2,299,945	6,605,611	325,085	149,248,603

(1) - Includes General, Special Revenue, and Debt Service Funds.

Source: Finance Department; City of Dayton, Ohio

CITY OF DAYTON, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS (1)

Collection Year	Current Tax		Percent of Current Collections to Levy		Delinquent Tax Collections		Percent of Total Collections to Levy		Outstanding Delinquent Taxes		Percentage of Outstanding Delinquent Taxes to Levy	
	Levy	Collections	Collections	%	Collections	%	Total Collections	%	Collections	%	to Levy	%
1999	\$17,228,696	\$16,688,916	\$889,833	96.8%	\$17,578,749	100.2%	\$2,854,545	16.5%				
1998	17,236,685	16,369,525	887,443	95.0	17,256,968	100.1	2,091,752	12.1				
1997	17,139,435	16,499,010	820,972	96.3	17,319,982	101.1	2,721,684	15.9				
1996	15,955,014	15,303,711	882,680	95.9	16,186,391	101.5	2,754,440	17.3				
1995	15,865,444	15,284,346	700,632	96.3	15,984,978	100.8	2,560,886	16.1				
1994	15,828,987	14,720,696	658,321	93.0	15,379,017	97.2	2,654,699	16.8				
1993	15,708,639	15,342,123	708,859	97.7	16,050,982	102.2	2,754,087	17.5				
1992	15,866,107	15,346,317	749,360	96.7	16,095,677	101.4	2,246,536	14.2				
1991	16,034,246	15,649,424	647,084	97.6	16,296,508	101.6	2,225,360	13.9				
1990	14,326,416	14,107,020	586,227	98.5	14,693,247	102.6	1,686,727	11.8				

(1) Includes the General, Special Revenue, Debt Service, Trust and Agency Funds. Presented on the cash basis for all years.

Source: County Auditor; Montgomery County, Ohio

CITY OF DAYTON, OHIO
 ASSESSED VALUE AND ESTIMATED
 TRUE VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS

Collection Year	Real	Public Utility Real	Tangible Personal	Total Assessed Value	(1) Estimated Value	Percentage of Assessed Value To Estimated True Value
1999	\$1,199,695,480	\$150,755,290	\$387,618,846	\$1,738,069,616	\$5,161,385,240	33.67 %
1998	1,196,725,090	146,457,920	356,354,152	1,699,537,162	5,080,306,397	33.45
1997	1,197,994,870	146,932,600	364,241,202	1,709,168,672	5,048,624,860	33.85
1996	1,098,801,200	144,608,520	352,091,721	1,595,501,441	4,774,338,272	33.42
1995	1,092,389,270	153,879,570	340,355,176	1,586,624,016	4,922,188,818	32.23
1994	1,101,588,140	148,330,870	331,905,260	1,581,824,270	4,898,818,212	32.29
1993	1,076,506,330	148,783,680	347,624,932	1,572,914,942	4,891,328,328	32.16
1992	1,097,505,920	141,675,220	369,648,678	1,608,829,818	4,962,243,228	32.42
1991	1,122,936,830	137,380,190	397,341,606	1,657,658,626	5,072,541,349	32.68
1990	898,121,640	137,606,520	390,923,360	1,426,651,520	4,355,378,171	32.76

(1) This is calculated by dividing the assessed value by the assessment percentage. The percentages for 1999 were 35 percent for real property and public utility real, 88 percent public utility tangible personal, and 25 percent for tangible personal and interexchange telecom public utility.

Source: County Auditor; Montgomery County, Ohio

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

Collection Year	Direct 10 Mill Limitation (By Ohio Constitution)			Total
	Debt Service Fund	Judgement Trust Fund	Street Maintenance Fund	
1999	\$0.15	\$0.50	\$0.85	\$1.50
1998	0.15	0.00	1.35	1.50
1997	0.15	0.50	0.85	1.50
1996	0.15	0.50	0.85	1.50
1995	0.15	0.50	0.85	1.50
1994	0.15	0.50	0.85	1.50
1993	0.15	0.50	0.85	1.50
1992	0.65	0.50	0.35	1.50
1991	1.15	0.00	0.35	1.50
1990	1.10	0.00	0.40	1.50

(1) The Ohio Constitution places a ten-mill limitation upon the combined property tax levied by the County, the School District, and the City. The City of Dayton has been permitted to levy only 1.5 mills of that ten-mill limitation. The Constitution permits the City to levy additional millage beyond 1.5 mills upon approval of the electorate. Our City Charter also has a ten-mill limitation which prohibits the City from levying a total tax rate for all purposes in excess of ten mills. As a result of the passage of a Charter amendment, the City has been levying an additional 8.5 mills above the 1.5 mills. This additional millage has resulted in a total property tax rate of ten mills for the City of Dayton, the maximum permitted by the City Charter.

Source: County Auditor; Montgomery County, Ohio

<u>By November 6, 1945 Charter Amendment</u>			<u>City</u>			<u>Montgomery</u>
<u>Debt Service</u>			<u>of Dayton</u>	<u>Dayton City</u>	<u>Montgomery</u>	<u>County</u>
<u>Fund</u>	<u>General</u>	<u>Total</u>	<u>Grand</u>	<u>School District</u>	<u>County</u>	<u>Public</u>
			<u>Total</u>			<u>Library</u>
\$3.50	\$5.00	\$8.50	\$10.00	\$62.65	\$16.64	\$0.26
3.50	5.00	8.50	10.00	62.65	16.64	0.26
3.50	5.00	8.50	10.00	62.65	16.64	0.72
3.50	5.00	8.50	10.00	62.65	16.64	0.72
3.50	5.00	8.50	10.00	62.65	16.64	0.72
3.50	5.00	8.50	10.00	62.65	16.14	0.00
3.50	5.00	8.50	10.00	62.65	13.65	0.00
3.50	5.00	8.50	10.00	52.25	13.65	0.00
3.50	5.00	8.50	10.00	52.25	13.65	0.00
3.50	5.00	8.50	10.00	52.25	13.69	0.00

CITY OF DAYTON, OHIO
SPECIAL ASSESSMENTS BILLED AND COLLECTED
LAST TEN YEARS

Collection Year(3)	Current Assessments Due (1)	Percent of		Delinquent Assessments Collected (1)	Total Assessments Collected	Percent of Total Assessments Collected to Current Due (2)
		Current Assessments Collected (1)	Current Collections to Current Assessments			
1999	\$1,346,031	\$736,056	54.7%	\$189,940	\$925,996	68.8%
1998	1,726,054	1,171,223	67.9	137,995	1,309,218	75.9
1997	1,777,543	450,731	65.2	106,135	556,866	31.3
1996	1,001,476	358,649	35.8	190,900	549,549	54.9
1995	1,005,686	369,126	36.7	118,995	488,121	48.5
1994	809,459	390,427	48.2	175,405	565,832	69.9
1993	475,974	346,157	72.7	109,309	455,466	95.7
1992	489,145	390,187	79.8	101,531	491,718	100.5
1991	505,964	362,319	71.6	127,807	490,126	96.9
1990	400,966	329,742	82.2	85,415	415,157	103.5

(1) Reported on a cash basis and includes collections of delinquent utility bills.

(2) Total collections exceed Current Assessments Due because of high collection of curb, gutter, and sidewalk delinquent assessments.

(3) Beginning in 1994, this table includes nuisance abatement and weed mowing assessments.

Note: This table reflects only those special assessments collected through the County Auditor's Office.

Source: County Auditor; Montgomery County, Ohio

CITY OF DAYTON, OHIO
 RATIO OF NET GENERAL OBLIGATION BONDED DEBT
 TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
 LAST TEN YEARS

Collection Year	Net General Bonded Debt (1)	Assessed Value (2)	Population (3)	Ratio of Net General Bonded Debt to Assessed Value	Net General Bonded Debt Per Capita
1999	\$27,526,130	\$1,738,069,616	167,475	1.58%	\$164
1998	43,224,643	1,699,537,162	172,947	2.54	250
1997	9,463,362	1,709,168,672	172,947	.55	55
1996	14,767,060	1,595,501,441	178,540	.93	83
1995	19,402,055	1,586,624,016	182,005	1.22	107
1994	24,078,345	1,581,824,270	182,005	1.52	132
1993	24,885,632	1,572,914,942	182,005	1.58	137
1992	20,981,702	1,608,829,818	182,005	1.30	115
1991	26,983,530	1,657,658,626	182,044	1.63	148
1990	29,922,237	1,426,651,520	182,044	2.10	164

(1) Net general bonded debt is defined as bonded debt supported by taxes less Debt Service Fund fund balance. In years prior to 1994, bonded debt also included special assessment debt.

(2) Source: County Auditor; Montgomery County, Ohio.

(3) Source: U.S. Census Bureau and Miami Valley Regional Planning Commission.

CITY OF DAYTON, OHIO
COMPUTATION OF LEGAL DEBT MARGINS
DECEMBER 31, 1999

COMPUTATION OF OVERALL LEGAL DEBT MARGIN

Assessed Value		<u>\$1,738,069,616</u>
Overall Debt Limitation		
10 1/2 Percent of Assessed Valuation		\$182,497,310
Total Voted and Unvoted Debt Outstanding at December 31, 1999	187,623,987	
Less: Exempt Debt		
Waterworks general obligation	160,000	
Airport general obligation - Dayton International Airport	13,360,000	
Waterworks revenue	41,690,000	
Ohio Water Development Authority Loan	25,883,143	
Airport revenue	37,650,000	
Special assessment	420,844	
Other Exempt Debt	<u>48,225,000</u>	
Debt Within 10 1/2 Percent Limitation	20,235,000	
Less: Bond Retirement Fund Balance	<u>28,743,870</u>	
Net Debt Subject to 10 1/2 Percent Limitation		<u>(8,508,870)</u>
Legal Debt Margin Within 10 1/2 Percent Limitation		<u>\$191,006,180</u>

COMPUTATION OF UNVOTED LEGAL DEBT MARGIN

Assessed Value		<u>\$1,738,069,616</u>
Unvoted Debt Limitation		
5 1/2 Percent of Assessed Valuation		\$95,593,829
Total Unvoted Debt outstanding at December 31, 1999	187,623,987	
Less: Exempt Debt		
Primary Government:		
Waterworks general obligation	160,000	
Airport general obligation	13,360,000	
Waterworks revenue	41,690,000	
Ohio Water Development Authority Loan	25,883,143	
Airport revenue (1)	37,650,000	
Special assessment	420,844	
Other Exempt Debt	<u>48,225,000</u>	
Debt Within 5 1/2 Percent Limitations	20,235,000	
Less: Bond Retirement Fund Balance	<u>28,743,870</u>	
Net Debt Within 5 1/2 Percent Limitation		<u>(8,508,870)</u>
Legal Debt Margin Within 5 1/2 Percent Limitation		<u>\$104,102,699</u>

CITY OF DAYTON, OHIO
 COMPUTATION OF DIRECT AND OVERLAPPING
 GENERAL OBLIGATION BONDED DEBT
 DECEMBER 31, 1999

Jurisdiction	Assessed Value	Net General Bonded Debt	Percentage Overlapping	Net Tax Supported Overall Debt
City of Dayton	\$1,738,069,616	\$27,526,130	100.00%	\$27,526,130
Dayton City School District	1,790,190,819	0	97.09	0
Montgomery County	8,396,598,862	36,517,374	20.70	<u>7,559,096</u>
				<u>\$35,085,226</u>

Source: County Auditor, Montgomery County, Ohio

Note: The percentage of gross indebtedness of the City's overlapping political subdivisions was determined by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.

CITY OF DAYTON, OHIO
 RATIO OF ANNUAL DEBT PRINCIPAL AND INTEREST EXPENDITURES
 FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL
 GENERAL GOVERNMENTAL EXPENDITURES
 LAST TEN YEARS (1)

Year	Principal (2)	Interest and Fiscal Charges (2)	Total	Total General Expenditures	Ratio of Debt Service to General Expenditures
1999	\$5,295,000	\$3,139,008	\$8,434,008	\$195,478,903	4.3%
1998	2,200,000	2,057,228	4,257,228	179,028,081	2.4
1997	2,657,475	1,840,797	4,498,272	175,203,469	2.6
1996	4,147,664	2,081,404	6,229,068	160,906,115	3.9
1995	4,120,582	2,342,289	6,462,871	156,377,956	4.1
1994	5,636,163	2,438,089	8,074,252	152,314,056	5.3
1993	5,200,939	2,266,297	7,467,236	154,796,908	4.8
1992	6,969,964	2,619,762	9,589,726	149,484,249	6.4
1991	10,655,510	2,935,735	13,591,245	150,058,765	9.1
1990	4,883,174	2,804,665	7,687,839	141,833,422	5.4

(1) Total General Expenditures include General, Special Revenue, and Debt Service Funds.

(2) Includes only general obligation debt payable

Source: Finance Department; City of Dayton, Ohio

CITY OF DAYTON, OHIO
REVENUE BOND COVERAGE - DAYTON INTERNATIONAL AIRPORT AND WATER FUNDS
LAST TEN YEARS

Dayton International Airport Fund:

Year	Net Revenue Available for Debt Service (1)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
1999	\$9,114,117	\$1,725,000	\$2,073,164	\$3,798,164	2.40
1998	13,187,915	1,645,000	2,146,660	3,791,660	3.48
1997	9,775,151	1,580,000	2,215,570	3,795,570	2.58
1996	8,861,002	1,520,000	2,473,688	3,993,688	2.22
1995	4,915,697	1,075,000	3,199,898	4,274,898	1.15
1994	8,357,703	1,015,000	3,254,828	4,269,828	1.96
1993	5,228,138	970,000	3,305,815	4,275,815	1.22
1992	5,664,737	690,000	3,881,020	4,571,020	1.24
1991	7,729,057	1,235,000	3,943,946	5,178,946	1.49
1990	8,077,348	1,120,000	4,015,071	5,135,071	1.57

(1) - Net Revenue Available for Debt Service is computed by adding net income (loss) for the reporting period to depreciation, amortization, interest expense, and the net change in accrued compensated absences (from the previous year).

(Continued)

CITY OF DAYTON, OHIO
REVENUE BOND COVERAGE - DAYTON INTERNATIONAL AIRPORT AND WATER FUNDS
LAST TEN YEARS
(Continued)

Water Fund:

Year	Net Revenue Available for Debt Service (1)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
1999	\$15,414,054	\$5,000,000	\$1,389,983	\$6,389,983	2.41
1998	13,764,616	750,000	3,436,222	4,186,222	3.29
1997	11,138,819	710,000	3,478,112	4,188,112	2.66
1996	11,221,602	670,000	3,516,302	4,186,302	2.68
1995	14,246,626	2,095,000	4,204,486	6,299,486	2.26
1994	22,095,917	1,940,000	4,360,706	6,300,706	3.51
1993	19,453,064	1,800,000	4,502,118	6,302,118	3.09
1992	18,917,014	1,675,000	4,630,318	6,305,318	3.00
1991	23,387,652	1,560,000	4,745,038	6,305,038	3.71
1990	22,327,536	1,455,000	4,847,258	6,302,258	3.54

(1) - Net Revenue Available for Debt Service is computed by adding net income (loss) for the reporting period to depreciation, amortization, interest expense, and the net change in accrued compensated absences (from the previous year).

CITY OF DAYTON, OHIO
DEMOGRAPHIC STATISTICS
LAST TEN YEARS

Population (1)		Public School Enrollment (2)				
Year	Number	Year	Elementary	Intermediate	High	Total
1999	167,475	1999-00	13,228	3,515	5,735	22,478
1998	172,947	1998-99	16,305	3,386	6,595	26,286
1997	172,947	1997-98	15,671	4,394	6,102	26,167
1996	178,540	1996-97	16,052	4,328	6,599	26,979
1995	182,005	1995-96	15,913	4,246	6,832	26,991
1994	182,005	1994-95	16,210	4,442	6,690	27,342
1993	182,005	1993-94	15,979	4,593	6,568	27,140
1992	182,005	1992-93	16,532	4,601	6,171	27,304
1991	182,044	1991-92	16,606	4,410	6,644	27,660
1990	182,044	1990-91	17,079	3,940	6,770	27,789

Age Distribution of Population for Last Three Censuses:				Unemployment Statistics (3):	
Age	1990	1980	1970	Year	Rate
Under 5	8.5%	8.2%	8.4%	1999	4.0%
5-14	13.8	14.3	17.7	1998	6.6
15-24	16.8	20.7	20.3	1997	6.9
25-34	18.0	16.1	11.6	1996	7.6
35-44	13.0	8.9	10.4	1995	7.2
45-54	8.3	9.5	11.6	1994	8.5
55-64	8.5	10.2	9.4	1993	8.2
65+	13.1	12.1	10.6	1992	9.5
				1991	8.7
				1990	7.9

- (1) Source: U.S. Bureau of Census and Miami Valley Regional Planning Commission.
 (2) Source: Records of the Dayton Board of Education, Office of Public Information.
 (3) Unemployment rates are an average of that year. Source: Ohio Bureau of Employment Services.

CITY OF DAYTON, OHIO
PROPERTY VALUES, CONSTRUCTION AND BANK DEPOSITS
LAST TEN YEARS

Year	Real Property (1)		Building Permits Issued (2)	Estimated Value of Buildings (2)	County Bank Deposits (3)
	Assessed Value	Estimated Market Value			
1999	\$1,199,695,480	\$3,427,701,371	1,564	\$80,143,557	\$2,994,378,000
1998	1,196,725,090	3,419,214,543	1,390	101,936,784	3,264,705,000
1997	1,197,994,870	3,422,842,486	1,634	82,811,189	3,530,314,000
1996	1,098,801,200	3,139,432,000	1,512	67,723,613	3,899,145,000
1995	1,092,389,270	3,121,112,200	1,571	91,960,478	3,995,114,000
1994	1,101,588,140	3,147,394,686	1,597	90,875,248	4,034,766,000
1993	1,076,506,330	3,075,732,371	1,574	84,860,993	3,834,335,000
1992	1,097,505,920	3,135,731,200	1,281	82,475,017	4,068,798,000
1991	1,122,936,830	3,208,390,943	1,458	74,067,046	6,728,755,000
1990	898,121,640	2,566,061,829	1,511	95,181,705	5,701,107,000

Source: (1) County Auditor; Montgomery County, Ohio

(2) City of Dayton Division of Business Services, Permit Section.

(3) Federal Reserve Bank of Cleveland. No main office in the City of Dayton.

PRINCIPAL TAXPAYERS
DECEMBER 31, 1999

The following is a list of the ten largest ad valorem taxpayers (based on the taxable valuation of their property) subject to the City's taxing jurisdiction.

Name of Taxpayer	Nature of Business	Tangible Property Taxable Valuation	Real Property Taxable Valuation (1)	Total Taxable Valuation (1)	Percentage of Total Assessed Valuation
Dayton Power and Light Company	Public Utility		\$100,628,340	\$100,628,340	5.79%
Delphi Automotive Systems Corporation	Automotive	\$34,177,350	3,976,660	38,154,010	2.20%
AT&T/NCR	Computer Technology	18,867,500	16,344,920	35,212,420	2.03%
Ohio Bell Telephone Company	Public Utility		32,793,110	32,793,110	1.89%
Cargill, Incorporated	Manufacturing	21,657,560	2,869,050	24,526,610	1.41%
Ducru International, Incorporated	Manufacturing	9,076,980	3,893,200	12,970,180	0.75%
Reynolds and Reynolds	Manufacturing	12,131,840		12,131,840	0.70%
DaimlerChrysler Corporation	Automotive	7,807,720	3,451,250	11,258,970	0.65%
Standard Register	Manufacturing	10,448,480		10,448,480	0.60%
Total		114,167,430	163,956,530	278,123,960	16.00%
All Other Taxpayers		273,451,416	1,186,494,240	1,459,945,656	84.00%
Total Assessed Valuation		\$387,618,846	\$1,350,450,770	\$1,738,069,616	100.00%

(1) Includes Public Utility Real

Source: County Auditor, Montgomery County, Ohio

(Continued)

CITY OF DAYTON, OHIO
PRINCIPAL TAXPAYERS
DECEMBER 31, 1999
(Continued)

The listing of employers as shown is based primarily on income tax withholding recorded by the City of Dayton Division of Taxation.

Name of Taxpayer	Nature of Business
Delphi Automotive Systems Corporation	Automotive
AT&T/NCR	Computer Technology
Montgomery County	Government
Miami Valley Hospital	Hospital
Dayton Public Schools	Education
City of Dayton	Government
Reynolds and Reynolds	Manufacturing
DaimlerChrysler Corporation	Automotive
University of Dayton	Education
United States Postal Service	Government

CITY OF DAYTON, OHIO
 MISCELLANEOUS STATISTICS
 DECEMBER 31, 1999

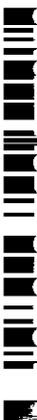
Date of Incorporation	February 12, 1805
Date Present Charter Adopted	August 12, 1913
Form of Government	Commission-Manager Plan
Area - Square Miles	56.3
Miles of Streets and Alleys Paved	855
Miles of Sewers:	
Storm	400
Sanitary	600
Number of Street Lights	19,800
Employees as of December 31, 1999 (all positions)	2,944
Elections:	
Number of Registered Voters	96,447
Number of Votes Cast in Last General Election	17,384
Percentage of Registered Voters Voting in Last General Election	18.02%
Municipal Water Department:	
Number of Accounts	56,849
Average Daily Consumption (million gallons)	61.12
Miles of Water Mains	768
Fire Protection:	
Number of Stations	14
Number of Employees	404
Police Protection:	
Number of Districts	5
Number of Employees	629
Recreation and Park Facilities:	
Number of Acres	2,200
Total Facilities	85
Tennis Courts	78
Golf Courses	6
Swimming Pools (including wading)	28

HIGHEST STANDARDS FOR FINANCIAL REPORTING

The following Department of Finance personnel contributed directly to the 1999 Comprehensive Annual Financial Report:

Cheryl J. Garrett	Finance Director
Forrest K. Betcher	Accounting & Treasury Manager
Frank K. Ghand	Financial Analyst II
Gregory A. Osborne	Financial Analyst II
Joseph M. Rieger	Financial Analyst II
Linda M. Odom	Financial Analyst I
Gayle E. Reed	Financial Analyst I
Chris Wilson	Account Clerk III

Appreciation is extended to all the staff for a fine and useful product and also to individuals in: Accounting and Treasury, Revenue and Taxation, Department of Management and Budget, Local Government Services of the Auditor of State's Office and the other offices that contributed to the preparation of this Report.



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Foxx & Company
Certified Public Accountants

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

The Honorable Members of the City Commission
City of Dayton, Ohio

We have audited the general-purpose financial statements of the City of Dayton, Ohio, as of and for the year ended December 31, 1999, and have issued our report thereon dated June 21, 2000. We did not audit the financial statements of the CityWide Development Corporation, a discretely presented component unit. Those financial statements were audited by other auditors whose report has been furnished to us and our opinion on the general purpose financial statements, insofar as it relates to amounts included for the discretely presented component unit, is based on the report of the other auditors. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of Dayton, Ohio's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the City of Dayton, Ohio in a separate letter dated June 21, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Dayton, Ohio's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

SA-1

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the City of Dayton, Ohio in a separate letter dated June 21, 2000.

This report is intended for the information of management, the Ohio Auditor of State and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Fox & Company

Cincinnati, Ohio
June 21, 2000



Foxx & Company
Certified Public Accountants

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133 AND SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS AND OTHER**

The Honorable Members of the City Commission
City of Dayton, Ohio

Compliance

We have audited the compliance of the City of Dayton, Ohio with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs and the compliance requirements applicable to the City of Dayton, Ohio's Passenger Facility Charge (PFC) program for the year ended December 31, 1999. The City of Dayton, Ohio's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City of Dayton, Ohio's management. Our responsibility is to express an opinion on the City of Dayton, Ohio's compliance based on our audit.

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

In our opinion, the City of Dayton, Ohio complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs and PFC program for the year ended December 31, 1999.

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Internal Control Over Compliance

The management of the City of Dayton, Ohio is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, grants and PFC requirements applicable to federal programs and the PFC program. In planning and performing our audit, we considered the City of Dayton, Ohio's internal control over compliance with requirements that could have a direct and material effect on a major federal program and PFC program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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

Schedule of Expenditures of Federal Awards and Other

We have audited the general-purpose financial statements of City of Dayton, Ohio, as of and for the year ended December 31, 1999, and have issued our report thereon dated June 21, 2000. We did not audit the financial statements of the CityWide Development Corporation, a discretely presented component unit. Those financial statements were audited by other auditors whose report has been furnished to us and our opinion on the general-purpose financial statements, insofar as it relates to amounts included for the discretely presented component unit, is based on the report of the other auditors. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards and Other is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

This report is intended for the information of management, the Ohio Auditor of State and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Fox & Company

Cincinnati, Ohio
June 21, 2000

CITY OF DAYTON, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND OTHER
for the year ended December 31, 1999

Grantor Agency/Programs	CFDA Number	Project Number	Balance January 1,	Receipts	Disbursements	Balance December 31,
U.S. Dept. of Housing and Urban Development						
Community Development Block Grants/Entitlements Grants	14.218	CB-97-MC-39-0010 CB-98-MC-39-0010	\$ (1,430,017)	\$ 5,482,963 6,376,511	\$ 4,052,946 8,100,507	\$ - (1,723,996)
Subtotal			<u>(1,430,017)</u>	<u>11,859,474</u>	<u>12,153,453</u>	<u>(1,723,996)</u>
Emergency Shelter Grants Program	14.231	CS-97-MC-39-0010 CS-98-MC-39-0010	(111,948) (51,903)	- 187,010	- 271,097	(111,948) (135,990)
Subtotal			<u>(163,851)</u>	<u>187,010</u>	<u>271,097</u>	<u>(247,938)</u>
Shelter Plus Care	14.238	OH-16-C-93-1122	(958,680)	-	989,486	(1,948,166)
HOME Investment Partnerships Program	14.239	M-92-MC-39-0205 M-93-MC-39-0205 M-94-MC-39-0205 M-95-MC-39-0205 M-96-MC-39-0205 M-97-MC-39-0205 M-98-MC-39-0205 M-99-MC-39-0205	(151,709) (296,165) (696,900) (423,718) (372,860) (27,429) (319,659)	83,857 204,013 701,691 535,112 572,263 71,000 811,221 155,099	- 78,995 371,103 137,936 217,242 65,500 612,017 242,785	(67,852) (171,147) (366,312) (26,542) (17,839) (21,929) (120,455) (87,686)
Subtotal			<u>(2,288,440)</u>	<u>3,134,256</u>	<u>1,725,578</u>	<u>(879,762)</u>
Fair Housing Assistance Programs-State and Local	14.401	FF-205-K-96-5019 FF-205-K-97-5019 FF-205-K-98-5019 FF-205-K-99-5019	64,952 - - -	- - 85,700 77,340	- 2,286 150 -	64,952 (2,286) 85,550 77,340
Subtotal			<u>64,952</u>	<u>163,040</u>	<u>2,436</u>	<u>225,556</u>
Total U.S. Department of Housing and Urban Development			<u>\$(4,776,036)</u>	<u>\$15,343,780</u>	<u>\$15,142,050</u>	<u>\$(4,574,306)</u>

CITY OF DAYTON, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND OTHER
for the year ended December 31, 1999

Grantor Agency/Programs	CFDA Number	Project Number	Balance January 1,	Receipts	Disbursements	Balance December 31,
U.S. Dept. of Justice						
Byrne Formula Grant Program						
Broken Dreams - Women 96	16.579	95-D6-FOI-7544	\$(65,761)	\$ -	\$ -	\$(65,761)
Broken Dreams - Women 97		95-D6-FOI-7544	16,360	-	1,650	14,710
Broken Dreams - Women 98		97-DG-FOI-7544	(34,425)	36,708	10,101	(7,818)
Mercy Manor Prison Release		96-DG-DO2-7546	(874)	8,067	30,980	(23,787)
Shelter Victim Assistance		96-DG-DO2-7554	8,162	2,450	1,839	8,773
Safe Estates Program		96-DG-DO2-7555	6,540	7,369	3,139	10,770
Subtotal			(69,998)	54,594	47,709	(63,113)
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580	95-DL-BX-0033	(96,615)	84,114	13,459	(25,960)
Violence Against Women Formula Grants						
DPD Stop Violence Against Women	16.588	96-WF-VA7-8902	(2,534)	-	-	(2,534)
Violence Against Women		97-WF-VA7-8910	(3,352)	33,010	29,658	-
Subtotal			(5,886)	33,010	29,658	(2,534)
Grants to Encourage Arrest Policies	16.590	97-WE-VX-0070	(89,453)	501,300	550,211	(138,364)
Local Law Enforcement Block Grants Program	16.592					
97 Local Law Enforcement Block Grant		98-LB-VX-3689	593,046	-	567,713	25,333
98 Local Law Enforcement Block Grant		98-LB-VX-6545	-	698,122	45,613	652,509
Subtotal			593,046	698,122	613,326	677,842
Public Safety Partnership and Community Policing Grants	16.710	97-UL-WX-0024	(30,281)	146,267	139,558	(23,572)
Total U.S. Department of Justice			\$300,813	\$1,517,407	\$1,393,921	\$424,299

CITY OF DAYTON, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND OTHER
for the year ended December 31, 1999

<u>Grantor Agency/Programs</u>	<u>CFDA Number</u>	<u>Project Number</u>	<u>Balance January 1,</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance December 31,</u>
<u>U.S. Dept. of Transportation</u>						
Airport Improvement Program	20.106	96-1-3-39-0029-24-96	\$ (298,272)	\$ 4,808	\$ 525,009	\$ (818,473)
	20.106	97-1-3-39-0029-25-97	(657,933)	657,933	-	-
	20.106	97-1-3-39-0029-26-97	(420,765)	282,041	9,801	(148,525)
	20.106	98-1-3-39-0029-27-98	-	365,406	365,406	-
	20.106	98-1-3-39-0029-28-98	(2,368,348)	4,985,440	2,986,679	(369,587)
	20.106	98-1-3-39-0029-29-98	(420,220)	937,703	379,327	138,156
Subtotal			(4,165,538)	7,233,331	4,266,222	(1,198,429)
State and Community Highway Safety	20.600	98-J7-J-410	(2,383)	2,802	163	256
State and Community Highway Safety	20.600	98-J7-J-410	-	-	17,880	(17,880)
Subtotal			(2,383)	2,802	18,043	(17,624)
<i>Passed-through Ohio Department of Transportation</i>						
Highway Planning and Construction	20.205	NO19(99)	-	1,554,765	1,767,635	(212,870)
Total U.S. Department of Transportation			<u>\$(4,167,921)</u>	<u>\$ 8,790,898</u>	<u>\$ 6,051,900</u>	<u>\$(1,428,923)</u>
Total Federal Financial Assistance			<u>\$(8,643,144)</u>	<u>\$25,652,085</u>	<u>\$22,587,871</u>	<u>\$(5,578,930)</u>
<u>Other</u>						
Passenger Facility Charges	N/A	Application 2	\$ 6,851,170	\$ 2,884,340	\$ 211,014	\$ 9,524,496

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND OTHER

for the year ended December 31, 1999

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards is a summary of the activity of City of Dayton, Ohio's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B - PASSENGER FACILITY CHARGES

Passenger Facility Charges collected by the City of Dayton are legally restricted for capital projects and related expenditures, and cannot be used for any other purpose. Receipts reported consist of the following:

PFC Charges	\$2,817,129
Interest Income	<u>67,211</u>
Total	<u>\$2,884,340</u>

CITY OF DAYTON, OHIO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

for the year ended December 31, 1999

1. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified
Internal control over financial reporting:
Material weakness(es) identified? [] yes [x] no
Reportable condition(s) identified not considered to be material weaknesses? [] yes [x] none reported
Noncompliance material to financial statements noted? [] yes [x] no

Federal Awards

Internal Control over major programs:
Material weakness(es) identified? [] yes [x] no
Reportable condition(s) identified not considered to be material weaknesses? [] yes [x] none reported
Type of auditor's report issued on compliance for major programs: Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)? [] yes [x] no

Identification of major programs:

Table with 2 columns: CFDA Number(s) and Name of Federal Program or Cluster. Rows include 14.218 (Community Development Block Grants/Entitlement Grants), 20.106 (Airport Improvement Program), and 20.205 (Highway Planning and Construction).

Dollar threshold used to distinguish between Type A and Type B programs: \$677,636
Auditee qualified as low-risk auditee? [x] yes [] no

2. Findings Related to the Financial Statements Required to be Reported in Accordance with GAGAS

Table with 2 columns: Finding Number and None.

3. Findings and Questioned Costs for Federal Awards

None

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CITY OF DAYTON, OHIO

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS

December 31, 1999

There were no audit findings or questioned costs relative to Federal awards for the audit of the City of Dayton, Ohio for the year ended December 31, 1998.

*As stewards of the public trust,
our mission is to provide leadership,
excellent services, and
participatory government to
enhance the quality of life and
sense of community for all who live,
work, raise families, or
conduct business in Dayton.*

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

CITY OF DAYTON

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
OCTOBER 24, 2000