

---

**Dayton City School District  
Montgomery County, Ohio**

Reports on Compliance and Internal Controls and  
Schedule of Expenditures of Federal Awards

June 30, 2011





# Dave Yost • Auditor of State

Board of Education  
Dayton City School District  
115 South Ludlow Street  
Dayton, Ohio 45402

We have reviewed the *Independent Auditors' Report* of the Dayton City School District, Montgomery County, prepared by Clark, Schaefer, Hackett & Co., for the audit period July 1, 2010 through June 30, 2011. 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 Dayton City School District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

April 11, 2012

**This page intentionally left blank.**

## TABLE OF CONTENTS

Schedule of Expenditures of Federal Awards.....	1-2
Notes to the Schedule of Expenditures of Federal Awards .....	3
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	4-5
Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 .....	6-7
Schedule of Findings and Questioned Costs.....	8-10
Schedule of Prior Audit Findings.....	11
Independent Accountants' Report on Applying Agreed-Upon Procedures.....	12

Dayton City School District  
 Schedule of Expenditures of Federal Awards  
 For the Fiscal Year Ended June 30, 2011

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Award Receipts</u>	<u>Award Expenditures</u>
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
<i>Child Nutrition Cluster:</i>			
<i>(Direct Award)</i>			
Non-Cash Assistance (Food Distribution):			
National School Lunch Program	10.555	466,682	466,682
<i>(Passed Through Ohio Department of Education)</i>			
Cash Assistance:			
National School Breakfast Program	10.553	1,943,273	1,943,273
National School Lunch Program	10.555	4,329,051	4,329,051
Summer Food Service Program	10.559	141,200	141,200
Total Nutrition Cluster		<u>6,880,206</u>	<u>6,880,206</u>
Fresh Fruits and Vegetable Program	10.582	191,485	191,485
Total U.S. Department of Agriculture		<u>7,071,691</u>	<u>7,071,691</u>
<b><u>National Science Foundation</u></b>			
<i>(Passed through Sinclair Community College)</i>			
Education and Human Resources - Dayton Urban Stem	47.076	29,268	12,967
Total National Science Foundation		<u>29,268</u>	<u>12,967</u>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>			
<i>(Direct Award)</i>			
Readiness and Emergency Management for Schools	84.184E	109,228	109,229
<i>(Passed Through Ohio Department of Education)</i>			
<i>Title I, Part A Cluster:</i>			
Title I Grants to Local Educational Agencies	84.010	11,550,888	13,026,735
ARRA - Title I Grants to Local Educational Agencies	84.389	5,331,446	5,065,130
Total Title I, Part A Cluster		<u>16,882,334</u>	<u>18,091,865</u>
<i>Special Education Cluster:</i>			
Special Education Grant	84.027	3,721,789	3,752,414
Special Education - Preschool Grant	84.173	140,179	157,807
ARRA - Special Education Grant	84.391	1,335,399	1,187,432
ARRA - Special Education - Preschool Grant	84.392	51,962	42,207
Total Special Education Cluster		<u>5,249,329</u>	<u>5,139,860</u>
Career and Technical Education - Basic Grants to States	84.048	768,912	889,278
Safe & Drug Free Schools and Communities - State Grants	84.186	31,069	24,046
Education for Homeless Children and Youth	84.196	125,567	125,252
Twenty-First Century	84.287	148,752	122,342
<i>Educational Technology State Grants Cluster:</i>			
Education Technology Grant	84.318	(7,218)	41,729
ARRA - Education Technology Grant	84.386	161,068	113,302
Total Educational Technology State Grants Cluster		<u>153,850</u>	<u>155,031</u>
Reading First State Grants	84.357	-	52,071
English Language Acquisition Grants	84.365	112,858	105,349

(Continued)

See accompanying notes to the Schedule of Expenditures of Federal Awards.

Dayton City School District  
Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended June 30, 2011  
(Continued)

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Award Receipts</u>	<u>Award Expenditures</u>
<u>U.S. DEPARTMENT OF EDUCATION</u> (continued)			
<i>(Passed Through Ohio Department of Education - continued)</i>			
Improving Teacher Quality Grant	84.367	3,214,622	3,220,008
ARRA - McKinney Vento	84.387	68,122	69,001
ARRA - School Improvement Competitive Grant (G)	84.388	642,707	466,094
ARRA - State Fiscal Stabilization Fund - Education State Grants	84.394	10,546,405	10,710,067
ARRA - Race to the Top	84.395	<u>71,545</u>	<u>94,368</u>
Total U.S. Department of Education		<u>38,125,300</u>	<u>39,373,861</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>(Direct Award)</i>			
CHIRPA - Children's Health Insurance Program Outreach and Enrollment	93.767	191,913	190,860
<i>(Passed Through Miami Valley Child Development Centers)</i>			
Head Start	93.600	<u>1,750,314</u>	<u>1,728,258</u>
Total U.S. Department of Health and Human Services		<u>1,942,227</u>	<u>1,919,118</u>
TOTAL FEDERAL AWARDS		<u>\$ 47,168,486</u>	<u>\$ 48,377,637</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**Note A – Significant Accounting Policies**

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

**Note B – U.S. Department Of Agriculture Programs**

Cash receipts from the U.S. Department of Agriculture are commingled with State and Local funds. It is assumed federal monies are expended first.

**Note C – Food Distribution Programs:**

Non-monetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule of Expenditures of Federal Awards at the fair market value of the commodities received and consumed. At June 30, 2011, the District had no significant food commodities in inventory.

**Note D – Matching Requirements**

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



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

Board of Education  
Dayton City School District  
115 South Ludlow Street  
Dayton, Ohio 45402

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Dayton City School District (the District), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated February 8, 2012, wherein we noted the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54 during the year. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

Management of the District is responsible for establishing and maintaining effective internal controls over financial reporting. In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs as finding 2011-001, which we consider to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

2525 north limestone street, ste. 103  
springfield, oh 45503

www.cshco.com  
p. 937.399.2000  
f. 937.399.5433

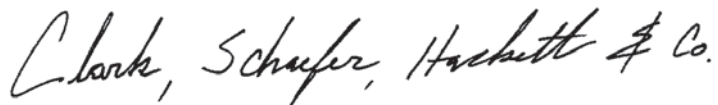
## Compliance and Other Matters

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

We noted certain matters that we reported to management of the District, in a separate letter dated February 8, 2012.

The District's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the District's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the audit committee, Board of Education, others within the District, the Auditor of State of Ohio, 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.



Springfield, Ohio  
February 8, 2012

**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE  
A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH  
OMB CIRCULAR A-133**

Board of Education  
Dayton City School District  
115 South Ludlow Street  
Dayton, Ohio 45402

**Compliance**

We have audited Dayton City School District's (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2011. The District'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 District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2011-002.

2525 north limestone street, ste. 103  
springfield, oh 45503

www.cshco.com  
p. 937.399.2000  
f. 937.399.5433

## Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 2011-002. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

## Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the District, as of and for the year ended June 30, 2011, and have issued our report thereon dated February 8, 2012, wherein we noted the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54 during the year. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the District's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the audit committee, Board of Education, others within the District, the Auditor of State of Ohio, 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.



Springfield, Ohio  
February 8, 2012

**Section I – Summary of Auditors’ Results**

**Financial Statements**

Type of auditors’ report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	None noted
• Significant deficiency(ies) identified not considered to be material weakness(es)?	Yes
Noncompliance material to financial statements noted?	None noted

**Federal Awards**

Internal control over major programs:	
• Material weakness(es) identified?	None noted
• Significant deficiency(ies) identified not considered to be material weakness(es)?	Yes
Type of auditors’ report issued on compliance for major programs:	Unqualified
Any audit findings that are required to be reported in accordance with 510(a) of Circular A-133?	Yes

Identification of major programs:

*Title I, Part A Cluster:*

- CFDA 84.010 – Title I Grants to Local Educational Agencies
- CFDA 84.389 – Title I Grants to Local Educational Agencies – ARRA

*Special Education Cluster:*

- CFDA 84.027 – Special Education Grant
- CFDA 84.391 – Special Education Grant – ARRA
- CFDA 84.173 – Special Education – Preschool Grant
- CFDA 84.392 – Special Education – Preschool Grant – ARRA

*Educational Technology State Grants Cluster:*

- CFDA 84.318 – Education Technology Grant
- CFDA 84.386 – Education Technology Grant - ARRA

CFDA 84.394 – State Fiscal Stabilization Fund – Education State Grants – ARRA

CFDA 93.600 – Head Start

Dollar threshold to distinguish between Type A and Type B programs:	\$1,451,329
Auditee qualified as low-risk auditee?	Yes

**Section II – Financial Statement Findings**

**Finding 2011-001: Audit Adjustments**

Auditing standards generally accepted in the United States of America require that certain audit adjustment should be communicated to those charged with governance. The following adjustment discovered during the audit was posted to the financial statement:

- Increase the amount of cash and cash equivalents with fiscal agent to agree to the market value of the corresponding asset as reported by the financial institution.

In addition to the adjustment noted above, additional adjustments were noted during the audit which were not posted to the financial statements, but were significant enough to be noted:

- Certain intergovernmental receivables and accounts payables were not recognized and reported.
- Calculation of the compensated absences liability did not take into account the maximum amount of leave time for which an employee could receive severance payment.
- Certain intergovernmental revenue related to federal grants should have been classified as program revenue within the statement of activities, but was reported as general revenue.
- Improper journal entries were made to reduce the amount reported as due to other funds liabilities that resulted in certain funds incorrectly reporting a due from other funds asset.

While the adjustments noted above were not material to an opinion unit for the current year, the District should review, and make any necessary changes to, the reporting procedures in place to ensure similar adjustments are not necessary for future periods.

*Management Response:*

*The District appreciates the auditors providing us these adjustments and we concur.*

### **Section III – Federal Awards Findings and Questioned Costs**

#### **Finding 2011-002: Reporting Requirements**

***Programs: Title I, Part A Cluster (CFDA No. 84.010 and 84.389)***

***Special Education Cluster (CFDA No. 84.027, 84.391, 84.173 and 84.392)***

***Award Year: 2011***

***Federal Agency: U.S. Department of Education***

***Pass-Through Agency: Ohio Department of Education***

*Condition:* During the audit, the School District did not comply with reporting to the Ohio Department of Education (ODE), the total number of vendors that received single payments greater than \$25,000 on the 1512 ARRA Subrecipient Vendor report. During our procedures we noted that, 1) no vendors were reported for the third quarter of the fiscal year even though there were ones that qualified to be reported, 2) vendor reporting on a cumulative basis as required by ODE was inconsistent throughout the year, and 3) a vendor that was reported during the fiscal year did not receive a single payment greater than the \$25,000 limit.

*Criteria:* American Recovery and Reinvestment Act of 2009 (ARRA), section 1512 (b) & (c) requires any entity that receives Recovery funds directly from the Federal Government to submit to the Federal Agency no later than 10 days after the end of each calendar quarter in which the Federal Recovery funds were received. The Ohio Department of Education's American Recovery and Reinvestment Act Reporting Guidance states that ODE, as a prime recipient of ARRA funding, is required to report quarterly to the federal government data on ARRA programs. The School District did not receive direct ARRA funding. However, the ODE's reporting guidance indicates that ODE distributes ARRA funds to local education agencies (LEAs) as subrecipients and must collect quarterly data from LEAs to meet the 1512 reporting requirements associated with ARRA funding. Thus, the 1512 reporting requirements filter down to the School District which is required to report certain information to ODE. Among the items to be reported, the vendor name and zip code are required for each vendor that received a single payment, from a single ARRA grant, in excess of \$25,000.

*Effect:* Failure to properly report in accordance with program requirements could result in loss of funding or other actions by the funding agency.

*Cause:* The School District did not implement procedures to ensure, 1) the completeness or accuracy of the vendors receiving single payments of \$25,000 reported on the ODE 1512 ARRA Subrecipient Vendor report and n a cumulative basis quarterly and 2) qualifying vendors were reported to ODE on a cumulative basis each quarter.

*Recommendation:* We recommend the School District implement procedures to ensure all vendors receiving single payments of \$25,000 are reported on the ODE 1512 ARRA Subrecipient Vendor report and that the ODE 1512 ARRA Subrecipient Vendor report is prepared on a cumulative basis to comply with federal regulations.

*Management Response:*

*The rules for the reporting requirements for ARRA funds changed throughout the grant period. Therefore, with the rules changing, the District missed some vendors. In the future, the District will make every effort to be aware of the current rules of reporting the ARRA data.*

**Finding 2010-001: 1512 ARRA Report for SFSF**

The District did not comply with reporting to ODE the total number of vendors that received single payments greater than \$25,000 from the State Fiscal Stabilization Fund (CFDA No. 84.394).

*Status: No issues noted for the State Fiscal Stabilization Fund (CFDA No. 84.394) for current year, however similar comment was issued for Title I, Part A Cluster and Special Education Cluster, see finding 2011-002.*



## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURE

Board of Education  
Dayton City School District  
115 South Ludlow Street  
Dayton, Ohio 45402

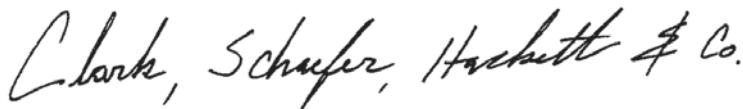
Ohio Rev. Code Section 117.53 states “the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school.”

Accordingly, we have performed the procedure enumerated below, which was agreed to by the Board, solely to assist the Board in evaluating whether Dayton City School District (the District) has updated its anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of this procedure is solely the responsibility of the Board. Consequently; we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board amended its anti-harassment policy at its meeting on March 9, 2010 to include violence within a dating relationship within its definition of harassment, intimidation or bullying and which is supplemented by the District's Administrative Guidelines Section 5517.01.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, the Board of Education, and the Auditor of State of Ohio, and is not intended to be and should not be used by anyone other than these specified parties.



Springfield, Ohio  
February 8, 2012

2525 north limestone street, ste. 103  
springfield, oh 45503

www.cshco.com  
p. 937.399.2000  
f. 937.399.5433

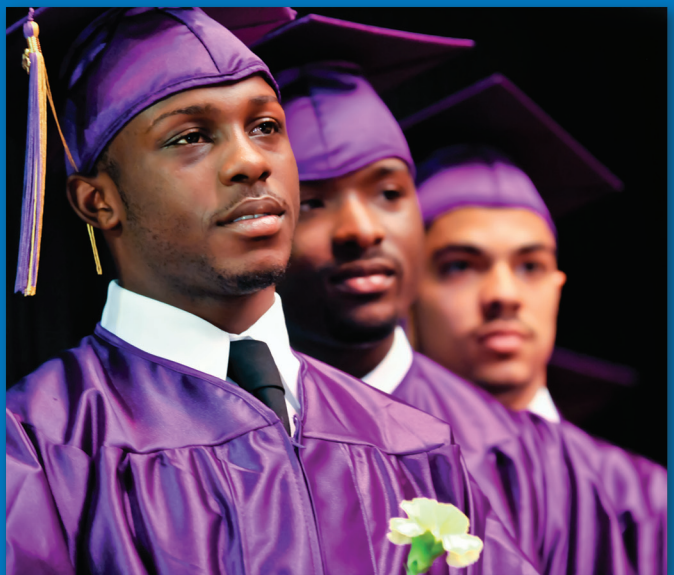


At Clark Schaefer Hackett, we are the sum of our individuals. Each team member's training, experience and drive is well-suited to each client's needs and goals. We are committed to providing insightful and flexible service – from efficient compliance to sophisticated consulting – to help each client prosper today and plan for future success



# Dayton City School District Comprehensive Annual Financial Report

for the Fiscal Year Ended June 30, 2011





**COMPREHENSIVE**  
**ANNUAL FINANCIAL REPORT**  
of the  
**DAYTON CITY SCHOOL DISTRICT**  
for the  
**FISCAL YEAR ENDED JUNE 30, 2011**

Prepared by

**TREASURER'S OFFICE**

Stanley E. Lucas  
Treasurer and Chief Financial Officer



115 South Ludlow Street  
Dayton, Ohio 45402



DAYTON BOARD OF EDUCATION  
JUNE 30, 2011



Nancy Nerny  
*President*



Ronald C. Lee  
*Vice President*



Yvonne V. Isaacs  
*Board Member*



Joe Lacey  
*Board Member*



William B. Schooler  
*Board Member*



Sheila Taylor  
*Board Member*



Stacy M. Thompson  
*Board Member*



Lori L. Ward  
*Superintendent*



Stanley E. Lucas  
*Treasurer*





# **INTRODUCTORY SECTION**

**This page intentionally left blank.**

**DAYTON CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY, OHIO  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2011**

---

**TABLE OF CONTENTS**

INTRODUCTORY SECTION

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

FINANCIAL SECTION

Independent Auditors’ Report.....	1
Management’s Discussion and Analysis.....	3
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets .....	12
Statement of Activities.....	13
Fund Financial Statements:	
Balance Sheet – Governmental Funds .....	14
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities.....	15
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	17
Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund – Budget (Non-GAAP) and Actual .....	18
Statement of Fund Net Assets – Internal Service Funds.....	19
Statement of Revenues, Expenses and Changes in Fund Net Assets – Internal Service Funds .....	20
Statement of Cash Flows – Internal Service Funds .....	21

**DAYTON CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY, OHIO  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2011**

---

**TABLE OF CONTENTS**

Statement of Fiduciary Net Assets .....	22
Statement of Changes in Fiduciary Net Assets .....	23
Notes to the Basic Financial Statements .....	24
 <i>Supplementary Information</i>	
Combining Statements and Individual Fund Schedules:	
Major Governmental Funds:	
Fund Descriptions .....	58
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP) and Actual:	
Bond Retirement Fund .....	59
Classroom Facilities Fund .....	60
Nonmajor Governmental Funds:	
Fund Descriptions .....	61
Combining Balance Sheet – Nonmajor Governmental Funds .....	65
Combining Balance Sheet – Nonmajor Special Revenue Funds .....	66
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	73
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds .....	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds .....	75
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	81
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP ) and Actual:	
Other Grants Fund .....	82
Computer Networks Fund .....	83
Maintenance of Classroom Facilities Fund .....	84
District Managed Student Activities Fund .....	85
Auxiliary Services Fund.....	86

**DAYTON CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY, OHIO  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2011**

---

**TABLE OF CONTENTS**

Management Information Systems Fund.....	87
Public School Preschool Fund.....	88
Entry Year Program Fund .....	89
Data Communications Fund .....	90
Vocational Education Enhancement Fund .....	91
Alternative Schools Fund .....	92
Miscellaneous State Grants Fund .....	93
Race to the Top.....	94
Title VI-B Fund.....	95
Vocational Education Fund .....	96
Head Start Fund.....	97
State Fiscal Stabilization Fund .....	98
Title II-D Technology Fund .....	99
Title I School Improvement Stimulus A Fund .....	100
Title I School Improvement Stimulus G Fund .....	101
Dropout Prevention and Intervention Fund.....	102
Title I Fund.....	103
Title VI Fund.....	104
Drug Free Schools Program Fund.....	105
EHA Preschool Grants for the Handicapped Fund.....	106
Title VI-R Classroom Size Reduction Fund.....	107
Miscellaneous Federal Grants Fund .....	108
Special Trust Fund.....	109
Food Service Fund.....	110
Welcome Stadium Fund .....	111
Uniform School Supplies Fund .....	112
Other Grant Rotary FunD.....	113
Public School Support Fund.....	114
Permanent Improvement Fund .....	115
Building Fund.....	116
Interactive Video Distance Learning Fund.....	117
 Internal Service Funds:	
Fund Descriptions .....	118
Combining Statement of Fund Net Assets – All Internal Service Funds.....	119
Combining Statement of Revenues, Expenses and Changes in Net Assets – All Internal Service Funds .....	120
Combining Statement of Cash Flows – All Internal Service Funds .....	121

**DAYTON CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY, OHIO  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2011**

---

**TABLE OF CONTENTS**

Individual Fund Schedules of Revenues, Expenses and Changes  
in Fund Equity – Budget (Non-GAAP) and Actual:

Warehouse Fund.....	122
Retrospective Workers’ Comp Fund .....	123
Self-Insurance Fund .....	124

Fiduciary Fund:

Fund Description.....	125
Combining Statement of Changes in Assets and Liabilities - Agency Fund.....	126

STATISTICAL SECTION

Statistical Section Description .....	127
Net Assets by Component – Last Ten Fiscal Years .....	129
Expenses, Program Revenues, and Net Expense – Last Ten Fiscal Years .....	130
General Revenues and Total Changes in Net Assets – Last Ten Fiscal Years .....	131
Fund Balance of Governmental Funds – Last Ten Fiscal Years.....	132
Revenues, Expenditures and Debt Service Ratio of Governmental Funds - Last Ten Fiscal Years .....	134
Other Financing Sources(Uses) and Change in Fund Balances for Governmental Funds – Last Ten Fiscal Years.....	136
Assessed and Estimated Actual Value of Taxable Property – Last Ten Calendar Years .....	138
Property Tax Rates – Direct and Overlapping Governments (per \$1,000 assessed Valuation) – Last Ten Calendar Years .....	140
Principal Property Taxpayers – Current Fiscal Year and Nine Years Ago.....	142
Property Tax Levies and Collections – Last Ten Calendar Years .....	144
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years.....	146
Legal Debt Margin Information – Last Ten Fiscal Years .....	148
Direct and Overlapping Governmental Activities Debt – As of June 30, 2011 .....	150
Pledged-Revenue Coverage – Last Eight Fiscal Years.....	151
Demographic Statistics – Last Ten Calendar Years.....	152
Principal Area Employers – Current Year and Four Years Ago.....	153
Operating Statistics – Last Ten Fiscal Years .....	154
Full-Time Equivalent District Employees by Type – Last Six Fiscal Years .....	156
Teacher Education and Experience – June 30, 2011.....	157
Capital Asset Information – Last Six Fiscal Years .....	158



Lori L. Ward  
*Superintendent*  
Stanley E. Lucas  
*Treasurer*

115 S. Ludlow Street · Dayton OH 45402-1812

February 8, 2011

Board of Education  
Dayton City School District  
115 S. Ludlow Street  
Dayton, Ohio 45402

Dear Board Members:

The Comprehensive Annual Financial Report of the Dayton City School District (the “District”) for the fiscal year ended June 30, 2011, is hereby submitted. This report was prepared by the Treasurer’s Office and is completed to fulfill the State of Ohio’s requirement that annually the District has an audit of its financial statements prepared in accordance with Generally Accepted Accounting Principles.

The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, remains with the management of the District. To the best of our knowledge and belief, the data presented is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and results of the District’s operations as measured by the financial activity of its various funds. A comprehensive framework of internal control has been established to govern the processing and reporting of the District’s financial data. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Clark Schaefer Hackett & Co. has issued an unqualified opinion on the Dayton City School District’s financial statements for the year ended June 30, 2011. The report of the independent auditors is located in the front of the financial section of this report.

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

## **DISTRICT PROFILE**

### *The School District and Its Facilities*

The Dayton City School District provides educational services, as mandated by state and/or federal laws, to children located within its boundaries. Within the boundaries of the District are the City of Dayton, Ohio and Harrison Township. For the 2010-2011 school year, the District was the 10<sup>th</sup> largest school district in the State of Ohio (among 612 school districts) with 14,174 enrolled students. The District operates 32 schools - 18 PreK-8 schools, 7 specialty schools, 1 alternative school, 4 high schools and 2 board sponsored community schools.

### *The Board of Education and the Administration*

The Board of Education (the "Board") of the Dayton City School District is a political and corporate body charged with the responsibility of managing and controlling affairs of the District. The District is also governed by the general laws of the State of Ohio as set forth in the Ohio Revised Code. The Board is comprised of seven members who are elected for overlapping four-year terms. Yvonne V. Isaacs has served on the Board for ten years and her term expires on December 31, 2013. Mr. Mims was elected Board President on January 6, 2009. Mr. Mims's resigned his seat in January 2011 when he was elected to the State of Ohio Board of Education. In January 2011, William Schooler was appointed to serve the unexpired term of Mr. Mims. Joe Lacey has served on the Board for six years and his term will expire December 31, 2013. Stacy Thompson was elected initially to a two year term after being appointed to the Board in 2006. She was reelected in 2009 and her term expires December 31, 2013. Ronald Lee was appointed to fill Gail Littlejohn's unexpired term in November, 2007. He was reelected in 2009 and his term will expire on December 31, 2013. Nancy Nerny was elected to the board in 2007. Nancy was appointed as the Board President on January, 2008 and her term will expire in 2011. Sheila Taylor was elected to the board in 2007 and will serve a four year term which expires in 2011.

The Superintendent of Schools is the chief executive officer of the District. The Superintendent has the responsibility for managing and placing teachers and other employees, assigning the pupils to the proper schools and grades, and performing such other duties as determined by the Board. Mrs. Lori Ward was appointed as the Superintendent on July 1, 2010. Mrs. Ward was the Superintendent of record for this reporting period.

The Treasurer is the chief financial officer of the District and is appointed by and reports directly to the board. Stanley E. Lucas has served as the District's treasurer since July 1, 2002. He was re-appointed to a five-year term of employment commencing January 1, 2009 and ending July 31, 2014. Mr. Lucas was the Treasurer of record for this reporting period.



### Employee Relations and Benefits

The District currently has 1,325 certificated employees (psychologists, teachers, reserve teachers, and administrators) and 787 classified employees (administrators, secretarial, clerical, custodial, and cafeteria workers, as well as bus drivers and other non-teaching, non-administrative personnel). Therefore, the District currently has approximately 2,112 full and part-time employees. In the fiscal year ended June 30, 2011, the District paid out from its general fund (state fiscal stabilization fund (SFSF) included) \$91,887,173 in salaries and \$10,710,066 in fringe benefits and other labor related costs. These expenditures are comprised of employer retirement contributions, workers' compensation insurance coverage, unemployment compensation, life insurance, medical and dental insurance premiums.

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

The clerical employees are represented by the Ohio Association of Public School Employees (OASPE), Clerical Chapter 158. The paraprofessional employees are represented by OAPSE, Paraprofessional Chapter 643. The transportation employees are represented by the OAPSE, Transportation Chapter 627. Educational interpreters are represented by OAPSE, Chapter 766. Mechanics are represented by OAPSE, Local 156. Lead child care teachers, mental health technicians, occupational therapists, and physical therapists are represented by OAPSE Local 191. Psychologists are represented by OAPSE, Local 766B. Head Start is represented by OAPSE, Local 155. The building trade's employees are represented by the Dayton Building and Construction Trades Council, AFL-CIO. The custodial and food service employees are represented by the Dayton Public Service Union (DPSU), Local #101, Ohio Council #8, AFSCME, AFL-CIO. The security resource officers are represented by DPSU, Local #101, Ohio Council #8, AFSCME, AFL-CIO. Reserve teachers are represented by the Dayton Chapter of Reserve Teachers. The collective bargaining agreements for Local 101, Local 156 and Local 627 expired during fiscal year 2010. All are currently in or scheduled to be in negotiations. All other agreements remain in effect.

The District provides life insurance and accidental death and dismemberment insurance to employees through the American United Life Insurance Company but changed to The Hartford Life Insurance Company effective January 1, 2009. The District has a self-funded health insurance coverage utilizing United Healthcare Insurance Company (UHC) as a third party administrator. The employee share of the total health care premium ranges from fifteen percent to thirty percent of the monthly premium depending upon plan option and single/family contract selected. Dental insurance was provided to eligible employees through a self-insurance plan administered by Mutual Health Services or a premium based policy issued by Assurant. The District provided dental insurance through Met Life.

All District employees participate in either the State Teachers Retirement System or the School Employees Retirement System. The current employer obligation for contributions is 14 percent of the employee's salary. Both retirement systems were created by and operate under Ohio law. The General Assembly could amend the format of either system and could revise rates or

methods of contribution to be made by the District in the future. The State Teachers Retirement System is applicable to all teachers, principals, supervisors and administrators who are required to hold a certificate issued by the State Department of Education. Other eligible employees are covered by the School Employees Retirement System. Pursuant to federal law, all District employees hired after March 31, 1986, are required to participate in the federal Medicare program, which currently requires employer and employee contributions each equal to 1.45 percent of the employee's wages in accordance to the FICA limit. Otherwise, District employees are not presently covered by the federal Social Security Act. The District's required contributions for pension obligations to the two retirement systems on behalf of its employees amounted to \$13,726,615 (excluding health care benefits) for the 2011 fiscal year.

## **ECONOMIC CONDITION AND OUTLOOK**

### *Local Property Taxes*

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

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

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

Tax year 2006 was the first year of the phased-in elimination of tangible personal property taxes on general businesses, telephone and telecommunications companies and railroads as a result of HB 66, approved by the state legislature in June 2005. The tax on general business and railroad property was eliminated in 2009, and the tax on telephone and telecommunications property will be eliminated by 2011. The tax is phased out by reducing the assessment rate on the property each year. In the first five years, school districts and local governments are reimbursed fully for the lost revenue, with the exception of the 1% annual decreases in listed percentages for inventory, which were in place before HB 66. The state property tax reimbursements will be fully phased out over seven years beginning in 2012. In fiscal year 2011, the District did receive \$13 million net of the charge-off from the state to reimburse the District for the loss of personal

property taxes due to the phase out. The reimbursements are recorded as part of allocations in intergovernmental revenue.

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

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

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

### School Foundation

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

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

On December 3, 2003, the Ohio Supreme Court issued its latest opinion regarding the State of Ohio's funding plan. It had been argued that the dependence on property taxes puts school districts with low property values at a disadvantage, because tax rates must be higher than in districts with higher property values to raise a similar amount of money. The Supreme Court ruled once again that the State's school funding plan is unconstitutional, but ended its control without prescribing a solution or ordering state officials back to the court. The Court did direct the Ohio General Assembly to enact a school-funding plan that is thorough and efficient.

This was the fourth time the Ohio Supreme Court majority has found the school funding unconstitutional. The Court did not indicate any enforcement measures to ensure that the state administration overhauls the current system. Therefore, as of the date of these financial statements, the District is unable to determine the future impact of this decision on State funding and on its financial operations.

### *Local Economy*

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

### *Economic Development*

In 2010, on *Forbes* magazine's Best Places for Business and Careers in the United States, the city of Dayton ranked 164. *Forbes'* ranking of the 200 largest metropolitan areas, takes into account employee income, job growth, and costs of doing business, including process of labor, energy, taxes and office space. The magazine also factors in regional crime rates, qualifications of the available labor pool and housing costs.

### *Automotive Manufacturing*

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

Area manufacturers weathered another tough financial year, influenced by fierce global competition and declining domestic automobile production. In the Dayton region, manufacturing employment has fallen by 26.0% since 2001. The explanation for this discrepancy in job loss rates is tied to Dayton's disproportionately high number of manufacturing jobs and ties to the U.S. automobile industry.

The "Big Three" U.S. automaker's declining sales and domestic automobile production has greatly impacted this region. General Motors recent decision to eliminate production at the Moraine assembly plant and the insolvency of Delphi has contributed to further workforce reductions.

### *Tooling & Machining*

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

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

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

### *Aerospace Industry and Wright-Patterson Air Force Base*

A major catalyst for growth in the Dayton area has been and continues to be Wright-Patterson Air Force Base – an important and unique U.S. Air Force Base. Wright Patterson employs almost one of every twelve people working in the greater Dayton area. The largest single-site employer in Ohio with more than 25,000 military and civilian employees, the Base is headquarters for the Aeronautical Systems Center (ASC) – the foremost aeronautical acquisition center in the U.S. Air Force.

The 2005 Defense Base Realignment and Closure (“BRAC”) Commission recommendations will bring about 1200 new military and civilian positions to Wright Patterson Air Force Base. The base will become the home for Centers of Excellence for Human Performance and Sensors Research employing highly specialized personnel. Construction and transition activities will continue until 2011.

### *Research and Development*

Miami Valley Research Park, supported by the Miami Valley Research Foundation, a private, nonprofit corporation is a vital resource for the metropolitan region. The 1,500 - acre park is a university –related facility that is the site of corporate and government research firms. The Research Park’s goal is to promote research, technology, and science, while helping to create and preserve employment opportunities.

### *Technology Transfer*

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

### *Information Technology/Health Care*

The information technology industry has a long history in Dayton. NCR, a worldwide leader in computer technology and applications, recently announced that it will move its corporate headquarters from Dayton to Duluth, Georgia, taking with it more than one thousand jobs. Reynolds and Reynolds, Lexis-Nexis and a host of other IT companies however still call the Dayton region home. In addition there are two major health care networks – Premier Health Partners and Kettering Medical Network employ over 19,000 and are nationally recognized for their quality of care. Area health care organizations have been steadily expanding both their physical facilities and services offered. Technological advances have been readily incorporated into Dayton area hospitals, making this economic sector one of the most promising for the region.

### *Distribution and Warehousing*

The Dayton International Airport is an ideal location for cargo and freight operations due to its proximity to the Crossroads of America, I-70 and I-75 intersection. Passenger traffic at the airport with 10 airlines providing non-stop service to 21 major U.S. cities continued this past year to increase by 2.8%. Air cargo dropped off significantly due to the absence of Emery Worldwide, however The Dayton International Airport has become a significant regional air freight hub hosting: Aviation Facilities Company Inc, Fed Ex, UPS Airlines and Excel Global.

### *Higher Education Opportunities*

There are 22 nationally recognized colleges and universities in the Dayton region. The Dayton region was ranked 5<sup>th</sup> in the country in the number of science and engineering degrees granted annually. Due to the availability of educational facilities with a wide variety of educational and interdisciplinary research programs, Dayton has a ready resource of highly qualified professional employees to support area businesses.

### *Dayton Area Economy*

According the Dayton Area Chamber of Commerce, the Dayton region has been experiencing a decline in our employment base due in part to the Dayton area's concentration in the manufacturing industry. The unemployment rate is around 13% which is higher than the state average. The area has seen several major companies exit Dayton. The Delphi plant and NCR have moved affecting 1700 workers. NCR's departure marked Dayton's only Fortune 500 headquarters. Manufacturing jobs have been leaving Dayton for 30 years. NCR's departure marks the end of an era. While there has been job loss over the past year, the fact remains that there has been employment growth in the region. Industry sectors such as Education, Health Services, Professional and Business Services and Defense have all seen employment growth. The Dayton region is transitioning from a heavy emphasis in manufacturing industries to one of high tech/service producing industries. As we move further along in this transition, the economy will grow stronger as new employment opportunities present themselves.

## **MAJOR INITIATIVES**

During our successful 2008 levy campaign, the Dayton Board of Education made a Contract with the Community to demonstrate that we are committed to becoming a more effective, efficient, and transparent educational enterprise. At that time, we sought candid input from parents; community members; business, labor, civic and neighborhood leaders; the faith community; DPS employees; and many others. This information was a rich resource in developing our strategic plan for success.

The plan was developed to take us from where we are now to where we want to be. *Our vision is to be an innovative district of champions where students are academically and culturally prepared by a team committed to developing critical thinkers and productive citizens ready to serve the world community.* Its five strategic goals outline our areas of focus moving forward:

**High Quality Education:** Provide high quality education for college and careers.

**Safe Environment:** Guarantee that our schools are safe and secure.

**Excellent Customer Service:** Provide excellent customer service, both internally and externally.

**Fiscal Responsibility:** Demonstrate fiscally responsible practices.

**Community Support:** Earn the trust and support of the entire community we serve.

Dayton's future depends on the sustained progress of its public school system. When we have a road map, we not only know how to achieve our goals, but also hold ourselves accountable to the benchmarks by which we measure our progress.

The District has adopted strategic initiatives that guides its efforts for continuous improvement. The mission statement of the District currently states that:

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

### School District Initiatives

The District's board and superintendent have established eight district-wide strategic initiatives focused on higher student achievement. The initiatives provide a clear and consistent focus on student achievement, set high expectations for students and staff, and serve as the basis for future District decision-making. The District's eight strategic initiatives are literacy and mathematics, professional development, student behavior, accountability, equity, parent and family involvement, civic capacity and organizational design and development.

The District's literacy program improves the level of reading and writing skills. District students posted some of the highest reading scores gains in district history and met expectations set by the federal No Child Left Behind (NCLB) law. Students also made unprecedented gains in math proficiency. Dayton Public Schools (DPS) had the most improved graduation rate of any Ohio urban district. With student achievement as a central focus, professional development was offered to all District personnel. Through the professional development program, teachers and paraprofessionals were helped to meet the highly qualified teacher mandates under the federal NCLB legislation. The Student Code of Conduct manual has been revised to ensure uniform and consistent enforcement district-wide. The State Report Card indicates Dayton's student attendance rate continued to improve to 92.4% in 2011 as a direct result of the District's truancy program and aggressive marketing programs. The District has implemented alternative learning approaches that meet the needs of students with chronic behavior problems.

The equity initiative will ensure that all students have the resources they need. This initiative calls for tracking concerns about racial and economic equity. The goal is to flow resources to schools that have particular obstacles such as high poverty rates that hinder efforts to provide instruction of equal quality compared to other District schools. The parent and family involvement initiative is designed to strengthen partnerships between home and school by training volunteers and instituting more parent-school contacts. The civic capacity initiative goal is to nurture mutually beneficial school-community relationships. This concept aims to build partnerships with business, civic groups, non-profit organizations, colleges, churches and others in the community to support the District's academic goals. Initial tasks will be to devise a profile for a "successful Dayton Public Schools graduate" and a "strong neighborhood school" that

school officials can use to shape future programs. The organizational design and development initiative plans to ensure effective and efficient operations that support District goals. This initiative formalizes efforts to upgrade the District's management approach, promising revised job descriptions, new program manuals and improved accountability. These additional measures are meant to enhance the original reform initiatives, rather than replace them.

The Dayton Board of Education at its October 7, 2008, meeting pledged to improve student achievement while holding down costs, two foundational elements of its contract with the community. The contract sets hard benchmarks that Dayton Public Schools must meet before considering any future levy request of district voters. It is the result of a six-month study of operations and instructional programs in collaboration with the Community Leadership Committee, comprised of Dayton's business leaders. The contract also provides for an Accountability Panel of business and community leaders to oversee District progress in the areas studied and report progress regularly to the community at large.

In August, 2008 the Dayton Board of Education approved a 4.9 mill continuing operating levy to be placed on the November, 2008 general election ballot. The levy was overwhelmingly affirmed by the community with a 57 percent favorable vote. The new levy will generate approximately \$9.3 million in additional tax receipts annually and is used primarily to maintain current educational programs and after-school activities.

#### *Comprehensive Continuous Improvement Plan*

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

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

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



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

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

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

This financial report is a contribution to the satisfaction of a goal of the District reform initiatives, which is to ensure that the financial resources are aligned with the District objectives.

Dayton Public Schools construction project is the first urban district to close-out a segment approved by OSFC.

#### *Information Technology Outsourcing and Systems Integration Agreement*

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

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

### The Education Foundation Fund

Ohio Revised Code Section 3315.40 grants to boards of education the authority to establish an education foundation fund. It was the recommendation of the Dayton Board of Education at their December 2, 1992, meeting to establish "The Dayton Public School Fund" to provide significant, long-term financial resources to accelerate and sustain continuous improvement toward fulfilling the District's mission and vision of excellence. It was also recommended that the Dayton Board of Education, pursuant to Ohio Revised Code Section 3315.41, appoint the Dayton Foundation as fiscal agent.

## **RELEVANT FINANCIAL INFORMATION**

### Financial Management System

The Comprehensive Information Management for Schools III, known by the acronym CIMS III, includes the following applications: Financial Management System (FMS); Employee Management System (EMS); Fixed Asset Inventory System (FAS); and Human Resource Management System (HMS). The FMS and FAS applications were implemented in July 1997 and May 1998, respectively. Due to the specific requirements of the warehouse operation, Gateway warehouse software was chosen and is interfaced with the Financial Management System.

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

### Fiscal Management

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

### Budgetary Controls

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. However, individual cost centers are budgeted at the beginning of the fiscal year and are monitored during the year to ensure budgetary compliance. The District maintains an

encumbrance accounting system as one technique of accomplishing budgetary control at the account level. Unencumbered appropriation balances are reviewed prior to the release of purchase orders to ensure funds are available to meet the obligation created by the purchase order. Encumbered amounts at year- end are carried forward to succeeding years and are not re-appropriated.

### Cash Management/Investment Policy

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

The District invests in various government securities, certificates of deposit, mutual funds and Star Ohio (State Treasury Investment Pool). The District interprets the limits on Federal guaranteed investments, banker's acceptances, commercial paper and all other legal investments very conservatively. No money of the District has ever been invested in interest-only obligations, reverse-purchase obligations, inverse floater obligations, or other investment vehicles commonly referred to as derivative investments. No moneys of the District are invested in obligations which mature later than the time at which it reasonably expected that the District will need access to the money in order to meet current financial commitments. The Treasurer/CFO has attended special training in all of the investment areas to assure compliance with the conservative investment philosophy of the District. All investments are transacted with banks or other financial institutions operating in the state. The amount of investment income recorded for the District in fiscal year 2011 was \$5,801,584, which includes \$4,321,360 change in fair value on the derivatives. A more detailed description of the District's investment functions is described in Note 6 to the basic financial statements financial statements.

## **AWARDS AND ACNOWLEDGEMENTS**

### Awards

#### *GFOA Certificate of Achievement*

The Governmental Finance Officers Association of the United States and Canada is a nonprofit association founded in 1906 that serves approximately 12,000 governmental finance professionals. For the eighteenth consecutive year, Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2010. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. This honor is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

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

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

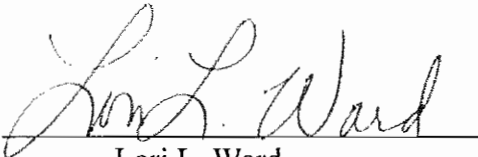
*ASBO Certificate of Excellence*

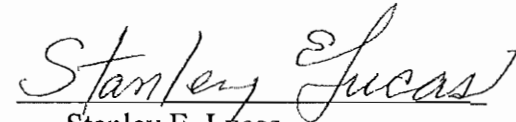
The Association of School Business Officials International, a professional organization founded in 1910, also presented the District with a Certificate of Excellence in Financial Reporting Award for the preparation and issuance of the fiscal year 2010 school system comprehensive annual financial report. This award is granted only after an intensive review of the financial report by an expert ASBO Panel of Review consisting of certified public accountants and practicing school business officials. Receiving this award is recognition that a school system has met the highest standards of excellence in school finance reporting.

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

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the staff of the Treasurer's Office. We want to express our appreciation to all that assisted and contributed to its preparation. A special note of appreciation is extended to the staff of Local Government Services (LGS), State of Ohio, for their consultant services. We would like to acknowledge all members of the Board who have expressed their interest and support in planning and conducting the financial operations of the District in a fiscally responsible, professional and progressive manner.

  
Lori L. Ward  
Superintendent

  
Stanley E. Lucas  
Treasurer/Chief Financial Officer

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Dayton City School District  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2010

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.



*Linda C. Dandson*

President

*Jeffrey R. Egan*

Executive Director

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL



This Certificate of Excellence in Financial Reporting

*is presented to*

**Dayton City School District**

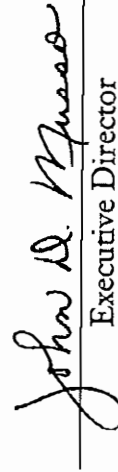


For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2010

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

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Executive Director

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

**BOARD MEMBERS-ELECTED OFFICIALS  
JUNE 30, 2011**

---

<u>Name</u>	<u>Began Service as a Board Member</u>	<u>Term Expires December 31</u>
Nancy Nerny, President	2008	2011
Ronald C. Lee, Vice President	2007	2013
Yvonne V. Isaacs	2002	2013
Joseph Lacey	2006	2013
William B. Schooler	2011	2011
Sheila Taylor	2008	2011
Stacy M. Thompson	2006	2013

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

**CABINET MEMBERS  
JUNE 30, 2011**

---

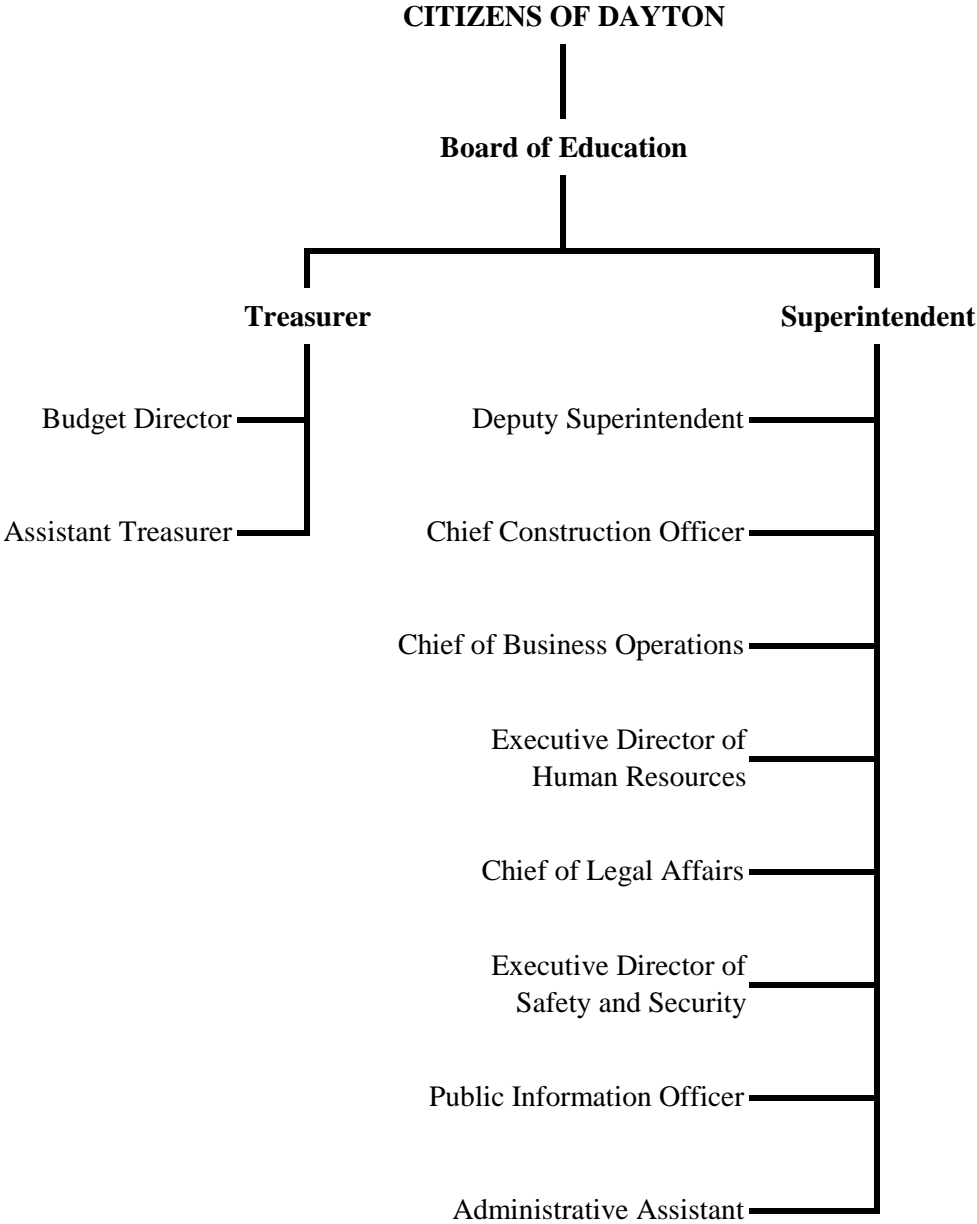
Lori L. Ward	Superintendent
Stanley E. Lucas	Treasurer
John H. Carr, AIA	Chief Construction Officer
Linnae Clinton	Interim, Chief Academic Officer
Delores Evans	Executive Director, PK-8 Education
Marlea Gaskins, Ed.D.	Executive Director, Secondary Education
James Harris	Chief Operating Officer
Jane McGee-Rafal	Chief Academic Officer
Jill Moberley	Public Information Officer
Jennifer Naylor	Interim Executive Director, Legal and Labor Relations
M. Edward Sweetnich	Executive Director, Human Resources
Colleen S. Wells	Administrative Assistant to the Superintendent



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

**ORGANIZATIONAL CHART  
JUNE 30, 2011**

---



DAYTON



---

PUBLIC SCHOOLS

## **FINANCIAL SECTION**



## **INDEPENDENT AUDITORS' REPORT**

Board of Education  
Dayton City School District  
115 South Ludlow Street  
Dayton, Ohio 45402

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Dayton City School District (the District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3 to the basic financial statements, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, for the year ended June 30, 2011.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 8, 2012, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

2525 north limestone street, ste. 103  
springfield, oh 45503

www.cshco.com  
p. 937.399.2000  
f. 937.399.5433

The management's discussion and analysis on pages 3 through 11, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Clark, Schaefer, Hackett & Co.*

Springfield, Ohio  
February 8, 2012

**DAYTON CITY SCHOOL DISTRICT**  
Montgomery County, Ohio

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
Unaudited

---

The discussion and analysis of the Dayton City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key financial highlights for fiscal year 2011 are as follows:

*Overall:*

- Total net assets increased \$14.5 million, which represents a 3.8 percent increase from fiscal year 2010.
- Total assets of governmental activities increased by \$10.7 million from those reported at June 30, 2010. The primary factor of the increase was the addition of capital assets associated with the school facilities construction project at June 30, 2011 as compared to those reported in the prior fiscal year.
- General revenues accounted for \$262.4 million or 88.2 percent of total revenue. Program specific revenues in the form of charges for services and sales and operating grants and contributions account for \$35.2 million or 11.8 percent of total revenues of \$297.6 million.
- The General Fund reported unassigned fund balance of \$8.7 million at June 30, 2011, compared to \$4,498,288 reported one fiscal year prior.
- During fiscal year 2011, work continued on the \$628 million school facilities project which will eventually replace or renovate all instructional facilities within the School District. As of June 30, 2011, 22 schools have been opened. This includes seven schools in the current fiscal year. The total cost capitalized for the school facilities was \$98.2 million for buildings and \$3.7 million for equipment. Most of these additions to both buildings and equipments is mainly due to the completion of construction in progress which is shown as a deletion of \$75.9 million. In addition, another \$42.1 million in construction in progress and \$58 thousand in land acquisition costs was capitalized during fiscal year 2011 for the school facilities project.

**Using this Comprehensive Annual Financial Report (CAFR)**

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

**DAYTON CITY SCHOOL DISTRICT**  
Montgomery County, Ohio

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
Unaudited

---

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

**Reporting the School District as a Whole**

*Statement of Net Assets and the Statement of Activities*

While this document contains a large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2011?" The statement of net assets and the statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

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

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

**Reporting the School District's Most Significant Funds**

*Fund Financial Statements*

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



**DAYTON CITY SCHOOL DISTRICT**  
Montgomery County, Ohio

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
Unaudited

---

Governmental Funds

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

Proprietary Funds

Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match. Internal service funds are used to report activities that provide services to the School District's other funds and departments.

Fiduciary Funds

The School District's only fiduciary funds are private purpose trust funds and agency funds. The School District's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets. We exclude these activities from the School District's other financial statements because the School District cannot use these assets to finance its operations. The School District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds use the accrual basis of accounting.

**The School District as a Whole**

Recall that the statement of net assets provides the perspective of the School District as a whole. In the case of the Dayton City School District, assets exceeded liabilities by approximately \$393.2 million at June 30, 2011.

**DAYTON CITY SCHOOL DISTRICT**  
Montgomery County, Ohio

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
Unaudited

Table 1 provides a summary of the School District's net assets for 2011 compared to restated 2010:

TABLE 1  
Net Assets (in 000's)

	2011	Restated 2010	Change
<i>Assets:</i>			
Current and other Assets	\$ 262,378	\$ 312,593	\$ (50,215)
Capital Assets	<u>485,198</u>	<u>424,314</u>	<u>60,884</u>
Total Assets	<u>747,576</u>	<u>736,907</u>	<u>10,669</u>
<i>Liabilities:</i>			
Current and Other Liabilities	87,222	77,545	9,677
Long-Term Liabilities	<u>266,301</u>	<u>279,770</u>	<u>(13,469)</u>
Total Liabilities	<u>353,523</u>	<u>357,315</u>	<u>(3,792)</u>
<i>Net Assets:</i>			
Invested in Capital Assets, Net of Debt	239,262	274,083	(34,821)
Restricted	106,883	80,286	26,597
Unrestricted	<u>47,908</u>	<u>25,223</u>	<u>22,685</u>
Total Net Assets	<u>\$ 394,053</u>	<u>\$ 379,592</u>	<u>\$ 14,461</u>

Total net assets reported at June 30, 2011 are \$14.5 million more than the net assets reported one fiscal year prior. The primary reason for the increase in the School District's net assets were revenues exceeding expenses. As the school facilities construction project continues, net assets previously restricted for capital projects will be reclassified to net assets invested in capital assets.

Total liabilities decreased \$3.8 million compared with those reported the prior fiscal year. Long-term obligations decreased by \$13.5 million during fiscal year 2011 due to scheduled debt payments being made and the decrease in the market value of the swap. Current liabilities increased \$9.7 million due to increased payable amounts owed at fiscal year-end associated with the school facilities construction project.

Total assets of the School District at June 30, 2011 totaled \$747.6 million compared with \$736.9 million reported for the prior fiscal year. Significant changes in asset accounts were primarily due to an increase in capital assets by \$60.9 million, virtually all of which is associated with the school facilities construction project, with a decrease in cash to finance the new construction.

In addition, a decrease in intergovernmental receivables was also noted as of June 30, 2011. The decrease in intergovernmental receivables is expected as the School District continues to draw State funding for construction projects and therefore the amount of available grant funding remaining will continue to decline at the end of each fiscal year.

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
Unaudited

Table 2 shows the key components in the changes in net assets for the last two fiscal years.

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

	2011	2010	Change
<b>Revenues</b>			
Program Revenues:			
Charges for Services and Sales	\$ 6,049	\$ 4,639	\$ 1,410
Operating Grants and Contributions	29,137	57,534	(28,397)
General Revenues:			
Property Taxes	90,564	76,586	13,978
Grants and Entitlements	160,822	166,650	(5,828)
Investment Earnings	5,802	(6,558)	12,360
Other	5,200	4,624	576
Total Revenues	<u>297,574</u>	<u>303,475</u>	<u>(5,901)</u>
<b>Program Expenses</b>			
Instruction	95,367	96,506	(1,139)
Support Services:			
Pupils and Instructional Staff	29,192	28,163	1,029
Board of Education, Administration, Fiscal and Business	21,096	24,872	(3,776)
Operation and Maintenance of Plant	20,596	22,164	(1,568)
Pupil Transportation	17,955	16,741	1,214
Central	7,798	7,292	506
Non-Instructional Services	72,608	73,766	(1,158)
Extracurricular Activities	1,886	1,997	(111)
Interest and Fiscal Charges	10,796	12,030	(1,234)
Unallocated Depreciation	5,819	5,123	696
Total Expenses	<u>283,113</u>	<u>288,654</u>	<u>(5,541)</u>
Change in Net Assets	14,461	14,821	(360)
Net Assets at Beginning of Year - Restated	379,592	364,771	14,821
Net Assets at End of Year	<u>\$ 394,053</u>	<u>\$ 379,592</u>	<u>\$ 14,461</u>

During fiscal year 2011, total net assets increased \$14.5 million or 3.8 percent of the net assets balance restated at June 30, 2010. The School District continued its concerted efforts to limit operating expenses. The \$5.9 million, or 1.9 percent, decrease in total revenues from those previous in prior year was mainly due to the completion of the construction projects and the state funding for construction projects are almost complete. Total expenses reported for fiscal year 2011 were \$283.1 million or \$5.5 million less than those reported for the prior fiscal year.

As noted in Table 2, the School District is becoming even more dependent upon general intergovernmental revenues. Approximately 61 percent of the School District's general revenues is received from intergovernmental sources, primarily State foundation revenue. Grant and entitlements decreased due to the finishing of the Ohio School Facilities Project. Property tax revenue increased mainly due to the increase in delinquent taxes.

**DAYTON CITY SCHOOL DISTRICT**  
Montgomery County, Ohio

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
Unaudited

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services for fiscal year 2011 as compared to those recorded in fiscal year 2010. Net cost of services provided identifies the cost of these services supported by general revenues, including tax revenue and unrestricted State entitlements.

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

	2011		2010	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 95,367	\$ 83,056	\$ 96,506	\$ 67,093
Support Services:				
Pupils and Instructional Staff	29,192	19,105	28,163	10,790
Board of Education, Administration, Fiscal and Business	21,096	20,090	24,872	22,739
Operation and Maintenance of Plant	20,596	19,740	22,164	21,503
Pupil Transportation	17,955	17,919	16,741	16,233
Central	7,798	7,688	7,292	7,150
Non-Instructional Services	72,608	62,513	73,766	62,468
Extracurricular Activities	1,886	1,200	1,997	1,352
Interest and Fiscal Charges	10,796	10,796	12,030	12,030
Unallocated Depreciation	5,819	5,819	5,123	5,123
Total Expenses	<u>\$ 283,113</u>	<u>\$ 247,926</u>	<u>\$ 288,654</u>	<u>\$ 226,481</u>

Table 3 shows a \$5.5 million decrease in total cost of service for fiscal year 2011 as compared to the prior fiscal year. This decrease, along with other changes reflected throughout instruction and non - instruction is due to fiscal year 2011 cost realignments.

**The School District's Funds**

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

Total ending fund balance reported for governmental funds at June 30, 2011 was \$101.6 million, a \$49.4 million decrease compared with the prior fiscal year. Approximately \$67.1 million of the ending fund balance is reported in funds associated with the school facilities construction project. Another \$6.6 million is reported in the Bond Retirement Debt Service Fund to be used to pay debt obligations as they become due.

The General Fund is the operating fund of the School District. At June 30, 2011, the ending fund balance of the General Fund was \$10.0 million compared to \$5.7 million in the prior fiscal year. The increase in fund balance was due to increase in tax revenues and tuition and fees revenues. Property tax revenues increased due to increase in delinquent taxes. Tuition and fees revenue increased mainly due to the increase enrollment of open enrollment into Stivers building for the School District.

# DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
Unaudited

---

The \$2.6 million decrease in the fund balance of the Bond Retirement Debt Service Fund resulted from the School District receiving tax dollars in amounts less than the scheduled debt service payments. As the years go on, the scheduled debt payments increase in amounts while the amount of property tax revenue should remain relatively the same. The \$40.7 million decrease in the Classroom Facilities Fund balance was due to both the current year revenues and part of the beginning balance being spent towards capital assets.

## **General Fund Budgeting Highlights**

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

During the course of fiscal year 2011, the School District amended its General Fund budget numerous times. As the School District receives unanticipated cash receipts or received less than was anticipated, it was necessary to adjust estimated resources and appropriations. Other revenue and expenditure line items were also reviewed.

There were variances between the amounts of the original and final budget for each revenue source. The School District did not anticipate to budget for several miscellaneous items in the original budget. Actual revenue was less than final budget mainly from less intergovernmental revenue received than budgeted.

## **Capital Assets**

At the end of fiscal year 2011, the School District had \$530.1 million invested in land, construction in progress, buildings and improvements, furniture and equipment, and vehicles in governmental activities and \$44.9 million of accumulated depreciation resulting in net capital assets of \$485.2 million.

In 2003, the State of Ohio has determined that most of the School District's school buildings were in need of remodeling or replacement based on the age and condition of the structures. A statewide revitalization program, which operates under the direction of the Ohio Schools Facilities Commission (established through Senate Bill 272) uses resources from State bond funds and the tobacco settlement funds to match local dollars so that eligible districts can remodel or rebuild their capital assets. Seven school buildings completed under this project were opened during fiscal year 2011, bringing the total number of facilities opened to date to 22. Construction in progress, associated with the seven facilities opened in fiscal year 2011, totaling \$75.9 was capitalized and reclassified from construction in progress to buildings in 2011. Total allocation of the project during the fiscal year was \$98.2 million to buildings and \$3.7 million to equipment. At June 30, 2011, total construction in progress was \$104.5 million. The overall cost of the construction project is estimated at \$628 million with construction taking place over the next several years. Actual cost through June 30, 2011, was \$487,506,603.

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
Unaudited

Table 4 shows fiscal year 2011 balances compared to those of fiscal year 2010:

TABLE 4  
Capital Assets at June 30

	<u>2011</u>	<u>2010</u>
Land	\$ 11,688,101	\$ 11,630,437
Buildings and Improvements	382,975,103	288,918,459
Furniture and Equipment	13,928,695	10,343,337
Vehicles	17,049,728	17,029,493
Construction in Progress	104,460,838	138,246,374
Less: Accumulated Depreciation	<u>(44,904,632)</u>	<u>(41,854,494)</u>
Total Capital Assets	<u>\$ 485,197,833</u>	<u>\$ 424,313,606</u>

Overall, net capital assets increased approximately \$60.9 million from fiscal year 2010. Land was purchased for school sites totaling approximately \$58,000 in fiscal year 2011. There were no significant capital purchases other than those associated with the school facilities project. Additional information on the School District's capital assets can be found in Note 9 to the basic financial statements.

**Debt Administration**

At the end of fiscal year 2011, the School District had \$248.6 million of outstanding long-term debt obligations, of which \$7.5 million is due within one year. Significant elements of the School District's outstanding long-term debt obligations outstanding at June 30, 2011 include:

- \$214.7 million in outstanding general obligation school facilities construction and improvement bonds and related unamortized bond premiums, with \$7.1 million of principal payments and premium amortization made during the fiscal year 2011.
- \$10.0 million in Qualified Zone Academy Bonds for renovations to Stivers Middle School and the creation of an Arts program in Dayton. These bonds bear no interest and payment of the entire principal is due at the maturity date of December 30, 2016.
- \$1.4 million of long-term tax anticipation notes. The School District made principal payments of \$350,000 during the year.
- \$14.8 million of certificates of participation, which were originally issued to finance the purchase of the School District's administrative office building as well as additional office space. During fiscal year 2011 the School District made principal payments of \$310,000 related to this issue.

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

# **DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
Unaudited

---

## **Future Economic Factors**

The State funding for schools is based on several factors all of which are subject to deliberations and approval of the Ohio General Assembly. School funding beyond fiscal year 2011 will be set as part of the State's biennial budget for fiscal years 2012 and 2013. Due to the economic conditions within the State and the anticipated short fall in tax revenues in the next bi-annual budget, the level at which the State will fund schools is uncertain.

## **Contacting the School District's Financial Management**

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
STATEMENT OF NET ASSETS  
JUNE 30, 2011

	Governmental Activities
Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 117,885,867
Cash and Cash Equivalents:	
With Fiscal Agent	11,193,467
Receivables:	
Property and Other Taxes	110,417,374
Accounts	226,869
Intergovernmental	18,141,472
Accrued Interest	446,412
Inventory of Supplies and Materials	853,952
Inventory Held for Resale	1,029,441
Prepaid Items	448,397
Deferred Charges	1,734,970
Capital Assets:	
Non-Depreciable	116,148,939
Depreciable, Net of Accumulated Depreciation	369,048,894
 Total Assets	 747,576,054
Liabilities:	
Accounts Payable	5,217,639
Accrued Wages and Benefits Payable	9,122,960
Intergovernmental Payable	5,885,956
Accrued Interest Payable	906,487
Accrued Vacation Leave Payable	1,586,692
Matured Compensated Absences Payable	559,938
Retainage Payable	1,529,470
Unearned Revenue	62,412,866
Long Term Liabilities:	
Due Within One Year	11,685,982
Due in More Than One Year	254,614,911
 Total Liabilities	 353,522,901
Net Assets:	
Invested in Capital Assets, Net of Related Debt	239,262,065
Restricted for:	
Capital Projects	77,381,506
Classroom Facilities Maintenance	8,798,190
Other Purpose	16,456,182
Debt Service	4,247,026
Unrestricted	47,908,184
 Total Net Assets	 \$ 394,053,153

See accompanying notes to the basic financial statements.



**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2011

	Expenses	Program Revenues		Net (Expense)
		Charges for Services & Sales	Operating Grants and Contributions	Revenue and Changes in Net Assets
				Total Governmental Activities
<b>Governmental Activities:</b>				
<b>Instruction:</b>				
Regular	\$ 59,534,906	\$ 3,220,136	\$ 4,503,991	\$ (51,810,779)
Special	27,622,787	-	4,037,850	(23,584,937)
Vocational	2,707,511	-	523,773	(2,183,738)
Adult/Continuing	18,747	25,228	-	6,481
Student Intervention Services	4,855,494	-	-	(4,855,494)
Other	627,334	-	-	(627,334)
<b>Support Services:</b>				
Pupils	11,333,241	12,845	1,362,713	(9,957,683)
Instructional Staff	17,859,066	42,342	8,669,626	(9,147,098)
Board of Education	747,968	6,363	-	(741,605)
Administration	15,189,457	8,334	802,801	(14,378,322)
Fiscal	3,614,243	-	188,237	(3,426,006)
Business	1,543,948	-	-	(1,543,948)
Operation and Maintenance of Plant	20,595,511	820,169	35,184	(19,740,158)
Pupil transportation	17,954,929	-	35,459	(17,919,470)
Central	7,798,118	-	109,894	(7,688,224)
Non-instructional Services	72,608,042	1,227,808	8,867,910	(62,512,324)
Extracurricular Activities	1,885,787	686,070	-	(1,199,717)
Interest and Fiscal Charges	10,796,083	-	-	(10,796,083)
Unallocated Depreciation *	5,819,416	-	-	(5,819,416)
<b>Total Governmental Activities</b>	<b>\$ 283,112,588</b>	<b>\$ 6,049,295</b>	<b>\$ 29,137,438</b>	<b>(247,925,855)</b>

**General Revenues:**

Property taxes levied for:

General purposes	74,266,805
Debt service	14,750,041
Capital projects	773,364
Other purposes	773,364

Grants and entitlements not restricted to specific programs

Investment earnings	5,801,584
Miscellaneous	5,200,287

<b>Total General Revenues</b>	<b>262,386,983</b>
Changes in net assets	14,461,128
Net assets at beginning of year - Restated Note 3	379,592,025
<b>Net assets at end of year</b>	<b>\$ 394,053,153</b>

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 JUNE 30, 2011

	General Fund	Bond Retirement Fund	Classroom Facilities Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 11,311,072	\$ 5,663,819	\$ 48,414,365	\$ 37,750,047	\$ 103,139,303
Cash and Cash Equivalents:					
With Fiscal Agent	-	-	8,979,600	684,397	9,663,997
Receivables:					
Property and Other Taxes - Current	55,090,126	11,017,905	-	1,266,253	67,374,284
Property and Other Taxes - Delinquent	35,224,749	7,080,345	-	737,996	43,043,090
Accounts	103,515	-	-	121,545	225,060
Intergovernmental	97,960	-	-	18,043,512	18,141,472
Accrued Interest	197,915	3,231	234,065	11,201	446,412
Due from Other Funds	5,597,771	-	-	430,514	6,028,285
Prepaid Items	329,215	-	24,954	94,228	448,397
Inventory of Supplies and Materials	853,952	-	-	-	853,952
Inventory Held for Resale	-	-	-	97,689	97,689
Restricted Assets:					
Cash and Cash Equivalents w/Fiscal Agent	-	-	1,529,470	-	1,529,470
<b>Total Assets</b>	<u>\$ 108,806,275</u>	<u>\$ 23,765,300</u>	<u>\$ 59,182,454</u>	<u>\$ 59,237,382</u>	<u>\$ 250,991,411</u>
<u>Liabilities and Fund Balances:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$ 884,456	\$ -	\$ 1,071,698	\$ 3,233,375	\$ 5,189,529
Accrued Wages and Benefits Payable	6,983,777	-	-	2,130,961	9,114,738
Intergovernmental Payable	3,822,234	-	-	1,034,304	4,856,538
Due to Other Funds	2,836	-	-	6,025,449	6,028,285
Deferred Revenue	86,594,823	17,151,050	234,065	18,129,540	122,109,478
Matured Compensated Absences Payable	508,550	-	-	51,388	559,938
Retainage Payable from Restricted Assets	-	-	1,529,470	-	1,529,470
<b>Total Liabilities</b>	<u>98,796,676</u>	<u>17,151,050</u>	<u>2,835,233</u>	<u>30,605,017</u>	<u>149,387,976</u>
<u>Fund Balances:</u>					
Nonspendable	1,183,167	-	24,954	94,228	1,302,349
Restricted	-	6,614,250	56,322,267	31,275,504	94,212,021
Assigned	87,383	-	-	-	87,383
Unassigned (Deficit)	8,739,049	-	-	(2,737,367)	6,001,682
<b>Total Fund Balances</b>	<u>10,009,599</u>	<u>6,614,250</u>	<u>56,347,221</u>	<u>28,632,365</u>	<u>101,603,435</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 108,806,275</u>	<u>\$ 23,765,300</u>	<u>\$ 59,182,454</u>	<u>\$ 59,237,382</u>	<u>\$ 250,991,411</u>

See accompanying notes to the basic financial statements.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2011

Total Governmental Fund Balances:		\$ 101,603,435
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		485,197,833
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Taxes	43,043,090	
Interest	446,412	
State and federal grants	<u>16,207,110</u>	
		59,696,612
Costs associated with the issuance of long-term bond obligations are deferred and amortized over the life of the bond issue on the accrual basis but are only reported as expenditures in the year in which the bonds are issued.		1,734,970
Internal service funds are used by management to charge the costs of operating the central warehouse and providing dental insurance and workers' compensation coverage to the individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets.		14,614,375
Long-term liabilities which are not due and payable in the current period and therefore are not reported in the funds.		
Long-term notes payable	(1,400,000)	
General obligation bonds	(206,125,000)	
Premium on G.O. bonds	(8,544,313)	
Embedded Derivative (Options)	(13,313,481)	
Certificates of participation	(14,760,000)	
QZAB bonds	(10,000,000)	
Accrued interest on long-term obligations	(906,487)	
Compensated absences	(5,081,741)	
Vacation leave payable	(1,586,692)	
Claims payable	(5,004,101)	
Capital leases payable	<u>(2,072,257)</u>	
Total		<u>(268,794,072)</u>
Net Assets of Governmental Activities		<u>\$ 394,053,153</u>

See accompanying notes to the basic financial statements.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	General Fund	Bond Retirement Fund	Classroom Facilities Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 59,974,430	\$ 11,392,226	\$ -	\$ 1,237,246	\$ 72,603,902
Intergovernmental	149,417,045	2,995,461	18,487,555	49,448,477	220,348,538
Interest	434,535	2,235	1,060,877	277,181	1,774,828
Tuition and Fees	2,764,195	-	-	-	2,764,195
Rent	608,231	-	-	-	608,231
Gifts and Donations	-	-	-	25,081	25,081
Customer Sales and Service	207,709	-	-	1,207,839	1,415,548
Extracurricular Activities	602,972	-	-	658,349	1,261,321
Miscellaneous	4,468,481	-	3,500	730,460	5,202,441
<b>Total Revenues</b>	<u>218,477,598</u>	<u>14,389,922</u>	<u>19,551,932</u>	<u>53,584,633</u>	<u>306,004,085</u>
Expenditures:					
Current:					
Instruction:					
Regular	59,196,208	-	-	1,537,875	60,734,083
Special	20,153,570	-	-	7,502,614	27,656,184
Vocational	2,075,750	-	-	1,059,653	3,135,403
Adult/Continuing	18,154	-	-	-	18,154
Student Intervention Services	168,547	-	-	4,785,119	4,953,666
Other	627,334	-	-	-	627,334
Support Services:					
Pupils	6,329,900	-	-	5,179,719	11,509,619
Instructional Staff	6,029,698	-	-	12,112,541	18,142,239
Board of Education	732,653	-	-	-	732,653
Administration	10,454,477	-	2,054,826	2,685,140	15,194,443
Fiscal	2,865,507	93,705	106,580	536,286	3,602,078
Business	1,515,999	-	-	-	1,515,999
Operation and Maintenance of Plant	19,637,277	-	-	874,961	20,512,238
Pupil Transportation	16,118,241	-	-	1,005,012	17,123,253
Central	5,887,044	-	-	1,800,330	7,687,374
Non-Instructional Services	57,007,524	-	-	15,767,564	72,775,088
Extracurricular Activities	1,061,861	-	-	809,881	1,871,742
Capital Outlay	-	-	58,138,803	9,397,545	67,536,348
Debt Service:					
Principal Retirement	942,900	6,550,000	-	350,000	7,842,900
Interest and Fiscal Charges	891,007	10,297,949	-	57,645	11,246,601
<b>Total Expenditures</b>	<u>211,713,651</u>	<u>16,941,654</u>	<u>60,300,209</u>	<u>65,461,885</u>	<u>354,417,399</u>
Excess of Revenues Over (Under) Expenditures	<u>6,763,947</u>	<u>(2,551,732)</u>	<u>(40,748,277)</u>	<u>(11,877,252)</u>	<u>(48,413,314)</u>
Other Financing Sources (Uses):					
Transfers-In	-	-	-	1,500,000	1,500,000
Transfers-Out	(2,494,518)	-	-	-	(2,494,518)
<b>Total Other Financing Sources (Uses)</b>	<u>(2,494,518)</u>	<u>-</u>	<u>-</u>	<u>1,500,000</u>	<u>(994,518)</u>
<b>Net Change in Fund Balance</b>	<u>4,269,429</u>	<u>(2,551,732)</u>	<u>(40,748,277)</u>	<u>(10,377,252)</u>	<u>(49,407,832)</u>
Fund Balance at Beginning of Year - Restated Note 3	<u>5,740,170</u>	<u>9,165,982</u>	<u>97,095,498</u>	<u>39,009,617</u>	<u>151,011,267</u>
<b>Fund Balance at End of Year</b>	<u>\$ 10,009,599</u>	<u>\$ 6,614,250</u>	<u>\$ 56,347,221</u>	<u>\$ 28,632,365</u>	<u>\$ 101,603,435</u>

See accompanying notes to the basic financial statements.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Net Change in Fund Balances - Total Governmental Funds \$ (49,407,832)

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

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

Capital asset additions	68,246,402	
Current year depreciation	<u>(7,339,018)</u>	
Total		60,907,384

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

Loss on disposal of capital assets		(23,157)
------------------------------------	--	----------

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

Taxes	17,959,672	
Interest	(187,190)	
State and federal grants	(30,522,057)	
Change in fair value of embedded derivative (options)	<u>4,321,360</u>	
Total		(8,428,215)

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

7,842,900

Some expenses reported in the statement of activities, such as compensated absences and claims payable do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences payable	959,076	
Claims payable	(180,044)	
Vacation payable	(281,812)	
Accrued interest	25,842	
Amortization of bond issuance costs	(101,316)	
Amortization of bond premium	<u>525,992</u>	
Total		947,738

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

2,622,310

Change in Net Assets of Governmental Activities

\$ 14,461,128

See accompanying notes to the basic financial statements.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GENERAL FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Taxes	\$ 56,995,617	\$ 59,156,316	\$ 58,615,229	\$ (541,087)
Intergovernmental	146,011,010	151,546,277	150,403,086	(1,143,191)
Interest	583,818	605,950	403,543	(202,407)
Tuition and Fees	2,670,460	2,771,697	2,751,558	(20,139)
Rent	590,303	612,682	608,231	(4,451)
Services Other Entities	199,889	207,468	203,939	(3,529)
Miscellaneous	4,381,852	4,547,967	4,512,059	(35,908)
<b>Total Revenues</b>	<b>211,432,949</b>	<b>219,448,357</b>	<b>217,497,645</b>	<b>(1,950,712)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	58,132,266	58,494,073	58,434,826	59,247
Special	20,172,233	20,297,781	20,110,574	187,207
Vocational	2,357,325	2,371,997	2,427,672	(55,675)
Adult/Continuing	1,318	1,327	1,314	13
Student Intervention Services	791,731	796,660	789,282	7,378
<b>Support Services:</b>				
Pupils	6,215,311	6,253,995	6,204,971	49,024
Instructional Staff	5,957,796	5,994,876	6,020,596	(25,720)
Board of Education	870,883	876,304	869,043	7,261
Administration	10,154,538	10,217,737	10,123,342	94,395
Fiscal	2,919,703	2,937,876	2,910,735	27,141
Business	2,509,274	2,524,892	2,547,930	(23,038)
Plant Operation and Maintenance	19,852,718	19,976,278	19,808,421	167,857
Pupil Transportation	16,814,403	16,919,055	16,781,090	137,965
Central	5,840,048	5,876,396	6,031,425	(155,029)
Non Instructional Services	57,184,379	57,540,284	57,007,524	532,760
Extracurricular Activities	1,060,857	1,067,459	1,061,825	5,634
Capital Outlay	1,097,548	1,104,379	1,094,153	10,226
<b>Total Expenditures</b>	<b>211,932,331</b>	<b>213,251,369</b>	<b>212,224,723</b>	<b>1,026,646</b>
<b>Excess of Revenues Over (Under)</b>				
Expenditures	(499,382)	6,196,988	5,272,922	(924,066)
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Capital Assets	24,050	24,962	29,895	4,933
Advances-In	-	-	2,011,045	2,011,045
Advances-Out	-	-	(4,348,050)	(4,348,050)
Transfers-Out	(1,474,312)	(1,483,488)	(1,500,000)	(16,512)
Other Financing Uses	(170,183)	(171,242)	(173,148)	(1,906)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,620,445)</b>	<b>(1,629,768)</b>	<b>(3,980,258)</b>	<b>(2,350,490)</b>
<b>Net Change in Fund Balance</b>	<b>(2,119,827)</b>	<b>4,567,220</b>	<b>1,292,664</b>	<b>(3,274,556)</b>
Fund Balance at Beginning of Year	7,144,812	7,144,812	7,144,812	-
Prior Year Encumbrances Appropriated	783,273	783,273	783,273	-
<b>Fund Balance at End of Year</b>	<b>\$ 5,808,258</b>	<b>\$ 12,495,305</b>	<b>\$ 9,220,749</b>	<b>\$ (3,274,556)</b>

See accompanying notes to the basic financial statements.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
STATEMENT OF FUND NET ASSETS  
INTERNAL SERVICE FUNDS  
JUNE 30, 2011

	Governmental Activities
	Internal Service Funds
<u>Assets:</u>	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 14,746,564
Accounts Receivable	1,809
Inventory Held for Resale	931,752
Total Current Assets	15,680,125
Noncurrent Assets:	
Capital Assets, Net of Accumulated Depreciation	121,803
Total Assets	15,801,928
<u>Liabilities:</u>	
Current Liabilities:	
Accounts Payable	28,110
Accrued Wages and Benefits Payable	8,222
Intergovernmental Payable	1,029,418
Claims Payable	3,035,606
Compensated Absences Payable	789
Total Current Liabilities	4,102,145
Noncurrent Liabilities:	
Claims Payable	1,968,495
Compensated Absences Payable	7,565
Total Noncurrent Liabilities	1,976,060
Total Liabilities	6,078,205
<u>Net Assets:</u>	
Invested in Capital Assets	121,803
Unrestricted	9,601,920
Total Net Assets	\$ 9,723,723

See accompanying notes to the basic financial statements.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Governmental Activities</u>
	<u>Internal Service Funds</u>
Operating Revenues:	
Sales	\$ 496,430
Charges for Services	31,277,893
Other Revenues	<u>38,913</u>
 Total Operating Revenues	 <u>31,813,236</u>
 Operating Expenses:	
Salaries and Wages	630,609
Fringe Benefits	456,924
Purchased Services	2,775,858
Claims	26,035,457
Supplies and Materials	68,090
Cost of Sales	398,858
Depreciation	<u>19,696</u>
 Total Operating Expenses	 <u>30,385,492</u>
 Income Before Transfers	 1,427,744
 Transfers-In	 <u>994,518</u>
 Change in Net Assets	 2,422,262
 Net Assets at Beginning of Year	 <u>7,301,461</u>
 Net Assets at End of Year	 <u><u>\$ 9,723,723</u></u>

See accompanying notes to the basic financial statements.



**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Governmental Activities
	Internal Service Funds
<u>Increase (Decrease) in Cash and Cash Equivalents</u>	
Cash Flows from Operating Activities:	
Cash Received from Interfund Services Provided	\$ 31,792,316
Cash Received from Other Operating Revenues	38,913
Cash Payments to Suppliers for Goods	(3,184,196)
Cash Payments to Employees for Services	(632,890)
Cash Payments for Employee Benefits	(448,972)
Cash Payments for Claims	<u>(25,855,413)</u>
Net Cash Provided by Operating Activities	<u>1,709,758</u>
Net Cash Provided from Noncapital Financing Activities	
Operating Transfers-In	<u>994,518</u>
Net Increase in Cash and Cash Equivalents	2,704,276
Cash and Cash Equivalents Beginning of Year	<u>12,042,288</u>
Cash and Cash Equivalents End of Year	<u>\$ 14,746,564</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 1,427,744
Adjustments:	
Depreciation	19,696
Decrease in Accounts Receivable	17,993
Decrease in Inventory Held for Resale	45,219
Decrease in Due from Other Funds	2,706
Increase in Accounts Payable	11,813
Increase in Accrued Wages and Benefits	5,941
Increase in Compensated Absences Payable	308
(Decrease) in Intergovernmental Payable	(1,706)
Increase in Claims Payable	<u>180,044</u>
Net Cash Provided by Operating Activities	<u>\$ 1,709,758</u>

See accompanying notes to the basic financial statements.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2011

	Private Purpose Trust Fund	Agency Fund
Assets:		
Equity in Pooled Cash and Cash Equivalents	\$ 20,067	\$ 161,763
Accounts Receivable	-	2,643
Total Assets	\$ 20,067	\$ 164,406
Liabilities:		
Accounts Payable	-	\$ 4,090
Due to Students	-	160,316
Total Liabilities	-	\$ 164,406
Net Assets:		
Held in Trust for Scholarships	\$ 20,067	

See accompanying notes to the basic financial statements.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUND  
JUNE 30, 2011

	Private Purpose Trust Fund
Additions:	
Miscellaneous	\$ 24,725
Deductions:	
Payments in Accordance with Trust Agreements	31,073
Change in Net Assets	(6,348)
Net Assets Beginning of Year - Restated Note 3	26,415
Net Assets End of Year	\$ 20,067

See accompanying notes to the basic financial statements.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

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

The School District is the 10th largest in the State of Ohio (among 612 school districts) in terms of enrollment. It is staffed by 1,325 certificated employees and 787 classified employees who provide services to student enrollment totaling 14,174.

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

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

The following activities are included within the reporting entity:

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***A. Basis Of Presentation***

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

**Government-Wide Financial Statements**

The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements to avoid "doubling up" revenues and expenses. Interfund services provided and used are not eliminated as this would distort expenses and revenues reported for the various functions concerned.

The statement of net assets presents the financial condition of the governmental activities of the School District at fiscal year-end. The government-wide statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

**Fund Financial Statements**

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

***B. Fund Accounting***

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into the categories governmental, proprietary, and fiduciary.

**Governmental Funds**

Governmental funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The School District has three major governmental funds; the General, Bond Retirement, and Classroom Facilities Funds.

General Fund

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

Bond Retirement Fund

The Bond Retirement Fund accounts for and reports the accumulation of restricted local property taxes received and the payment of general long-term obligations, specifically the general obligation bonds and notes issued in conjunction with the School District's school facilities projects.

Classroom Facilities Fund

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

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

Proprietary Fund

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

Internal Service Funds

Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District has three internal service funds; one to account for the operations of the central warehouse and distribution facility, another accounts for the self-insurance program which provides medical benefits to employees, and the remaining one accounts for monies collected for workers' compensation payments under the retrospective rating plan.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Fiduciary Fund

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Private purpose trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District's only trust fund is private purpose trust which accounts for college scholarship programs for students. The School District only has one agency fund which is used to account for the monies managed on behalf of the student managed activities throughout the School District. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

*C. Measurement Focus*

Government-wide Financial Statements

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

Fund Financial Statements

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

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

*D. Basis of Accounting*

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Measurable” means the amount of the transaction can be determined and “available” means the resources are collectible within the current fiscal year, or soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within 60 days of fiscal year-end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes available as an advance, operating and capital grants, investment earnings, tuition, student fees and various miscellaneous revenues.

Unearned/Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2011, but which were levied to finance fiscal year 2012 operations, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue.

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

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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



**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***E. Budget Data***

All funds, other than the Student Managed Activities agency fund and the Educational Foundation special revenue fund are legally required to be budgeted and appropriated.

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

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the School District. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2011.

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

***F. Cash and Cash Equivalents***

To improve cash management, cash received by the School District is pooled in a central bank account. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the School District's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the balance sheet. For reporting purposes, investments of the pool are considered cash equivalents. The School District utilizes a fiscal agent to handle money set aside in the Educational Foundation special revenue fund. In addition, the School District has deposited money in a trust account for the future repayment of debt obligations as they become due which is also reported as Cash and Cash Equivalents with Fiscal Agent. The amount reported on the balance sheet as "Restricted Assets – Cash and Cash Equivalents with Fiscal Agent" represents escrow accounts established in conjunction with school facilities construction contracts.

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

During fiscal year 2011, the School District's investments were limited to the State Treasury Asset Reserve of Ohio (STAROhio), negotiable certificates of deposit, money market mutual funds, and federal agency securities.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio 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 STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on June 30, 2011. The Education Foundation monies are also invested in an outside investment pool, the Dayton Foundation. The Dayton Foundation operates in a manner similar to STAROhio.

The Board of Education has credited interest earnings to those funds as established by the Ohio Revised Code. Interest revenue credited to the General Fund during fiscal year 2011 amounted to \$434,535, which includes \$325,668 assigned from other School District funds. Interest was also recorded in the Bond Retirement, Classroom Facilities and Other Governmental Funds in the amounts of \$2,235, \$1,060,877, and \$277,181, respectively. On the accrual basis of accounting, the School District reported investment earnings of \$1,480,224 on the Statement of Activities prior to the recognition of the change in the fair market value on the swap.

***G. Inventory***

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

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption, donated food, and purchased food. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed or used. Inventories of internal service funds consist primarily of supplies held for resale and are expensed when sold.

***H. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 2011, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and expenditure/expense is reported in the year in which services are consumed.

***I. Estimates***

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***J. Capital Assets and Depreciation***

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements throughout the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$5,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

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

***K. Internal Activity***

Transfers within governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***L. Compensated Absences***

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. The liability for vacation benefits is recorded as "accrued vacation leave payable", rather than long-term liabilities as the balances for most employees are to be used by employees in the fiscal year following the fiscal year in which the benefit was earned.

Sick leave benefits are accrued as a liability using the vesting method which states that the School District will estimate its liability based on sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as specified by the retirement system as well as other employees who are expected to become eligible in the future to receive such payments. The amount is based on accumulated sick leave and employees' wage rates at fiscal year-end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated sick leave for all employees after 15 years of current service with the School District.

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

***M. Accrued Liabilities and Long-Term Obligations***

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities and long-term obligations payable from the proprietary fund are reported on the fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment with current available resources. Bonds, certificates of participation, long-term notes, and capital leases are recognized as an expenditure and liability on the governmental fund financial statements when due.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***N. Operating Revenues and Expenses***

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

***O. Net Assets***

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. At June 30, 2011, there were no net assets restricted by enabling legislation.

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

***P. Fund Balances***

Fund balance is divided into five classifications based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

**Nonspendable**

The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

**Restricted**

Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.

**Committed**

The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the School District. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned

Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the School District.

Unassigned

Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The School District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

***Q. Interfund Balances***

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “Due from Other Funds” and “Due to Other Funds”. These amounts are eliminated in the governmental activities column of the statement of net assets.

***R. Bond Premiums/Issuance Costs***

In the government-wide financial statements, bond premiums and issuance costs 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 premiums are presented as an addition to the face amount of the bonds payable. Issuance costs are reported as deferred charges.

As permitted by State statute, the School District paid bond issuance costs from the bond proceeds and therefore does not consider that portion of the debt to be capital-related debt. That portion of the debt was offset against the unamortized bond issuance costs which were included in the determination of unrestricted net assets. Reporting both within the same element of the net assets prevents one classification from being overstated while another is understated by the same amount.

On the fund financial statements, bond premiums are reported as “Other Financing Sources” and issuance costs are reported as expenditures in the period when the debt is issued.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

**NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE/NET ASSET**

For fiscal year 2011, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 54, “*Fund Balance Reporting and Governmental Fund Type Definitions*”.

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The implementation of this statement resulted in the reclassification of certain funds and restatement of the School District’s financial statements.

The implementation of GASB 54 had the following effect on fund balances at June 30, 2010, as previously reported.

	General Fund	Bond Retirement Fund	Classroom Facilities Fund	Other Governmental Funds	Total
Fund Balance at June 30, 2010	\$4,760,962	\$9,165,982	\$97,095,498	\$40,015,240	\$151,037,682
Change in Fund Structure	979,208	0	0	(1,005,623)	(26,415)
Adjusted Fund Balance at June 30, 2010	<u>\$5,740,170</u>	<u>\$9,165,982</u>	<u>\$97,095,498</u>	<u>\$39,009,617</u>	<u>\$151,011,267</u>
	Governmental Activitites	Fiduciary Funds			
Net Assets	\$379,618,440	\$0			
Change in Fund Structure	(26,415)	26,415			
Net Assets Restated at June 30, 2010	<u>\$379,592,025</u>	<u>\$26,415</u>			

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 4 – ACCOUNTABILITY**

The following funds had fund balance deficits as of June 30, 2011:

*Special Revenue Funds:*

Alternative Schools	\$ 860
Race to the Top	53,378
Title VI-B	424,031
Head Start	39,661
State Fiscal Stabilization	1,232,347
Title I School Improvement Stimulus A	96,701
Title I	865,778
Miscellaneous Federal Grants	24,611

The deficits in these funds resulted from adjustments for accrued liabilities. Management expects the deficits in these funds to be corrected in early fiscal year 2012. The General Fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING**

While the School District is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statement of revenues, expenditures and changes in fund balance - budget (non-GAAP) and actual – General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the fund liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a restricted, committed, or assigned fund balance (GAAP basis).
4. Advances-In and Advances-Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. The change in fair value of investments is not included on the budget basis operating statement. This amount is included on the GAAP basis operating statement.
6. Budgetary revenues and expenditures of the uniform school supplies, other grant rotary, and public school support are classified to general fund for GAAP reporting.



**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING** (continued)

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

Net Change in Fund Balance	
GAAP Basis	\$ 4,269,429
Revenue Accruals	(420,053)
Expenditure Accruals	867,416
Advances	(2,337,005)
Change in Market Value FY 2011	81,505
Encumbrances	(947,825)
Excess of revenues, and other financing sources and over(under) expenditures and other financing uses:	
Uniform School Supplies	(326)
Other Grant Rotary	3,819
Public School Support	<u>(224,296)</u>
Budget Basis	<u>\$ 1,292,664</u>

**NOTE 6 - DEPOSITS AND INVESTMENTS**

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

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

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

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

Interim monies held by the School District may be deposited or invested in the following securities:

1. United States Treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

**NOTE 6 - DEPOSITS AND INVESTMENTS** (continued)

2. Bonds, notes, debentures, or any other obligations or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) above;
7. The State Treasurer's investment pool (STAROhio); and
8. Commercial paper and bankers acceptances if training requirements have been met.

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. Investments may only be made through specified dealers and institutions.

**Investments**

Investments are reported at fair value. As of June 30, 2011, the School District had the following investments:

	<u>Fair Value</u>	<u>Weighted Average Maturity</u>	<u>Rating (1)</u>	<u>Concentration of Credit Risk</u>
Federal Home Loan Bank Bonds	\$28,363,998	0.13 Yrs	AAA	24.08%
Federal Farm Credit Bank Bonds	5,123,112	0.02 Yrs	AAA	4.35%
Federal National Mortgage Association Bonds	17,734,063	0.14 Yrs	AAA	15.06%
Federal Home Loan Mortgage Corporation Bonds	29,594,871	0.30 Yrs	AAA	25.13%
Federal Home Loan Discount Note	874,976	0.00 Yrs	AAA	
U.S. Treasury Securities	12,368,742	0.41 Yrs	N/A	
Negotiable CDs	2,473,026	0.01 Yrs	N/A	
Money Market Mutual Funds	20,422,854	N/A	AAAm(2)	
Outside Investment Pools	824,085	N/A	N/A	
<b>Total</b>	<u><u>\$117,779,727</u></u>			
<b>Portfolio Weighted Average to Maturity</b>		<u><u>1.01 Yrs</u></u>		

(1) Standard and Poors' ratings.

(2) StarOhio is rated AAAM by Standard and Poors' and the Dayton Foundation is not rated.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 6 - DEPOSITS AND INVESTMENTS** (continued)

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

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

Concentration of Credit Risk – Diversification shall ensure potential losses on individual securities do not exceed the income generated from the remainder of the initial investment. The School District places no limit on the amount if it may invest in any one issuer.

Credit Risk – The School District's policy limits investments to those authorized by State Statute. State Statute only addresses credit risk by limiting the investments that may be purchased to those offered by specifically identified issuers. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market mutual fund be rated in the highest category at the time of purchase by at least one national recognized standard rating service. The negotiable certificates of deposit are in denominations of under \$250,000 each, in separate banks, and insured by Federal Deposit Insurance Corporation (FDIC).

**NOTE 7 - PROPERTY TAXES**

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

Property taxes include amounts levied against all real property, public utility property, and tangible personal (used in business) property located in the School District. Real property tax revenues received in calendar year 2011 represent the collection of calendar year 2010 taxes. Real property taxes received in calendar year 2011 were levied after April 1, 2010, on the assessed values as of January 1, 2010, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in calendar year 2011 represent the collection of calendar year 2010 taxes. Public utility real and tangible personal property taxes received in calendar year 2011 became a lien on December 31, 2009, were levied after April 1, 2010, and are collected in calendar year 2011 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

**NOTE 7 - PROPERTY TAXES** (continued)

Tangible personal property tax revenue received during calendar year 2010 (other than public utility property tax) represents the collection of 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing and equipment, furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009, on the value as of December 31, 2009. Payments 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 by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

The School District receives property taxes from Montgomery County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2011, are available to finance fiscal year 2011 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents the real property, public utility property, and tangible personal property taxes which were measurable as of June 30, 2011, and for which there was an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reflected as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2011, was \$3,917,967, \$950,431 and \$93,020 in the General, Bond Retirement and Other Governmental Funds, respectively. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been deferred.

The assessed values upon which the fiscal year 2011 taxes were collected are:

	<u>2011 First-Half Collection</u>		<u>2010 Second-Half Collection</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 1,746,003,550	95.86%	\$ 1,770,190,640	95.95%
Public Utility	75,471,510	4.14%	72,227,100	3.92%
General Business Personal	-	0.00%	2,404,820	0.13%
Total Assessed Value	<u>\$ 1,821,475,060</u>	<u>100.00%</u>	<u>\$ 1,844,822,560</u>	<u>100.00%</u>
Tax Rate per \$1,000	\$76.52		\$75.75	

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 8 - RECEIVABLES**

Receivables at June 30, 2011, consisted of current and delinquent property and other taxes, accounts (tuition and student fees), intergovernmental grants, accrued interest and interfund transactions. All receivables, except delinquent property taxes, are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

Governmental Activities:	
<i>General Fund:</i>	
Due from other Governments	\$97,960
<i>Other Governmental Funds:</i>	
Alternative Schools State Grant	101,545
Education Jobs	4,398,151
Race to the Top	1,151,610
Title VI(B) Grant	3,690,337
Vocational Education	52,689
Head Start	88,816
Title I Grant	5,496,124
STIM Title II	13,827
Title I School Improvement	295,817
STIM School Improvement	408,904
Drop out prevention	9,650
Drug Free School	20,596
EHA Pre-School Grants	41,679
Title VI-R Grant	2,170,061
Miscellaneous Grants	52,008
Food Service	51,698
Total Other Governmental Funds	18,043,512
Total Intergovernmental Receivables	\$18,141,472

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

**NOTE 9 - CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2011, was as follows:

	Balance 6/30/2010	Additions	Deductions	Balance 6/30/2011
<b><u>Capital Assets, not being depreciated</u></b>				
Land	\$11,630,437	\$57,664	\$0	\$11,688,101
Construction in Progress	138,246,374	42,129,665	(75,915,201)	104,460,838
Total Capital Assets, not being depreciated	<u>149,876,811</u>	<u>42,187,329</u>	<u>(75,915,201)</u>	<u>116,148,939</u>
<b><u>Capital Assets, being depreciated</u></b>				
Buildings and Improvements	288,918,459	98,230,511	(4,173,867)	382,975,103
Furniture and Equipment	10,343,337	3,723,528	(138,170)	13,928,695
Vehicles	17,029,493	20,235	0	17,049,728
Total Capital Assets, being depreciated	<u>316,291,289</u>	<u>101,974,274</u>	<u>(4,312,037)</u>	<u>413,953,526</u>
<b><u>Less: Accumulated Depreciation</u></b>				
Buildings and Improvements	(26,509,981)	(5,892,200)	4,168,477	(28,233,704)
Furniture and Equipment	(6,107,523)	(317,697)	120,403	(6,304,817)
Vehicles	(9,236,990)	(1,129,121)	0	(10,366,111)
Total Accumulated Depreciation	<u>(41,854,494)</u>	<u>(7,339,018) *</u>	<u>4,288,880</u>	<u>(44,904,632)</u>
Capital Assets, Being Depreciated, Net	<u>274,436,795</u>	<u>94,635,256</u>	<u>(23,157)</u>	<u>369,048,894</u>
Governmental Activities Capital Assets, Net	<u>\$424,313,606</u>	<u>\$136,822,585</u>	<u>(\$75,938,358)</u>	<u>\$485,197,833</u>

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

Instruction:	
Regular	\$123,955
Special	62,435
Vocational	21,247
Support Services:	
Pupils	14,475
Instructional Staff	16,500
Board of Education	2,015
Administration	28,408
Fiscal	8,574
Business	20,812
Operation and Maintenance of Plant	147,907
Pupil Transportation	856,413
Central	129,246
Operation of Non-Instructional Services	48,525
Extracurricular Activities	39,090
	<u>1,519,602</u>
Unallocated Depreciation	5,819,416
Total Depreciation Expense	<u>\$7,339,018</u>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 9 - CAPITAL ASSETS** (continued)

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

**NOTE 10 - RISK MANAGEMENT**

***A. Property and Liability***

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2011 the School District contracted with United Educators Insurance for general liability/school leaders errors and omissions insurance with a \$5 million single occurrence limit and a \$5 million annual policy aggregate. Buildings and contents are covered under Allianz Insurance Company with a \$250,000 deductible.

Risk of direct physical loss or damage, including earth movement and flood, for school construction sites is covered by Great American Insurance Company of New York with a limit of liability of \$150 million for loss of all covered causes and \$30 million for any one construction jobsite location. Pollution coverage is provided by American International Specialty Lines Insurance Company with \$5 million per claim, and \$10 million annual policy aggregate. Builders Risk is covered by Great American Insurance Company of New York with a \$10,000 deductible. Electronic data processing equipment is covered under Fireman's Fund Insurance Company with a \$1,000 deductible.

The School District's vehicles are covered under a business policy with United Educators Insurance for primary coverage. This policy carries a \$5 million limit for bodily injury and property damage to third parties.

The auto liability self insured retention is \$200,000 per accident. The School District self insures the physical damage coverage on all units.

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

***B. Self-Insured Health Benefits***

The School District provides health insurance coverage through a self-insurance plan administered by United Health Care of Ohio, Inc. Employee share of the total monthly premium is 15 percent. The premium varies with each employee depending on the terms of the union contract. United Health Care provides claims review and processing services. The health self-insurance program is accounted for in the Internal Service Fund. The School District purchases stop-loss coverage for claims in excess of \$350,000 per employee, per occurrence.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

**NOTE 10 - RISK MANAGEMENT** (continued)

The liability for unpaid claims of \$2,747,000 reported in the Internal Service Fund at June 30, 2011, is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," as amended by GASB Statement No. 30, "Risk Management Omnibus," which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. Estimates were calculated based upon an independent actuarial evaluation of claims payable. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claims adjustment expenses. The School District is responsible for all claims.

Changes in claims activity for employee health care benefits for the past two fiscal years are as follows:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2010	\$2,411,000	\$24,062,415	\$23,682,415	\$2,791,000
2011	\$2,791,000	\$25,480,045	\$25,524,045	\$2,747,000

***C. Workers' Compensation Retrospective Rating Program***

For fiscal year 2011, the School District participated in the Ohio Bureau of Workers' Compensation Retrospective Rating Program. The Retrospective Rating Program is an alternative rating plan that allows employers to initially pay the Bureau of Workers' Compensation significantly less in premiums by assuming the responsibility of paying all compensation and medical expenses for claims incurred in that policy year. The greater the portion of risk assumed by the employer, the greater the potential reduction in premiums. Employers who enroll into this program are responsible for their claims costs for a ten-year period. Under this Program, the School District's maximum payment is 200 percent of the initial premium in total and the loss for any one individual is limited to \$300,000.

The following table summarizes claims payable during the fiscal year:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2010	\$1,917,151	\$364,820	\$248,914	\$2,033,057
2011	\$2,033,057	\$555,412	\$331,368	\$2,257,101

**NOTE 11 - DEFINED BENEFIT PENSION PLANS**

***A. School Employees Retirement System***

Plan Description – The School District participates in the School Employees Retirement System (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained by visiting the SERS website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.



**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 11 - DEFINED BENEFIT PENSION PLANS** (continued)

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2011, the allocation to pension and death benefits was 11.81 percent. The remaining 2.19 percent of the 14 percent employer contribution rate is allocated to the Medicare B and Health Care funds. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2011, 2010 and 2009 were \$3,669,199, \$5,839,307 and \$3,045,940, respectively; 42.11 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

***B. State Teachers Retirement System of Ohio***

Plan Description – The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that can be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50. Benefits are established by Ohio Revised Code Chapter 3307.

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

Funding Policy - Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon the recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. For the fiscal year ended June 30, 2011, plan members were required to contribute 10 percent of their annual covered salary. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 11 - DEFINED BENEFIT PENSION PLANS** (continued)

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2011, 2010, and 2009 were \$10,057,416, \$10,165,329 and \$10,031,773, respectively; 82.58 percent has been contributed for fiscal year 2011, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2010 and 2009.

Contributions to the STRS Ohio for the DC and Combined Plans for fiscal year 2011 were \$334,164 made by the School District and \$240,118 made by the plan members.

**NOTE 12 - POSTEMPLOYMENT BENEFITS**

***A. School Employee Retirement System***

Plan Description – The School District participates in two cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligation to contribute are established by SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For fiscal year 2011, 1.43 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for fiscal year 2011, this amount was \$35,800. During fiscal year 2011, the School District paid \$566,938 in surcharge.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The School District's contributions for health care for the fiscal years ended June 30, 2011, 2010 and 2009 were \$709,853, \$797,100, and \$1,983,707 respectively; 42.11 percent has been contributed for fiscal year 2011, with the balance being reported as intergovernmental payable. The full amount has been contributed for fiscal years 2010 and 2009.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2011, this actuarially required allocation was 0.76 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2011, 2010, and 2009 were \$236,121, \$347,251, and \$251,315, respectively; 42.11 percent has been contributed for fiscal year 2011, with the balance being reported as intergovernmental payable. The full amount has been contributed for fiscal years 2010 and 2009.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 12 - POSTEMPLOYMENT BENEFITS** (continued)

***B. State Teachers Retirement System of Ohio***

Plan Description – The School District participates in the cost-sharing multiple-employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians’ fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which can be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2011, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to post-employment health care. The School District’s contributions for health care for the fiscal years ended June 30, 2011, 2010, and 2009 were \$773,647, \$781,948, and \$771,675, respectively; 82.58 percent has been contributed for fiscal year 2011, with the balance being reported as intergovernmental payable. The full amount has been contributed for fiscal fiscal years 2010 and 2009.

**NOTE 13 - EMPLOYEE BENEFITS**

***A. Compensated Absences***

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

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

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

**NOTE 13 - EMPLOYEE BENEFITS** (continued)

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

***B. Other Insurance Benefits***

The School District provides life insurance and accidental death and dismemberment insurance to employees through Hartford Insurance Company.

**NOTE 14 - LONG-TERM OBLIGATIONS**

General Obligation Bonds

In prior fiscal years, the School District has issued general obligation bonds with original principal totaling \$251.1 million, in three separate issues, to provide financing for the School District’s school facilities construction project. The Series 2003-A bonds, totaling \$93.5 million, contains serial and term bonds and has a final maturity date of December 1, 2031 and has interest rates ranging from 2.0 percent to 5.0 percent. The \$6 million Series 2003-B bonds are serial bonds with a final maturity date of December 1, 2023 having interest rates ranging from 2.0 percent to 4.23 percent. The Series 2003-D serial bonds, totaling \$151.6 million, has a final maturity date of December 1, 2022, with interest rates ranging from 2.0 percent to 5.0 percent.

These general obligation bonds are direct obligations and pledge the full faith and credit of the School District and will be paid through the Bond Retirement Fund from property taxes collected by the County Auditor.

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

Fiscal Year Ended June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 6,815,000	\$ 9,884,924	\$ 16,699,924
2013	7,610,000	9,533,964	17,143,964
2014	7,960,000	9,150,241	17,110,241
2015	8,330,000	8,748,350	17,078,350
2016	8,715,000	8,367,240	17,082,240
2017-2021	49,615,000	35,038,945	84,653,945
2022-2026	50,235,000	22,222,963	72,457,963
2027-2031	54,305,000	10,172,563	64,477,563
2032	12,540,000	313,500	12,853,500
Total	<u>\$ 206,125,000</u>	<u>\$ 113,432,690</u>	<u>\$ 319,557,690</u>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 14 - LONG-TERM OBLIGATIONS** (continued)

Swaptions

On October 13, 2009, the School District entered into a swap agreement with the Bank of New York, Mellon (the Bank), for the Bank to purchase the future issuance of Bond Anticipation Notes which will be used to refund the School District's Series 2003 A and 2003 D General Obligation Bonds. The future Refunding Notes are contemplated by the School District Authorizing Resolutions adopted by the Board of Education on April 15, 2008 and amended on January 6, 2009 and October 6, 2009.

Simultaneously, the School District entered into options making the swap transaction a swaption. If exercised, the options would obligate the Bank to pay a variable rate based on the 12 month LIBOR Index and receive a fixed rate from the School District. The Bank paid the School District \$6,655,000 on the 2003 A issue and \$3,030,000 on the 2003 D issue for the Options. Proceeds from the swaptions along with related fees were recorded in the School District's Permanent Improvement Fund, a nonmajor governmental fund, to be used for various capital projects.

The swaptions were both priced "At-The-Market" on October 13, 2009 (the "Trade Date"). An At-The-Money option is one in which the forward rate of the underlying swap is the strike rate of the options. As each option was set at the forward rate, the options had no intrinsic value based on a rate that was higher than the current market at the time of pricing. The full amount received by the School District represents the pure option premium of the underlying swaps at their respective forward rates.

The Notes related to the 2003 A and 2003 D Issues have not been issued to refund up to \$93,455,000 of the 2003 A issue and \$94,505,000 of the 2003 D issue. The Bank has agreed to purchase those notes if the options are exercised by the School District starting 45 calendar days prior to the 15<sup>th</sup> day of each April and October, beginning on April 15, 2013 and ending on October 15, 2018 for the 2003 A Issue and 45 days prior to the 15<sup>th</sup> day of each April and October beginning April 15, 2013 and ending October 15, 2014 for the 2003 D issue. The purpose of the interest rate swap transaction with the Bank would be to hedge the exposure of the School District against interest rate fluctuations arising from the variable rates borne by those Bond Anticipation Notes. Under the swap agreement, the School District would be the fixed rate payer, paying 4.675 % on the 2003 A Refunding Notes and 4.495 % on the 2003 (D) issue. The counterparty, the Bank of New York, Mellon, would be the floating rate payer, paying the actual variable rate borne by the notes. The floating rates would be determined in accordance with the 12 month LIBOR Index.

In the event the options are exercised, the School District will issue the notes as originally contemplated by the aforementioned Note Resolutions and the fixed rate of the swap will be the respective strike rate of the option plus the rate paid to the purchasers of the Notes less the floating index payment of 12 month LIBOR. Both the Note rate and the LIBOR Index are known and fixed for a term of one year at the beginning of each annual Note roll date (both adjusted for short periods at the beginning and end of the swap). Additionally, the notional amount of the swaps is equal to the par amount of the Refunding Notes and both are set to mature at the expected end date of the last Note Renewal.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

---

**NOTE 14 - LONG-TERM OBLIGATIONS** (continued)

The fair value of the swaptions at June 30, 2011 were \$8,323,579 for series 2003 A and \$4,989,902 for series 2003 D. Changes in fair value during the reporting period were \$2,856,040 for series 2003 A and \$1,465,320 for series 2003 D. Fair values and changes in fair values were based on the original price paid by the Bank on the Trade Date and the closing curves for the interest rate swaps and volatilities as provided by Bloomberg for June 30, 2011. Changes in fair value were reported on the statement of net assets as an increase in Long Term Liability Due in More Than One Year (Embedded Derivative) and on the Statement of Activities as an increase in interest revenue.

The sale of the options proceeds, which approximate fair value, were recorded on the statement of net assets as a Long Term Liability Due in More Than One Year (Embedded Derivative) and are adjusted for increased and decreases in fair value.

Objective: The School District entered into the swap (swaptions) in order to maximize the savings associated with the aforementioned refunding of bonds and to reduce the School Districts risk exposure. The actual overall savings to be realized by the School District will depend upon the net payments received under the swap agreements.

Terms: In October, 2009, the School District sold options to the Bank and the Bank has agreed to purchase the aforementioned refunding notes if the options are exercised by the School District within the previously stated exercise dates on a declining notional amount equal to the outstanding principal amounts of the 2003A and 2003D bond issues. Under the swap agreements, the School District will be the fixed rate payer, paying the fixed rates described above, and the Bank will be the floating rate payer, paying interest on the outstanding notional amounts on the outstanding notional amounts described above at a rate equal to the 12 month Libor Index. If the options for the 2003A and 2003D issues are exercised, the stated termination dates under the swap agreements with the Bank would be September 1, 2031 for 2003A and September 1, 2022 for 2003D.

Basis Risk: There is no basis risk for the School District associated with this transaction with the exception of the risk inherent in all variable rate debt. The School District pays or would pay fixed rates as agreed upon between the School District and the Bank, which rates approximate but do not exactly equal the fixed rates the School District is paying on the existing bonded debt for the issues. The Bank will be paying the 12 month LIBOR rate, however, it simultaneously has agreed to purchase the notes: in effect the Bank would be paying itself and would receive the fixed rate inherent in the note purchase agreements.

Termination Risk: The swap agreements may be terminated prior to their stated termination date under certain circumstances. Upon termination, a payment may be owed by the School District to the Bank, or by the Bank to the School District, depending upon the prevailing economic circumstances at the time of the termination.

Certificates of Participation

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

**NOTE 14 - LONG-TERM OBLIGATIONS** (continued)

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

Fiscal Year Ended June 30,	Principal	Interest	Total
2012	\$ 345,000	\$ 771,199	\$ 1,116,199
2013	380,000	756,137	1,136,137
2014	420,000	738,088	1,158,088
2015	460,000	717,188	1,177,188
2016	505,000	694,269	1,199,269
2017-2021	3,355,000	2,991,175	6,346,175
2022-2026	5,145,000	1,805,163	6,950,163
2027-2029	4,150,000	337,312	4,487,312
Total	<u>\$ 14,760,000</u>	<u>\$ 8,810,531</u>	<u>\$ 23,570,531</u>

Qualified Zone Academy Bond

In August 2000, the School District was authorized to issue \$10 million in Quality Zone Academy Bonds (QZAB), in accordance with Section 226 of the Taxpayer Relief Act of 1997 (Public Law 105-34), for use in the renovations of the Stivers Middle School and the creation of an Arts program in Dayton. On December 30, 2002 the School District issued the \$10 million QZAB that matures on December 30, 2016. The entire principal balance of \$10 million is due at maturity and the bonds do not bear interest. To satisfy escrow requirements of the program, the School District placed \$5.1 million, which has a current market value of \$9 million, in an escrow account with a local bank. This amount is included as Cash and Cash Equivalents with Fiscal Agents on the statement of net assets, as well as the Classroom Facilities Capital Projects Fund.

Long-Term Tax Anticipation Notes

On June 9, 2004 the School District issued \$3.5 million of long-term tax anticipation notes to provide financing for various capital improvements throughout the School District. These notes, which mature on December 1, 2014, were issued in anticipation of the collection of half of the proceeds of the one mill permanent improvement levy approved by electors of the School District on November 5, 2002. These notes carry an annual interest rate of 3.66 percent. The School District has pledged future tax revenues to repay these notes. The total principal and interest remaining to be paid at June 30, 2011 was \$1,502,480. Principal and interest paid during the fiscal year and total tax revenues for the permanent improvement fund were \$407,645 and \$618,623, respectively.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

**NOTE 14 - LONG-TERM OBLIGATIONS** (continued)

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

Fiscal Year Ended June 30,	Principal	Interest	Total
2012	\$ 350,000	\$ 44,835	\$ 394,835
2013	350,000	32,025	382,025
2014	350,000	19,215	369,215
2015	350,000	6,405	356,405
Total	<u>\$ 1,400,000</u>	<u>\$ 102,480</u>	<u>\$ 1,502,480</u>

Changes in Long-Term Liabilities

Long- term liability activity for the year ended June 30, 2011, was as follows:

	Balance 6/30/2010	Increase	Decrease	Balance 6/30/2011	Due within One Year
<u>General Obligation Bonds:</u>					
2003-A School Construction:					
2.0-5.0 percent	\$ 93,470,000	\$ -	\$ 5,000	\$ 93,465,000	\$ 5,000
2003-B School Construction:					
2.0-4.23 percent	4,545,000	-	260,000	4,285,000	270,000
2003-D School Construction:					
2.0-5.0 percent	114,660,000	-	6,285,000	108,375,000	6,540,000
Add: Unamortized Bond Premium	9,070,305	-	525,992	8,544,313	-
 Total General Obligation Bonds	 221,745,305	 -	 7,075,992	 214,669,313	 6,815,000
 QZAB Bonds - 0.0 percent	 10,000,000	 -	 -	 10,000,000	 -
Embedded Derivative (Options)	17,634,841	-	4,321,360	13,313,481	-
Certificates of Participation	15,070,000	-	310,000	14,760,000	345,000
Long-Term Tax Anticipation Notes	1,750,000	-	350,000	1,400,000	350,000
Capital Lease Obligations	2,705,157	-	632,900	2,072,257	659,847
Compensated Absences Payable	6,040,817	101,622	1,060,698	5,081,741	480,529
Claims Payable	4,824,057	26,035,457	25,855,413	5,004,101	3,035,606
 Long-Term Obligations	 <u>\$ 279,770,177</u>	 <u>\$ 26,137,079</u>	 <u>\$ 39,606,363</u>	 <u>\$ 266,300,893</u>	 <u>\$ 11,685,982</u>

Compensated absences will be paid from General Fund, Auxiliary Services Fund, Management Information System Fund, Public School Preschool Fund, Title VI-B Fund, Vocational Education Fund, Head Start Fund, Title I Fund, Title VI-R Classroom Size Reduction Fund, Miscellaneous State Grants Fund, Food Service Fund, Welcome Stadium Fund, Stabilization Fund, Building Fund and Retrospective Workers' Compensation Fund. Capital leases obligations are being paid from the General Fund.



**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

**NOTE 14 - LONG-TERM OBLIGATIONS** (continued)

Due to the magnitude of the school facilities construction project, the debt issued by the School District exceeded the overall debt margin as permitted by Ohio statute. However, the School District was declared a “special needs” school district by the Superintendent of Public Instruction as defined by Section 133.06 of the Ohio Revised Code. Under this special exemption, the School District’s capacity for additional debt is approximately \$28.0 million.

**NOTE 15 - CAPITAL LEASES - LESSEE DISCLOSURE**

In prior fiscal years, the School District entered into various lease agreements to acquire capital assets. These lease agreements meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments made from governmental funds have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reported as program/function expenditures on a budgetary basis.

Capital assets acquired by lease have been capitalized in the statement of net assets for governmental activities in the amount of \$7,985,851 (\$6,260,559 of vehicles and \$1,725,292 of equipment), which is equal to the present value of the minimum lease payments at the time of acquisition. A corresponding liability was split between long-term liabilities due within a year and long-term liabilities due within more than one year on the statement of net assets for governmental activities. Principal payments in fiscal year 2011 totaled \$632,900.

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2011:

Fiscal Year Ended June 30,	Total Payments
2012	\$ 739,753
2013	648,632
2014	375,271
2015	359,652
2016	125,236
Total	2,248,544
Less: Amount Representing Interest	(176,287)
Present Value of Net Minimum Lease Payments	\$ 2,072,257

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

**NOTE 16 - INTERFUND ACTIVITY**

As of June 30, 2011, principal components of interfund balances and transactions were as follows:

		<b>Due from Other Funds</b>		
		General Fund	Other Governmental Funds	Total
<b>Due to Other Funds</b>	General	\$ -	\$2,836	\$2,836
	Other			
	Governmental Funds	<u>5,597,771</u>	<u>427,678</u>	<u>6,025,449</u>
	Total	<u><u>\$5,597,771</u></u>	<u><u>\$ 430,514</u></u>	<u><u>\$ 6,028,285</u></u>

The majority of due to other funds represents cash advances to grant funds for cash flow purposes by the General Fund. The remainder of the due to and due from other funds represents corrections in accounting entries applicable to fiscal year 2011 but not posted until after year-end or for reimbursement for expenditures of one fund spent on behalf of another fund.

		<b>Transfers From</b>
		<u>General Fund</u>
<b>Transfers To</b>	Other	
	Governmental Funds	\$ 1,500,000
	Internal Service Fund	<u>994,518</u>
	Total	<u><u>\$ 2,494,518</u></u>

The transfers represent permanent transfers of funds to different programs and operations with General Fund unrestricted revenues and as allowed by statute.

**NOTE 17 - SET-ASIDE CALCULATIONS**

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

**NOTE 17 - SET-ASIDE CALCULATIONS** (continued)

	Textbooks	Capital Acquisitions
Carry-over from Prior Fiscal Year	(\$2,127,318)	\$0
Current Fiscal Year Set-aside Requirement	2,025,161	2,025,161
Qualifying Disbursements	(3,828,583)	0
Current Fiscal Year Revenue Off-Sets	0	(11,004,385)
Subtotal	(\$3,930,740)	(\$8,979,224)
Amount Carried Forward to Subsequent Fiscal Year	(\$3,930,740)	\$0

During fiscal year 2011, the School District utilized the tax receipts recorded in the Bond Retirement Debt Service Fund as an off-set to the capital spending requirement. These tax receipts are used to repay the debt issued to finance the various school construction projects throughout the School District. As this offset amount exceeded the annual spending requirement, and excess amounts are not permitted to be carried forward to the subsequent fiscal year, it was not necessary to report any qualifying disbursements for the fiscal year.

**NOTE 18 - CONTINGENCIES**

***A. Grants***

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2011.

***B. Litigation***

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

**NOTE 19 – CONSTRUCTION COMMITMENTS**

At June 30, 2011 the School District had open purchase orders associated with the school facilities construction project totaling \$21.0 million; \$18.4 million in the Classroom Facilities capital project fund and \$2.6 million in the Building capital project fund.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

**NOTE 20 – FUND BALANCES**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and other governmental funds are presented below:

Fund Balances	General	Bond Retirement	Classroom Facilities	Other Governmental Funds	Total
<b><i>Nonspendable</i></b>					
Prepaid Items	\$329,215	\$0	\$24,954	\$94,228	\$448,397
Inventory	853,952	0	0	0	853,952
<b><i>Total Nonspendable</i></b>	<b>1,183,167</b>	<b>0</b>	<b>24,954</b>	<b>94,228</b>	<b>1,302,349</b>
<b><i>Restricted for</i></b>					
Debt Service	0	6,614,250	0	0	6,614,250
Classroom Facilities Programs	0	0	56,322,267	8,429,192	64,751,459
Permanent Improvements	0	0	0	9,678,708	9,678,708
Building Project	0	0	0	10,701,546	10,701,546
Food Service Operations	0	0	0	262,819	262,819
	0	0	0	79,764	79,764
Welcome Stadium	0	0	0	279,316	279,316
Other Local Grants	0	0	0	587,795	587,795
Computer Net Work Programs	0	0	0	53,565	53,565
Education Foundation	0	0	0	484,397	484,397
Athletics	0	0	0	156,767	156,767
Auxiliary Services	0	0	0	221,386	221,386
Education Management					0
Information Systems	0	0	0	4,166	4,166
Preschool Grant	0	0	0	44,091	44,091
Entry Year Program	0	0	0	1,000	1,000
Career Development Grants	0	0	0	4,000	4,000
Other State Grants	0	0	0	18,626	18,626
Vocational Education	0	0	0	106,788	106,788
Title II Technology Program	0	0	0	110,535	110,535
Drop Prevention Grants	\$0	\$0	\$0	\$11,785	\$11,785

(continued)

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011

**NOTE 20 – FUND BALANCE** (continued)

Fund Balances	General	Bond Retirement	Classroom Facilities	Other Governmental Funds	Total
Title VI Program	\$0	\$0	\$0	\$5,222	\$5,222
Drug Free Program	0	0	0	22,974	22,974
Reducing Class Program	0	0	0	11,062	11,062
<i>Total Restricted</i>	<u>\$0</u>	<u>\$6,614,250</u>	<u>\$56,322,267</u>	<u>\$31,275,504</u>	<u>\$94,212,021</u>
<i>Assigned to</i>					
Other Purposes	<u>\$87,383</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$87,383</u>
<i>Unassigned (Deficit)</i>	<u>8,739,049</u>	<u>0</u>	<u>0</u>	<u>(2,737,367)</u>	<u>6,001,682</u>
<i>Total Fund Balances</i>	<u><u>\$10,009,599</u></u>	<u><u>\$6,614,250</u></u>	<u><u>\$56,347,221</u></u>	<u><u>\$28,632,365</u></u>	<u><u>\$101,603,435</u></u>

## Major Governmental Funds

---

### MAJOR GOVERNMENTAL FUNDS

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

---

#### General Fund

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

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

#### Bond Retirement Fund

The Bond Retirement Fund accounts for and reports the accumulation of restricted local property taxes received and the payment of general long-term obligations, specifically the general obligation bonds and notes issued in conjunction with the School District's school facilities projects.

#### Classroom Facilities Fund

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BOND RETIREMENT FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	\$ 10,605,554	\$ 11,004,385	\$ 11,004,385	\$ -
Intergovernmental	2,855,941	2,963,341	2,991,237	27,896
Interest	38,505	39,953	-	(39,953)
Total Revenues	<u>13,500,000</u>	<u>14,007,679</u>	<u>13,995,622</u>	<u>(12,057)</u>
Expenditures:				
Debt Service:				
Principal Retirement	6,550,000	6,550,000	6,550,000	-
Interest and Fiscal Charges	11,485,855	11,485,855	10,426,950	1,058,905
Total Expenditures	<u>18,035,855</u>	<u>18,035,855</u>	<u>16,976,950</u>	<u>1,058,905</u>
Net Change in Fund Balance	(4,535,855)	(4,028,176)	(2,981,328)	1,046,848
Fund Balance at Beginning of Year	8,615,381	8,579,526	8,579,526	-
Prior Year Encumbrances Appropriated	35,855	35,855	35,855	-
Fund Balance at End of Year	<u>\$ 4,115,381</u>	<u>\$ 4,587,205</u>	<u>\$ 5,634,053</u>	<u>\$ 1,046,848</u>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
CLASSROOM FACILITIES FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 21,218,417	\$ 17,343,779	\$ 18,487,555	\$1,143,776
Interest	1,712,153	1,399,501	96,777	(1,302,724)
Miscellaneous	6,575	5,374	3,500	(1,874)
Total Revenues	<u>22,937,145</u>	<u>18,748,654</u>	<u>18,587,832</u>	<u>(160,822)</u>
Expenditures:				
Support Services:				
Fiscal	158,230	158,314	106,580	51,734
Capital Outlay	107,181,142	107,238,055	79,471,013	27,767,042
Total Expenditures	<u>107,339,372</u>	<u>107,396,369</u>	<u>79,577,593</u>	<u>27,818,776</u>
Net Change in Fund Balance	(84,402,227)	(88,647,715)	(60,989,761)	27,657,954
Fund Balance at Beginning of Year	91,334,660	25,972,307	25,972,307	-
Prior Year Encumbrances Appropriated	<u>65,339,372</u>	<u>65,362,353</u>	<u>65,362,353</u>	-
Fund Balance at End of Year	<u>\$ 72,271,805</u>	<u>\$ 2,686,945</u>	<u>\$ 30,344,899</u>	<u>\$ 27,657,954</u>



## Nonmajor Governmental Funds

---

### NONMAJOR SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specified purposes other than debt service or capital projects.

---

#### Other Grants

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

#### Computer Networks

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

#### Education Foundation

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

#### Maintenance of Classroom Facilities

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

#### District Managed Student Activities

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

#### Auxiliary Services

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

#### Management Information Systems

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

#### Public School Preschool

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

#### Entry Year Program

A fund to account for and report State grants aimed at providing restricted funding to the School District for structured training of entry level teachers.

#### Data Communications

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

(continued)

## Nonmajor Governmental Funds

(Continued)

---

### NONMAJOR SPECIAL REVENUE FUNDS (Continued)

#### Vocational Education Enhancement

To account for and report restricted vocational education enhancements that expand the number of students enrolled in tech programs, and also enables students to develop career plans, to identify initial educational and career goals, and to develop a career passport which provides a clear understanding of the student's knowledge, skills and credentials to present to future employers, universities, and other training institutes. This fund is also used to replace or update equipment essential for the instruction of students in job skills taught as part of a vocational program or programs approved for such instruction by the State Board of Education.

#### Alternative Schools

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

#### Miscellaneous State Grants

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

#### Education Jobs

A fund used to account for and report restricted federal monies which provides compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary or secondary educational related services.

#### Adult Basic Education

A fund used to account for and report restricted instructional programs for persons sixteen years of age and older who are not enrolled in school and who have less than a twelfth-grade education or its equivalent. These programs are designed to develop basic educational skills; increase opportunities for useful employment; and improve attitudes toward self, family, and community. The School District did not anticipate any activity during the year and none occurred; therefore, not budgetary statement is presented.

#### Race to the Top

This fund accounts for and reports federal funds restricted from the development of assessments to measure student achievement against standards designed to ensure that all students gain the knowledge and skills needed to succeed in college and the workplace.

#### Title VI-B

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

#### Vocational Education

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

#### Head Start

A fund used to account for and report restricted federal monies provided to income eligible families for preschool.

## **Nonmajor Governmental Funds**

(Continued)

---

### **NONMAJOR SPECIAL REVENUE FUNDS (Continued)**

#### State Fiscal Stabilization

This fund accounts for and reports the School District's allocation from the State Fiscal Stabilization Fund. These funds are restricted to help stabilize State and local budgets in order to minimize and avoid reductions in education and other essential services.

#### Title II-D Technology

This fund accounts for and reports federal funds restricted to create technology-enabled learning environments in which students will meet or exceed the State academic content standards and develop 21<sup>st</sup> century skills.

#### Title I School Improvement Stimulus A

This fund accounts for and reports federal funds restricted to provide supplemental funding to economically disadvantaged districts and some of their eligible schools for improving educational outcomes for students who are filing or at risk of failing to meet State standards.

#### Title I School Improvement Stimulus G

This fund accounts for and reports federal funds restricted to provide supplemental funding to economically disadvantaged districts and some of their eligible schools for improving educational outcomes for students who are filing or at risk of failing to meet State standards.

#### Dropout Prevention and Intervention

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

#### Title I

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

#### Title VI

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

#### Drug Free Schools Program

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

#### EHA Preschool Grants for the Handicapped

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

#### Title VI-R Classroom Size Reduction

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

#### Miscellaneous Federal Grants

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

## Nonmajor Governmental Funds

(Continued)

---

### NONMAJOR SPECIAL REVENUE FUNDS (Continued)

#### Special Trust

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

#### Food Service

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

#### Welcome Stadium

To account for and report the restricted financial transactions associated with the rental and operating costs for the School District owned stadium.

#### Uniform School Supplies

To account for and report the purchase and sale of school supplies for the use in the School District. This fund is included with the general fund for GAAP reporting as it does not have restricted or committed revenue source.

#### Other Grant Rotary

A fund used to account for and report a grant that Wright State University receives from the Department of Education. A portion of the grant is received by the District, from Wright State University, for the Reading Recovery Program. This fund is included with the general fund for GAAP reporting as it does not have restricted or committed revenue source.

#### Public School

To account for specific local revenue sources (other than taxes) generated by individual school buildings (i.e. sale of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs. This fund is included with the general fund for GAAP reporting as it does not have restricted or committed revenue source.

---

### NONMAJOR CAPITAL PROJECTS FUNDS

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

---

#### Permanent Improvement

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

#### Building

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

#### Interactive Video Distance Learning

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2011

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 17,247,538	\$ 20,502,509	\$ 37,750,047
Cash and Cash Equivalents with Fiscal Agent	684,397	-	684,397
Receivables:			
Property and Other Taxes - Current	633,126	633,127	1,266,253
Property and Other Taxes - Delinquent	368,998	368,998	737,996
Accounts	4,739	116,806	121,545
Intergovernmental	18,043,512	-	18,043,512
Accrued Interest	-	11,201	11,201
Due from Other Funds	430,514	-	430,514
Prepaid Items	-	94,228	94,228
Inventory Held for Resale	97,689	-	97,689
 Total Assets	 \$ 37,510,513	 \$ 21,726,869	 \$ 59,237,382
<u>Liabilities and Fund Balances:</u>			
Liabilities:			
Accounts Payable	\$ 2,992,166	\$ 241,209	\$ 3,233,375
Accrued Wages and Benefits Payable	2,112,234	18,727	2,130,961
Intergovernmental Payable	1,008,669	25,635	1,034,304
Due to Other Funds	6,025,449	-	6,025,449
Deferred Revenue	17,162,724	966,816	18,129,540
Matured Compensated Absences Payable	51,388	-	51,388
 Total Liabilities	 29,352,630	 1,252,387	 30,605,017
Fund Balances:			
Nonspendable	-	94,228	94,228
Restricted	10,895,250	20,380,254	31,275,504
Unassigned	(2,737,367)	-	(2,737,367)
 Total Fund Balances	 8,157,883	 20,474,482	 28,632,365
 Total Liabilities and Fund Balance	 \$ 37,510,513	 \$ 21,726,869	 \$ 59,237,382

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2011

	Other Grants	Computer Networks	Education Foundation	Maintenance of Classroom Facilities
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 590,705	\$ 61,880	\$ -	\$ 8,409,751
Cash and Cash Equivalents with Fiscal Agent		-	684,397	-
<u>Receivables:</u>				
Property and Other Taxes - Current	-	-	-	633,126
Property and Other Taxes - Delinquent	-	-	-	368,998
Accounts	4,739	-	-	-
Intergovernmental	-	-	-	-
Due from Other Funds	20,000	-	-	-
Inventory Held for Resale	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 615,444</u>	<u>\$ 61,880</u>	<u>\$ 684,397</u>	<u>\$ 9,411,875</u>
<u>Liabilities and Fund Balances:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ 7,649	\$ 8,320	\$ -	\$ 27,069
Accrued Wages and Benefits Payable	-	-	-	-
Intergovernmental Payable	-	-	-	-
Due to Other Funds	20,000	-	200,000	-
Deferred Revenue	-	-	-	955,614
Matured Compensated Absences Payable	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>27,649</u>	<u>8,320</u>	<u>200,000</u>	<u>982,683</u>
<u>Fund Balances:</u>				
Restricted	587,795	53,560	484,397	8,429,192
Unassigned	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances (Deficit)	<u>587,795</u>	<u>53,560</u>	<u>484,397</u>	<u>8,429,192</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 615,444</u>	<u>\$ 61,880</u>	<u>\$ 684,397</u>	<u>\$ 9,411,875</u>

District Managed Student Activities	Auxiliary Services	Management Information Systems	Public School Preschool
\$ 161,796	\$ 663,551	\$ 4,166	\$ 62,128
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>161,796</u>	<u>663,551</u>	<u>4,166</u>	<u>62,128</u>
\$ 707	\$ 360,920	\$ -	\$ 1,538
430	24,994	-	4,258
3,892	6,251	-	12,255
-	50,000	-	-
-	-	-	-
-	-	-	-
<u>5,029</u>	<u>442,165</u>	<u>-</u>	<u>18,051</u>
156,767	221,386	4,166	44,077
-	-	-	-
<u>156,767</u>	<u>221,386</u>	<u>4,166</u>	<u>44,077</u>
<u>\$ 161,796</u>	<u>\$ 663,551</u>	<u>\$ 4,166</u>	<u>\$ 62,128</u>

(Continued)

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2011  
 (Continued)

	Entry Year Program	Data Communications	Vocational Education Enhancement	Alternative Schools	Miscellaneous State Grants
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 1,000	\$ 5	\$ 4,000	\$ 37,734	\$ 18,626
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-	-
Receivables:					
Property and Other Taxes - Current	-	-	-	-	-
Property and Other Taxes - Delinquent	-	-	-	-	-
Accounts	-	-	-	-	-
Intergovernmental	-	-	-	101,545	-
Due from Other Funds	-	-	4,000	-	-
Inventory Held for Resale	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 1,000</b>	<b>\$ 5</b>	<b>\$ 8,000</b>	<b>\$ 139,279</b>	<b>\$ 18,626</b>
<u>Liabilities and Fund Balances:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$ -	\$ -	\$ -	\$ 4,750	\$ -
Accrued Wages and Benefits Payable	-	-	-	906	-
Intergovernmental Payable	-	-	-	1,047	-
Due to Other Funds	-	-	4,000	68,952	-
Deferred Revenue	-	-	-	64,484	-
Matured Compensated Absences Payable	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>4,000</b>	<b>140,139</b>	<b>-</b>
<u>Fund Balances:</u>					
Restricted	1,000	5	4,000	-	18,626
Unassigned	-	-	-	(860)	-
<b>Total Fund Balances (Deficit)</b>	<b>1,000</b>	<b>5</b>	<b>4,000</b>	<b>(860)</b>	<b>18,626</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,000</b>	<b>\$ 5</b>	<b>\$ 8,000</b>	<b>\$ 139,279</b>	<b>\$ 18,626</b>



Education Jobs	Race to the Top	Title VI-B	Vocational Education	Head Start	State Fiscal Stabilization
\$ -	\$ 335,175	\$ 2,473,127	\$ 216,798	\$ 111,178	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,398,151	1,151,610	3,690,337	52,689	88,816	-
-	-	-	150,000	-	-
-	-	-	-	-	-
<u>\$ 4,398,151</u>	<u>\$ 1,486,785</u>	<u>\$ 6,163,464</u>	<u>\$ 419,487</u>	<u>\$ 199,994</u>	<u>\$ -</u>
\$ -	\$ 50,897	\$ 796,844	\$ 97,915	\$ -	\$ -
-	2,573	152,940	9,608	8,617	1,038,017
-	10,988	128,230	2,487	31,038	194,330
-	358,000	2,198,139	150,000	200,000	-
4,398,151	1,117,705	3,307,843	52,689	-	-
-	-	3,499	-	-	-
<u>4,398,151</u>	<u>1,540,163</u>	<u>6,587,495</u>	<u>312,699</u>	<u>239,655</u>	<u>1,232,347</u>
-	-	-	106,788	-	-
-	(53,378)	(424,031)	-	(39,661)	(1,232,347)
-	(53,378)	(424,031)	106,788	(39,661)	(1,232,347)
<u>\$ 4,398,151</u>	<u>\$ 1,486,785</u>	<u>\$ 6,163,464</u>	<u>\$ 419,487</u>	<u>\$ 199,994</u>	<u>\$ -</u>

(Continued)

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2011  
 (Continued)

	Title II-D Technology	Title I School Improvement Stimulus A	Stimulus School Improvement Subsidy G	Dropout Prevention and Intervention	Title I
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 293,018	\$ 75,000	\$ 176,615	\$ 28,262	\$ 2,220,307
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-	-
Receivables:					
Property and Other Taxes - Current	-	-	-	-	-
Property and Other Taxes - Delinquent	-	-	-	-	-
Accounts	-	-	-	-	-
Intergovernmental	13,827	295,817	408,904	9,650	5,496,124
Due from Other Funds	-	-	578	-	235,608
Inventory Held for Resale	-	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 306,845</u></b>	<b><u>\$ 370,817</u></b>	<b><u>\$ 586,097</u></b>	<b><u>\$ 37,912</u></b>	<b><u>\$ 7,952,039</u></b>
<u>Liabilities and Fund Balances:</u>					
Liabilities:					
Accounts Payable	\$ 150,931	\$ 171,701	\$ 59,749	\$ 12,656	\$ 934,452
Accrued Wages and Benefits Payable	1,423	-	20,022	677	647,389
Intergovernmental Payable	327	-	23,976	2,864	396,833
Due to Other Funds	100,000	-	3,248	280	2,200,712
Deferred Revenue	13,827	295,817	408,904	9,650	4,592,156
Matured Compensated Absences Payable	-	-	-	-	46,275
<b>Total Liabilities</b>	<b><u>266,508</u></b>	<b><u>467,518</u></b>	<b><u>515,899</u></b>	<b><u>26,127</u></b>	<b><u>8,817,817</u></b>
Fund Balances:					
Restricted	40,337	-	70,198	11,785	-
Unassigned	-	(96,701)	-	-	(865,778)
<b>Total Fund Balances (Deficit)</b>	<b><u>40,337</u></b>	<b><u>(96,701)</u></b>	<b><u>70,198</u></b>	<b><u>11,785</u></b>	<b><u>(865,778)</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 306,845</u></b>	<b><u>\$ 370,817</u></b>	<b><u>\$ 586,097</u></b>	<b><u>\$ 37,912</u></b>	<b><u>\$ 7,952,039</u></b>

<u>Title VI</u>	<u>Drug Free Schools Program</u>	<u>EHA Preschool Grants for the Handicapped</u>	<u>Title VI-R Classroom Size Reduction</u>	<u>Miscellaneous Federal Grants</u>	<u>Special Trust</u>
\$ 5,222	\$ 87,376	\$ 22,710	\$ 198,717	\$ 222,808	\$ 79,764
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	20,596	41,679	2,170,061	52,008	-
-	-	19,325	-	-	-
-	-	-	-	-	-
<u>\$ 5,222</u>	<u>\$ 107,972</u>	<u>\$ 83,714</u>	<u>\$ 2,368,778</u>	<u>\$ 274,816</u>	<u>\$ 79,764</u>
\$ -	\$ 63,000	\$ 14,405	\$ 70,783	\$ 46,200	\$ -
-	-	-	162,080	918	-
-	1,402	6,319	42,317	1,061	-
-	-	36,228	235,244	200,000	-
-	20,596	26,748	1,847,292	51,248	-
-	-	-	-	-	-
-	<u>84,998</u>	<u>83,700</u>	<u>2,357,716</u>	<u>299,427</u>	<u>-</u>
5,222	22,974	14	11,062	-	79,764
-	-	-	-	(24,611)	-
<u>5,222</u>	<u>22,974</u>	<u>14</u>	<u>11,062</u>	<u>(24,611)</u>	<u>79,764</u>
<u>\$ 5,222</u>	<u>\$ 107,972</u>	<u>\$ 83,714</u>	<u>\$ 2,368,778</u>	<u>\$ 274,816</u>	<u>\$ 79,764</u>

(Continued)

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2011  
 (Continued)

	Food Service	Welcome Stadium	Total
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 404,189	\$ 281,930	17,247,538
Cash and Cash Equivalents with Fiscal Agent	-	-	684,397
Receivables:			
Property and Other Taxes - Current	-	-	633,126
Property and Other Taxes - Delinquent	-	-	368,998
Accounts	-	-	4,739
Intergovernmental	51,698	-	18,043,512
Due from Other Funds	1,003	-	430,514
Inventory Held for Resale	97,689	-	97,689
	<hr/>	<hr/>	<hr/>
Total Assets	\$ 554,579	\$ 281,930	\$ 37,510,513
<u>Liabilities and Fund Balances:</u>			
<u>Liabilities:</u>			
Accounts Payable	\$ 111,104	\$ 576	\$ 2,992,166
Accrued Wages and Benefits Payable	37,089	293	2,112,234
Intergovernmental Payable	141,953	1,099	1,008,669
Due to Other Funds	-	646	6,025,449
Deferred Revenue	-	-	17,162,724
Matured Compensated Absences Payable	1,614	-	51,388
	<hr/>	<hr/>	<hr/>
Total Liabilities	291,760	2,614	29,352,630
<u>Fund Balances:</u>			
Restricted	262,819	279,316	10,895,250
Unassigned	-	-	(2,737,367)
	<hr/>	<hr/>	<hr/>
Total Fund Balances (Deficit)	262,819	279,316	8,157,883
	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	\$ 554,579	\$ 281,930	\$ 37,510,513

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 JUNE 30, 2011

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 9,718,400	\$ 10,784,109	\$ 20,502,509
Receivables:			
Property and Other Taxes - Current	633,127	-	633,127
Property and Other Taxes - Delinquent	368,998	-	368,998
Accounts	-	116,806	116,806
Accrued Interest	-	11,201	11,201
Prepaid Items	-	94,228	94,228
Total Assets	\$ 10,720,525	\$ 11,006,344	\$ 21,726,869
<u>Liabilities and Fund Balances:</u>			
Liabilities:			
Accounts Payable	\$ 86,202	\$ 155,007	\$ 241,209
Accrued Wages and Benefits Payable	-	18,727	18,727
Intergovernmental Payable	-	25,635	25,635
Deferred Revenue	955,615	11,201	966,816
Total Liabilities	1,041,817	210,570	1,252,387
Fund Balances:			
Nonspendable	-	94,228	94,228
Restricted	9,678,708	10,701,546	20,380,254
Total Fund Balances	9,678,708	10,795,774	20,474,482
Total Liabilities and Fund Balance	\$ 10,720,525	\$ 11,006,344	\$ 21,726,869

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$ 618,623	\$ 618,623	\$ 1,237,246
Intergovernmental	48,677,106	771,371	49,448,477
Interest	107,414	169,767	277,181
Gifts and Donations	25,081	-	25,081
Customer Sales and Services	1,207,839	-	1,207,839
Extracurricular Activities	658,349	-	658,349
Miscellaneous	316,916	413,544	730,460
	<u>51,611,328</u>	<u>1,973,305</u>	<u>53,584,633</u>
Total Revenues			
Expenditures:			
Current:			
Instruction:			
Regular	1,537,875	-	1,537,875
Special	7,502,614	-	7,502,614
Vocational	579,623	480,030	1,059,653
Student Intervention Services	4,785,119	-	4,785,119
Support Services:			
Pupils	5,179,719	-	5,179,719
Instructional Staff	12,112,541	-	12,112,541
Administration	2,681,778	3,362	2,685,140
Fiscal	509,540	26,746	536,286
Operation and Maintenance of Plant	701,774	173,187	874,961
Pupil Transportation	1,004,754	258	1,005,012
Central	61,066	1,739,264	1,800,330
Non-Instructional Services	15,767,564	-	15,767,564
Extracurricular Activities	809,881	-	809,881
Capital Outlay	105,887	9,291,658	9,397,545
Debt Service:			
Principal Retirement	-	350,000	350,000
Interest and Fiscal Charges	-	57,645	57,645
	<u>53,339,735</u>	<u>12,122,150</u>	<u>65,461,885</u>
Total Expenditures			
Excess of Revenues Under Expenditures	<u>(1,728,407)</u>	<u>(10,148,845)</u>	<u>(11,877,252)</u>
Other Financing Sources (Uses):			
Transfers-In	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>
Net Change in Fund Balance	(228,407)	(10,148,845)	(10,377,252)
Fund Balance at Beginning of Year - Restated	<u>8,386,290</u>	<u>30,623,327</u>	<u>39,009,617</u>
Fund Balance at End of Year	<u>\$ 8,157,883</u>	<u>\$ 20,474,482</u>	<u>\$ 28,632,365</u>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Other Grants	Computer Networks	Education Foundation	Maintenance of Classroom Facilities	District Managed Student Activities
<b>Revenues:</b>					
Taxes	\$ -	\$ -	\$ -	\$ 618,623	\$ -
Intergovernmental	4,739	72,800	-	569,355	-
Interest	-	-	94,146	-	-
Gifts and Donations	-	-	-	-	-
Customer Sales and Services	-	-	-	-	-
Extracurricular Activities	-	-	-	-	160,141
Miscellaneous	203,517	-	-	-	-
<b>Total Revenues</b>	<u>208,256</u>	<u>72,800</u>	<u>94,146</u>	<u>1,187,978</u>	<u>160,141</u>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular	31,987	-	-	-	-
Special	2,816	-	12,793	-	-
Vocational	-	-	-	-	-
Student Intervention Services	-	-	-	-	-
<b>Support Services:</b>					
Pupils	68,374	-	-	-	-
Instructional Staff	77,876	-	-	-	-
Administration	-	-	-	-	-
Fiscal	-	-	-	10,474	-
Operation and Maintenance of Plant	6,585	-	-	582,626	14,579
Pupil Transportation	-	-	-	-	-
Central	-	24,744	-	-	-
Non-Instructional Services	-	-	-	-	-
Extracurricular Activities	2,688	-	-	-	277,304
Capital Outlay	-	-	-	105,887	-
<b>Total Expenditures</b>	<u>190,326</u>	<u>24,744</u>	<u>12,793</u>	<u>698,987</u>	<u>291,883</u>
<b>Excess of Revenues Over (Under)</b>					
Expenditures	<u>17,930</u>	<u>48,056</u>	<u>81,353</u>	<u>488,991</u>	<u>(131,742)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers-In	-	-	-	-	-
<b>Net Change in Fund Balance</b>	17,930	48,056	81,353	488,991	(131,742)
<b>Fund Balance (Deficit) at Beginning of Year</b>	<u>569,865</u>	<u>5,504</u>	<u>403,044</u>	<u>7,940,201</u>	<u>288,509</u>
<b>Fund Balance (Deficit) at End of Year</b>	<u>\$ 587,795</u>	<u>\$ 53,560</u>	<u>\$ 484,397</u>	<u>\$ 8,429,192</u>	<u>\$ 156,767</u>

Auxiliary Services	Management Information Systems	Public School Preschool	Entry Year Program	Data Communications	Vocational Education Enhancement	Alternative Schools
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,341,312	8,939	184,000	-	-	8,000	97,771
13,268	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	111,245	-	-	-	-
<u>1,354,580</u>	<u>8,939</u>	<u>295,245</u>	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>97,771</u>
-	-	114,854	-	-	4,000	-
-	-	14,257	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	8,004	-	-	-	59,858
-	-	172,329	-	-	-	4,750
-	-	5,789	-	-	-	29,376
-	-	7,562	-	-	-	1,802
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	4,230	-	-	-	-	-
1,509,499	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,509,499</u>	<u>4,230</u>	<u>322,795</u>	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>95,786</u>
(154,919)	4,709	(27,550)	-	-	4,000	1,985
-	-	-	-	-	-	-
(154,919)	4,709	(27,550)	-	-	4,000	1,985
<u>376,305</u>	<u>(543)</u>	<u>71,627</u>	<u>1,000</u>	<u>5</u>	<u>-</u>	<u>(2,845)</u>
<u>\$ 221,386</u>	<u>\$ 4,166</u>	<u>\$ 44,077</u>	<u>\$ 1,000</u>	<u>\$ 5</u>	<u>\$ 4,000</u>	<u>\$ (860)</u>

(Continued)



**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

	Miscellaneous State Grants	Adult Basic Education	Race to the Top	Title VI-B
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	105,450	5,435,570
Interest	-	-	-	-
Gifts and Donations	-	-	-	-
Customer Sales and Services	-	-	-	-
Extracurricular Activities	-	-	-	-
Miscellaneous	-	2,154	-	-
<b>Total Revenues</b>	<u>-</u>	<u>2,154</u>	<u>105,450</u>	<u>5,435,570</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	-	-	-	-
Special	-	-	-	1,495,566
Vocational	-	-	-	-
Student Intervention Services	-	-	-	-
<b>Support Services:</b>				
Pupils	-	-	-	626,314
Instructional Staff	10,798	-	125,916	2,768,136
Administration	-	-	32,912	114,024
Fiscal	232	-	-	95,625
Operation and Maintenance of Plant	-	-	-	-
Pupil Transportation	-	-	-	-
Central	-	-	-	-
Non-Instructional Services	-	-	-	439,430
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	-
<b>Total Expenditures</b>	<u>11,030</u>	<u>-</u>	<u>158,828</u>	<u>5,539,095</u>
<b>Excess of Revenues Over (Under)</b>				
Expenditures	<u>(11,030)</u>	<u>2,154</u>	<u>(53,378)</u>	<u>(103,525)</u>
<b>Other Financing Sources:</b>				
Transfers-In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>(11,030)</u>	<u>2,154</u>	<u>(53,378)</u>	<u>(103,525)</u>
<b>Fund Balance (Deficit) at Beginning of Year</b>	<u>29,656</u>	<u>(2,154)</u>	<u>-</u>	<u>(320,506)</u>
<b>Fund Balance (Deficit) at End of Year</b>	<u>\$ 18,626</u>	<u>\$ -</u>	<u>\$ (53,378)</u>	<u>\$ (424,031)</u>

Vocational Education	Head Start	State Fiscal Stabilization	Title II-D Technology	Title I School Improvement Stimulus A	Stimulus School Improvement Subsidy G
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
768,912	1,728,258	10,546,405	253,850	722,002	642,707
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>768,912</u>	<u>1,728,258</u>	<u>10,546,405</u>	<u>253,850</u>	<u>722,002</u>	<u>642,707</u>
-	1	1,385,021	-	-	-
-	1,472,959	12,767	-	-	255,979
579,623	-	-	-	-	-
-	-	97,399	-	-	-
5,350	9,720	2,377,902	-	-	599
49,649	50,667	957,332	276,219	818,703	238,482
45,946	140,298	1,397,829	-	-	58,064
-	-	-	3,100	-	-
-	-	-	-	-	-
31,459	-	-	-	-	19,385
31,302	-	790	-	-	-
-	-	3,546,711	20,746	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>743,329</u>	<u>1,673,645</u>	<u>9,775,751</u>	<u>300,065</u>	<u>818,703</u>	<u>572,509</u>
<u>25,583</u>	<u>54,613</u>	<u>770,654</u>	<u>(46,215)</u>	<u>(96,701)</u>	<u>70,198</u>
-	-	-	-	-	-
25,583	54,613	770,654	(46,215)	(96,701)	70,198
<u>81,205</u>	<u>(94,274)</u>	<u>(2,003,001)</u>	<u>86,552</u>	<u>-</u>	<u>-</u>
<u>\$ 106,788</u>	<u>\$ (39,661)</u>	<u>\$ (1,232,347)</u>	<u>\$ 40,337</u>	<u>\$ (96,701)</u>	<u>\$ 70,198</u>

(Continued)

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
 (Continued)

	Dropout Prevention and Intervention	Title I	Title VI	Drug Free Schools Program	EHA Preschool Grants for the Handicapped
<b>Revenues:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	112,858	15,238,031	-	31,069	207,072
Interest	-	-	-	-	-
Gifts and Donations	-	-	-	-	-
Customer Sales and Services	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total Revenues</b>	<u>112,858</u>	<u>15,238,031</u>	<u>-</u>	<u>31,069</u>	<u>207,072</u>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular	-	-	-	-	-
Special	87,208	4,105,403	-	-	42,865
Vocational	-	-	-	-	-
Student Intervention Services	-	4,687,720	-	-	-
<b>Support Services:</b>					
Pupils	3,710	1,615,761	-	-	-
Instructional Staff	12,081	3,412,918	-	78,193	130,148
Administration	-	798,065	-	-	-
Fiscal	1,931	314,405	-	1,266	3,012
Operation and Maintenance of Plant	-	-	-	-	-
Pupil Transportation	8,155	945,755	-	-	-
Central	-	-	-	-	-
Non-Instructional Services	-	709,054	-	-	-
Extracurricular Activities	-	-	-	-	-
Capital Outlay	-	-	-	-	-
<b>Total Expenditures</b>	<u>113,085</u>	<u>16,589,081</u>	<u>-</u>	<u>79,459</u>	<u>176,025</u>
<b>Excess of Revenues Over (Under)</b>					
Expenditures	<u>(227)</u>	<u>(1,351,050)</u>	<u>-</u>	<u>(48,390)</u>	<u>31,047</u>
<b>Other Financing Sources:</b>					
Transfers-In	-	-	-	-	-
<b>Net Change in Fund Balance</b>	<u>(227)</u>	<u>(1,351,050)</u>	<u>-</u>	<u>(48,390)</u>	<u>31,047</u>
<b>Fund Balance (Deficit) at Beginning of Year</b>	<u>12,012</u>	<u>485,272</u>	<u>5,222</u>	<u>71,364</u>	<u>(31,033)</u>
<b>Fund Balance (Deficit) at End of Year</b>	<u>\$ 11,785</u>	<u>\$ (865,778)</u>	<u>\$ 5,222</u>	<u>\$ 22,974</u>	<u>\$ 14</u>

<u>Title VI-R Classroom Size Reduction</u>	<u>Miscellaneous Federal Grants</u>	<u>Special Trust</u>	<u>Food Service</u>	<u>Welcome Stadium</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 618,623
2,986,201	485,751	-	7,126,054	-	48,677,106
-	-	-	-	-	107,414
-	-	25,081	-	-	25,081
-	-	-	1,207,839	-	1,207,839
-	-	-	-	498,208	658,349
-	-	-	-	-	316,916
<u>2,986,201</u>	<u>485,751</u>	<u>25,081</u>	<u>8,333,893</u>	<u>498,208</u>	<u>51,611,328</u>
-	2,012	-	-	-	1,537,875
-	1	-	-	-	7,502,614
-	-	-	-	-	579,623
-	-	-	-	-	4,785,119
-	388,644	15,483	-	-	5,179,719
2,918,393	9,951	-	-	-	12,112,541
-	59,475	-	-	-	2,681,778
60,569	9,562	-	-	-	509,540
-	-	-	42,489	55,495	701,774
-	-	-	-	-	1,004,754
-	-	-	-	-	61,066
21,322	-	-	9,520,802	-	15,767,564
-	-	-	-	529,889	809,881
-	-	-	-	-	105,887
<u>3,000,284</u>	<u>469,645</u>	<u>15,483</u>	<u>9,563,291</u>	<u>585,384</u>	<u>53,339,735</u>
<u>(14,083)</u>	<u>16,106</u>	<u>9,598</u>	<u>(1,229,398)</u>	<u>(87,176)</u>	<u>(1,728,407)</u>
-	-	-	1,500,000	-	1,500,000
(14,083)	16,106	9,598	270,602	(87,176)	(228,407)
<u>25,145</u>	<u>(40,717)</u>	<u>70,166</u>	<u>(7,783)</u>	<u>366,492</u>	<u>8,386,290</u>
<u>\$ 11,062</u>	<u>\$ (24,611)</u>	<u>\$ 79,764</u>	<u>\$ 262,819</u>	<u>\$ 279,316</u>	<u>\$ 8,157,883</u>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Interactive Video Distance Learning</u>	<u>Total Nonmajor Capital Projects Funds</u>
Revenues:				
Taxes	\$ 618,623	\$ -	\$ -	\$ 618,623
Intergovernmental	376,068	395,303	-	771,371
Interest	-	169,767	-	169,767
Miscellaneous	<u>-</u>	<u>413,544</u>	<u>-</u>	<u>413,544</u>
Total Revenues	<u>994,691</u>	<u>978,614</u>	<u>-</u>	<u>1,973,305</u>
Expenditures:				
Current:				
Instruction:				
Vocational	-	480,030	-	480,030
Support Services:				
Administration	-	3,362	-	3,362
Fiscal	11,010	15,736	-	26,746
Operation and Maintenance of Plant	146,637	26,550	-	173,187
Pupil Transportation	258	-	-	258
Central	1,204,556	523,566	11,142	1,739,264
Capital Outlay	1,069,810	8,221,848	-	9,291,658
Debt Service:				
Principal Retirement	350,000	-	-	350,000
Interest and Fiscal Charges	<u>57,645</u>	<u>-</u>	<u>-</u>	<u>57,645</u>
Total Expenditures	<u>2,839,916</u>	<u>9,271,092</u>	<u>11,142</u>	<u>12,122,150</u>
Net Change in Fund Balance	(1,845,225)	(8,292,478)	(11,142)	(10,148,845)
Fund Balance at Beginning of Year	<u>11,523,933</u>	<u>19,088,252</u>	<u>11,142</u>	<u>30,623,327</u>
Fund Balance at End of Year	<u>\$ 9,678,708</u>	<u>\$ 10,795,774</u>	<u>\$ -</u>	<u>\$ 20,474,482</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
OTHER GRANTS FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Miscellaneous	\$ 1,500,000	\$ 236,120	\$ 237,220	\$ 1,100
Expenditures:				
Current:				
Instruction:				
Regular	250,477	133,620	32,587	101,033
Special	16,925	9,029	2,972	6,057
Vocational	2,787	1,487	-	1,487
Adult/Continuing	3,119	1,664	-	1,664
Support Services:				
Pupils	806,585	430,283	90,274	340,009
Instructional Staff	345,162	184,131	98,135	85,996
Board of Education	436	232	-	232
Administration	8,689	4,635	129	4,506
Operation and Maintenance of Plant	106,055	56,576	36,508	20,068
Extracurricular Activities	112,529	60,030	33,518	26,512
Total Expenditures	<u>1,652,764</u>	<u>881,687</u>	<u>294,123</u>	<u>587,564</u>
Excess of Revenues Over (Under) Expenditures	<u>(152,764)</u>	<u>(645,567)</u>	<u>(56,903)</u>	<u>588,664</u>
Other Financing Sources (Uses):				
Advance-Out	<u>-</u>	<u>-</u>	<u>(20,000)</u>	<u>(20,000)</u>
Net Change in Fund Balance	(152,764)	(645,567)	(76,903)	568,664
Fund Balance at Beginning of Year	648,267	584,168	584,168	-
Prior Year Encumbrances Appropriated	<u>65,763</u>	<u>64,098</u>	<u>64,098</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 561,266</u>	<u>\$ 2,699</u>	<u>\$ 571,363</u>	<u>\$ 568,664</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 COMPUTER NETWORKS FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 75,000	\$ 72,800	\$ 72,800	\$ -
Expenditures:				
Current:				
Support Services:				
Central	70,504	37,504	26,844	10,660
Net Change in Fund Balance	4,496	35,296	45,956	10,660
Fund Balance at Beginning of Year	5,504	-	-	-
Prior Year Encumbrances Appropriated	5,504	5,504	5,504	-
Fund Balance at End of Year	<u>\$ 15,504</u>	<u>\$ 40,800</u>	<u>\$ 51,460</u>	<u>\$ 10,660</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 MAINTENANCE OF CLASSROOM FACILITIES FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	\$ 675,000	\$ 602,448	\$ 602,448	\$ -
Intergovernmental	575,000	569,355	569,355	-
<b>Total Revenues</b>	<b>1,250,000</b>	<b>1,171,803</b>	<b>1,171,803</b>	<b>-</b>
Expenditures:				
Current:				
Support Services:				
Fiscal	24,741	24,750	10,474	14,276
Operation and Maintenance of Plant	776,414	776,691	564,992	211,699
Capital Outlay	2,563,481	2,564,395	281,030	2,283,365
<b>Total Expenditures</b>	<b>3,364,636</b>	<b>3,365,836</b>	<b>856,496</b>	<b>2,509,340</b>
Net Change in Fund Balance	(2,114,636)	(2,194,033)	315,307	2,509,340
Fund Balance at Beginning of Year	7,910,435	7,672,599	7,672,599	-
Prior Year Encumbrances Appropriated	236,636	237,836	237,836	-
<b>Fund Balance at End of Year</b>	<b>\$ 6,032,435</b>	<b>\$ 5,716,402</b>	<b>\$ 8,225,742</b>	<b>\$ 2,509,340</b>



**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 DISTRICT MANAGED STUDENT ACTIVITIES FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Extracurricular Activities	\$ 525,000	\$ 160,141	\$ 160,141	\$ -
Expenditures:				
Current:				
Support Services:				
Operation and Maintenance of Plant	38,382	21,406	14,579	6,827
Extracurricular Activities	752,287	419,561	285,746	133,815
Total Expenditures	790,669	440,967	300,325	140,642
Net Change in Fund Balance	(265,669)	(280,826)	(140,184)	140,642
Fund Balance at Beginning of Year	293,638	286,685	286,685	-
Prior Year Encumbrances Appropriated	8,669	6,954	6,954	-
Fund Balance at End of Year	<u>\$ 36,638</u>	<u>\$ 12,813</u>	<u>\$ 153,455</u>	<u>\$ 140,642</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
AUXILIARY SERVICES FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 3,774,277	\$ 1,392,126	\$ 1,341,313	\$ (50,813)
Interest	25,723	9,488	13,269	3,781
<b>Total Revenues</b>	<b>3,800,000</b>	<b>1,401,614</b>	<b>1,354,582</b>	<b>(47,032)</b>
Expenditures:				
Current:				
Non-Instructional Services	3,499,492	1,928,540	1,791,276	137,264
Excess of Revenues Over (Under) Expenditures	300,508	(526,926)	(436,694)	90,232
Other Financing Uses:				
Advances-In	-	-	50,000	50,000
<b>Net Change in Fund Balance</b>	<b>300,508</b>	<b>(526,926)</b>	<b>(386,694)</b>	<b>140,232</b>
Fund Balance at Beginning of Year	561,672	276,274	276,274	-
Prior Year Encumbrances Appropriated	399,492	285,398	285,398	-
<b>Fund Balance at End of Year</b>	<b>\$ 1,261,672</b>	<b>\$ 34,746</b>	<b>\$ 174,978</b>	<b>\$ 140,232</b>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 MANAGEMENT INFORMATION SYSTEMS FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 30,000	\$ 8,939	\$ 8,939	\$ -
Expenditures:				
Current:				
Support Services:				
Central	<u>20,000</u>	<u>9,570</u>	<u>8,952</u>	<u>618</u>
Net Change in Fund Balance	10,000	(631)	(13)	618
Fund Balance at Beginning of Year	<u>4,180</u>	<u>4,180</u>	<u>4,180</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 14,180</u>	<u>\$ 3,549</u>	<u>\$ 4,167</u>	<u>\$ 618</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
PUBLIC SCHOOL PRESCHOOL FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 193,951	\$ 184,000	\$ 184,000	\$ -
Miscellaneous	131,049	124,325	124,325	-
<b>Total Revenues</b>	<b>325,000</b>	<b>308,325</b>	<b>308,325</b>	<b>-</b>
Expenditures:				
Current:				
Instruction:				
Regular	121,825	124,907	117,895	7,012
Special	17,924	18,377	16,300	2,077
Support Services:				
Pupils	16,882	17,309	8,104	9,205
Instructional Staff	173,690	178,084	172,534	5,550
Administration	17,531	17,975	5,789	12,186
Fiscal	7,375	7,562	7,562	-
<b>Total Expenditures</b>	<b>355,227</b>	<b>364,214</b>	<b>328,184</b>	<b>36,030</b>
Net Change in Fund Balance	(30,227)	(55,889)	(19,859)	36,030
Fund Balance at Beginning of Year	79,989	77,762	77,762	-
Prior Year Encumbrances Appropriated	2,227	2,227	2,227	-
<b>Fund Balance at End of Year</b>	<b>\$ 51,989</b>	<b>\$ 24,100</b>	<b>\$ 60,130</b>	<b>\$ 36,030</b>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 ENTRY YEAR PROGRAM FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenue:				
Expenditure:				
Fund Balance at Beginning of Year	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ -</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 DATA COMMUNICATIONS FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 125,000	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Central	<u>100,006</u>	<u>6</u>	<u>6</u>	<u>-</u>
Net Change in Fund Balance	24,994	(6)	(6)	-
Fund Balance at Beginning of Year	6	-	-	-
Prior Year Encumbrances Appropriated	<u>6</u>	<u>6</u>	<u>6</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 25,006</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 VOCATIONAL EDUCATION ENHANCEMENT FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:	\$ 13,000	\$ 8,000	\$ 8,000	\$ -
Expenditures:				
Current:				
Instruction:				
Regular	9,000	11,659	7,659	4,000
Total Expenditures	9,000	11,659	7,659	4,000
Excess of Revenues Over/ (Under) Expenditures	4,000	(3,659)	341	4,000
Other Financing Uses:				
Refund of Prior Year Receipts	-	(341)	(341)	-
Advances-Out	-	-	(4,000)	(4,000)
Total Other Financing Uses	-	(341)	(4,341)	(4,000)
Net Change in Fund Balance	4,000	(4,000)	(4,000)	4,000
Fund Balance at Beginning of Year	4,000	-	-	-
Prior Year Encumbrances Appropriated	4,000	4,000	4,000	-
Fund Balance at End of Year	<u>\$ 12,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,000</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ALTERNATIVE SCHOOLS FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 166,000	\$ 128,784	\$ 61,634	\$ (67,150)
Expenditures:				
Current:				
Support Services:				
Pupils	118,792	99,878	92,796	7,082
Instructional Staff	6,118	5,144	4,750	394
Administration	38,779	32,606	30,294	2,312
Fiscal	4,067	3,419	3,177	242
Total Expenditures	167,756	141,047	131,017	10,030
Excess of Revenues Over (Under) Expenditures	(1,756)	(12,263)	(69,383)	(57,120)
Other Financing Uses:				
Advances - Out	-	-	(10,000)	10,000
Advances-In	-	-	67,150	67,150
Total Other Financing Sources (Uses)	-	-	57,150	57,150
Net Change in Fund Balance	(1,756)	(12,263)	(12,233)	30
Fund Balance at Beginning of Year	12,292	6,793	6,793	-
Prior Year Encumbrances Appropriated	5,500	5,499	5,499	-
Fund Balance at End of Year	\$ 16,036	\$ 29	\$ 59	\$ 30



**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
MISCELLANEOUS STATE GRANTS FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 175,000	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Instruction:				
Regular	51,861	25,758	7,670	18,088
Support Services:				
Instructional Staff	79,982	39,725	39,725	-
Fiscal	1,550	770	232	538
Total Expenditures	133,393	66,253	47,627	18,626
Excess of Revenues Over (Under) Expenditures	41,607	(66,253)	(47,627)	18,626
Other Financing Uses:				
Refund of Prior Year Receipts	(20,430)	(10,147)	(10,147)	-
Net Change in Fund Balance	21,177	(76,400)	(57,774)	18,626
Fund Balance at Beginning of Year	76,400	37,073	37,073	-
Prior Year Encumbrances Appropriated	39,324	39,327	39,327	-
Fund Balance at End of Year	<u>\$ 136,901</u>	<u>\$ -</u>	<u>\$ 18,626</u>	<u>\$ 18,626</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
RACE TO THE TOP FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 429,545	\$ 429,545	\$ 71,545	\$ (358,000)
Expenditures:				
Current:				
Support Services:				
Instructional Staff	397,653	397,653	397,625	28
Administration	29,046	29,046	29,046	-
Total Expenditures	426,699	426,699	426,671	28
Excess of Revenues Over(Under)				
Expenditures	2,846	2,846	(355,126)	(357,972)
Advance - In	-	-	358,000	358,000
Net Change in Fund Balance	2,846	2,846	2,874	(357,972)
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ 2,846	\$ 2,846	\$ 2,874	\$ (357,972)

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
TITLE VI-B FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 9,950,000	\$ 7,170,988	\$ 5,057,188	\$ (2,113,800)
Expenditures:				
Current:				
Instruction:				
Special	4,089,668	3,009,359	2,987,662	21,697
Support Services:				
Pupils	906,450	667,007	662,823	4,184
Instructional Staff	4,138,587	3,045,356	3,026,255	19,101
Administration	162,339	119,456	118,707	749
Fiscal	153,350	112,842	112,134	708
Non-Instructional Services	624,621	459,625	456,742	2,883
Total Expenditures	10,075,015	7,413,645	7,364,323	49,322
Excess of Revenues Over (Under)				
Expenditures	(125,015)	(242,657)	(2,307,135)	(2,064,478)
Other Financing Sources (Uses):				
Advances-In	-	-	2,112,000	2,112,000
Advances-Out	-	-	(46,500)	(46,500)
Total Other Financing Sources (Uses)	-	-	2,065,500	2,065,500
Net Change in Fund Balance	(125,015)	(242,657)	(241,635)	1,022
Fund Balance at Beginning of Year	243,788	1,369	1,369	-
Prior Year Encumbrances Appropriated	249,514	242,421	242,421	-
Fund Balance at End of Year	\$ 368,287	\$ 1,133	\$ 2,155	\$ 1,022

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
VOCATIONAL EDUCATION FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 1,350,000	\$ 768,912	\$ 768,912	\$ -
Expenditures:				
Current:				
Instruction:				
Vocational	1,161,363	828,586	708,109	120,477
Support Services:				
Pupils	9,620	6,863	5,350	1,513
Instructional Staff	84,604	60,362	51,797	8,565
Administration	75,042	53,539	45,946	7,593
Pupil Transportation	51,389	36,664	31,459	5,205
Central	100,373	71,611	61,455	10,156
Total Expenditures	1,482,391	1,057,625	904,116	153,509
Excess of Revenues Over (Under)				
Expenditures	(132,391)	(288,713)	(135,204)	153,509
Other Financing Sources:				
Advances-Out	-	-	(150,000)	(150,000)
Net Change in Fund Balance	(132,391)	(288,713)	(285,204)	3,509
Fund Balance at Beginning of Year	337,164	71,324	71,324	
Prior Year Encumbrances Appropriated	276,069	265,840	265,840	-
Fund Balance at End of Year	\$ 480,842	\$ 48,451	\$ 51,960	\$ 3,509

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
HEAD START FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 3,000,000	\$ 1,750,314	\$ 1,750,314	\$ -
Expenditures:				
Current:				
Instruction:				
Special	2,432,582	1,507,251	1,507,251	-
Support Services:				
Pupils	15,686	9,719	9,719	-
Instructional Staff	106,712	66,120	66,120	-
Administration	236,271	146,396	145,167	1,229
Total Expenditures	<u>2,791,251</u>	<u>1,729,486</u>	<u>1,728,257</u>	<u>1,229</u>
Net Change in Fund Balance	208,749	20,828	22,057	1,229
Fund Balance at Beginning of Year	89,128	27,283	27,283	-
Prior Year Encumbrances Appropriated	<u>62,297</u>	<u>61,847</u>	<u>61,847</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 360,174</u>	<u>\$ 109,958</u>	<u>\$ 111,187</u>	<u>\$ 1,229</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 STATE FISCAL STABILIZATION FUND - BUDGET (NON-GAPP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 10,802,000	\$ 10,546,405	\$ 10,546,405	\$ -
Expenditures:				
Current:				
Instruction:				
Regular	1,947,419	1,928,129	1,928,129	-
Special	9,526	9,432	9,432	-
Other	124,483	123,250	123,250	-
Support Services:				
Pupils	2,504,420	2,479,612	2,479,612	-
Instructional Staff	989,362	979,562	979,562	-
Administration	1,658,857	1,642,425	1,642,425	-
Central	954	945	945	-
Non Instructional Services	3,582,195	3,546,711	3,546,711	-
Total Expenditures	10,817,216	10,710,066	10,710,066	-
Net Change in Fund Balance	(15,216)	(163,661)	(163,661)	-
Fund Balance at Beginning of Year	163,661	148,457	148,457	-
Prior Year Encumbrances Appropriated	15,217	15,204	15,204	-
Fund Balance at End of Year	\$ 163,662	\$ -	\$ -	\$ -

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
TITLE II-D TECHNOLOGY FUND - BUDGET (NON-GAPP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 334,554	\$ 353,849	\$ 253,849	\$ (100,000)
Expenditures:				
Current:				
Support Services:				
Instructional Staff	311,821	290,824	288,260	2,564
Fiscal	3,324	3,100	3,100	-
Non Instructional Services	27,295	25,457	25,457	-
Total Expenditures	342,440	319,381	316,817	2,564
Excess of Revenues Over (Under) Expenditures	(7,886)	34,468	(62,968)	(97,436)
Other Financing Sources:				
Advance-In	-	-	100,000	100,000
Net Change in Fund Balance	(7,886)	34,468	37,032	2,564
Fund Balance at Beginning of Year	94,199	86,314	86,314	-
Prior Year Encumbrances Appropriated	7,886	7,886	7,886	-
Fund Balance at End of Year	\$ 94,199	\$ 128,668	\$ 131,232	\$ 2,564

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 TITLE I SCHOOL IMPROVEMENT STIMULUS A FUND - BUDGET (NON-GAPP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ 1,100,000	\$ 722,002	\$ 722,002	\$ -
Expenditures:				
Current:				
Support Services:				
Instructional Staff	<u>1,089,000</u>	<u>722,002</u>	<u>722,002</u>	<u>-</u>
Net Change in Fund Balance	11,000	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 11,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 TITLE I SCHOOL IMPROVEMENT STIMULUS G FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 642,707	\$ 642,707	\$ 642,707	\$ -
Expenditures:				
Current:				
Instruction:				
Special	240,855	240,855	240,571	284
Support Services:				
Pupils	599	599	599	-
Instructional Staff	229,559	229,559	229,559	-
Administration	51,165	51,165	51,165	-
Pupil Transportation	19,385	19,385	19,385	-
Total Expenditures	541,563	541,563	541,279	284
Net Change in Fund Balance	101,144	101,144	101,428	284
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ 101,144	\$ 101,144	\$ 101,428	\$ 284

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 DROPOUT PREVENTION AND INTERVENTION FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 250,000	\$ 112,857	\$ 112,857	\$ -
Expenditures:				
Current:				
Instruction:				
Special	187,744	95,055	89,566	5,489
Support Services:				
Pupils	8,503	4,305	4,305	-
Instructional Staff	31,465	15,932	15,932	-
Fiscal	3,814	1,931	1,931	-
Pupil Transportation	18,299	9,265	9,265	-
Total Expenditures	249,825	126,488	120,999	5,489
Net Change in Fund Balance	175	(13,631)	(8,142)	5,489
Fund Balance at Beginning of Year	20,756	12,458	12,458	-
Prior Year Encumbrances Appropriated	8,375	8,298	8,298	-
Fund Balance (Deficit) at End of Year	<u>\$ 29,306</u>	<u>\$ 7,125</u>	<u>\$ 12,614</u>	<u>\$ 5,489</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
TITLE I FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 28,582,000	\$ 17,728,021	\$ 16,354,021	\$ (1,374,000)
Expenditures:				
Current:				
Instruction:				
Special	7,956,955	5,560,019	5,103,524	456,495
Other Instruction	7,326,761	5,119,663	4,705,807	413,856
Support Services:				
Pupils	3,768,653	2,633,393	2,420,518	212,875
Instructional Staff	5,864,405	4,097,825	3,766,570	331,255
Administration	1,205,663	842,472	774,369	68,103
Fiscal	484,715	338,700	311,321	27,379
Pupil Transportation	693,774	484,783	445,595	39,188
Non-Instructional Services	1,122,777	784,555	721,134	63,421
Total Expenditures	28,423,703	19,861,410	18,248,838	1,612,572
Excess of Revenues Over(Under) Expenditures	158,297	(2,133,389)	(1,894,817)	238,572
Other Financing Sources (Uses):				
Advances-In	-	-	1,372,000	1,372,000
Advances-Out	-	-	(1,605,530)	(1,605,530)
Total Other Financing Sources (Uses)	-	-	(233,530)	(233,530)
Net Change in Fund Balance	158,297	(2,133,389)	(2,128,347)	5,042
Fund Balance at Beginning of Year	5,451	5,451	5,451	-
Prior Year Encumbrances Appropriated	2,127,966	2,127,966	2,127,966	-
Fund Balance at End of Year	\$ 2,291,714	\$ 28	\$ 5,070	\$ 5,042

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 TITLE VI FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenue:				
Expenditures:				
Fund Balance at Beginning of Year	5,217	5,217	5,217	-
Fund Balance at End of Year	\$ 5,217	\$ 5,217	\$ 5,217	\$ -

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
DRUG FREE SCHOOLS PROGRAM FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 325,000	\$ 31,070	\$ 31,070	\$ -
Expenditures:				
Current:				
Support Services:				
Instructional Staff	367,918	88,387	88,350	37
Fiscal	5,270	1,266	1,266	-
Total Expenditures	373,188	89,653	89,616	37
Net Change in Fund Balance	(48,188)	(58,583)	(58,546)	37
Fund Balance at Beginning of Year	79,356	72,167	72,167	-
Prior Year Encumbrances Appropriated	7,188	7,188	7,188	-
Fund Balance at End of Year	\$ 38,356	\$ 20,772	\$ 20,809	\$ 37

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 EHA PRESCHOOL GRANTS FOR THE HANDICAPPED FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 280,000	\$ 206,041	\$ 192,141	\$ (13,900)
Expenditures:				
Current:				
Instruction:				
Special	71,059	61,282	52,009	9,273
Support Services:				
Instructional Staff	180,075	155,297	132,126	23,171
Fiscal	7,075	6,101	5,191	910
Total Expenditures	258,209	222,680	189,326	33,354
Excess of Revenues Over (Under) Expenditures	21,791	(16,639)	2,815	19,454
Other Financing Sources (Uses):				
Advances-In	-	-	13,900	
Advances-Out	-	-	(33,225)	(33,225)
Total Other Financing Sources (Uses)	-	-	(19,325)	(33,225)
Net Change in Fund Balance	21,791	(16,639)	(16,510)	(13,771)
Fund Balance at Beginning of Year	16,687	3,699	3,699	-
Prior Year Encumbrances Appropriated	17,991	12,988	12,988	-
Fund Balance at End of Year	\$ 56,469	\$ 48	\$ 177	\$ (13,771)

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
TITLE VI-R CLASSROOM SIZE REDUCTION FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 6,050,000	\$ 3,289,622	\$ 3,114,622	\$ (175,000)
Expenditures:				
Current:				
Support Services:				
Instructional Staff	5,763,442	3,343,920	3,202,796	141,124
Fiscal	89,502	51,929	49,771	2,158
Non-Instructional Services	28,587	16,586	15,897	689
Total Expenditures	5,881,531	3,412,435	3,268,464	143,971
Excess of Revenues Over(Under) Expenditures	168,469	(122,813)	(153,842)	(31,029)
Other Financing Sources (Uses):				
Advances - Out	-	-	(141,790)	(141,790)
Advances-In	-	-	175,000	175,000
Total Other Financing Sources (Uses)	-	-	33,210	33,210
Net Change in Fund Balance	168,469	(122,813)	(120,632)	2,181
Fund Balance at Beginning of Year	129,101	13,954	13,954	-
Prior Year Encumbrances Appropriated	133,532	115,146	115,146	-
Fund Balance at End of Year	\$ 431,102	\$ 6,287	\$ 8,468	\$ 2,181

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 MISCELLANEOUS FEDERAL GRANTS FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 2,250,000	\$ 584,992	\$ 484,992	\$ (100,000)
Expenditures:				
Current:				
Instruction:				
Regular	7,888	2,500	2,158	342
Special	12,088	3,831	3,831	-
Support Services:				
Pupils	1,504,262	476,729	470,233	6,496
Instructional Staff	99,161	31,426	22,913	8,513
Administration	209,366	66,352	66,087	265
Fiscal	90,831	28,786	27,053	1,733
Total Expenditures	1,923,596	609,624	592,275	17,349
Excess of Revenues Over (Under)				
Expenditures	326,404	(24,632)	(107,283)	(82,651)
Other Financing Sources (Uses):				
Advances-In	-	-	100,000	100,000
Refund of Prior Year Receipts	(87,751)	(27,810)	(27,810)	-
Total Other Financing Sources (Uses)	(87,751)	(27,810)	72,190	100,000
Net Change in Fund Balance	238,653	(52,442)	(35,093)	17,349
Fund Balance at Beginning of Year	132,934	117,978	117,978	-
Prior Year Encumbrances Appropriated	15,003	14,956	14,956	-
Fund Balance at End of Year	\$ 386,590	\$ 80,492	\$ 97,841	\$ 17,349



**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 SPECIAL TRUST FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Gifts and Donations	\$ 15,000	\$ 25,082	\$ 25,082	\$ -
Expenditures:				
Current:				
Support Services:				
Pupils	41,695	54,278	15,510	38,768
Instructional Staff	9,027	11,751	-	11,751
Central	22,443	29,217	-	29,217
Total Expenditures	73,165	95,246	15,510	79,736
Net Change in Fund Balance	(58,165)	(70,164)	9,572	79,736
Fund Balance at Beginning of Year	70,164	70,164	70,164	-
Fund Balance at End of Year	\$ 11,999	\$ -	\$ 79,736	\$ 79,736

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOOD SERVICE FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 7,294,993	\$ 8,512,636	\$ 7,225,155	\$ (1,287,481)
Charges for Services	1,218,977	1,422,442	1,207,838	(214,604)
<b>Total Revenues</b>	<b>8,513,970</b>	<b>9,935,078</b>	<b>8,432,993</b>	<b>(1,502,085)</b>
Expenditures:				
Current:				
Support Services:				
Operation and Maintenance of Plant	39,997	47,190	38,521	8,669
Non-Instructional Services	8,300,642	9,793,449	9,597,277	196,172
<b>Total Expenditures</b>	<b>8,340,639</b>	<b>9,840,639</b>	<b>9,635,798</b>	<b>204,841</b>
Excess of Revenues Over (Under) Expenditures	173,331	94,439	(1,202,805)	(1,297,244)
Other Financing Sources:				
Transfers-In	-	-	1,500,000	1,500,000
<b>Net Change in Fund Balance</b>	<b>173,331</b>	<b>94,439</b>	<b>297,195</b>	<b>202,756</b>
Fund Balance at Beginning of Year	106,956	80,286	80,286	-
Prior Year Encumbrances Appropriated	26,669	26,670	26,670	-
<b>Fund Balance at End of Year</b>	<b>\$ 306,956</b>	<b>\$ 201,395</b>	<b>\$ 404,151</b>	<b>\$ 202,756</b>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
WELCOME STADIUM FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Extracurricular Activities	\$ 472,262	\$ 498,208	\$ 498,208	\$ -
Expenditures:				
Current:				
Plant Operation and Maintenance	34,013	55,368	55,368	-
Extracurricular Activities	526,614	783,134	537,086	246,048
Total Expenditures	560,627	838,502	592,454	246,048
Net Change in Fund Balance	(88,365)	(340,294)	(94,246)	246,048
Fund Balance at Beginning of Year	367,285	319,452	319,452	-
Prior Year Encumbrances Appropriated	60,627	47,832	47,832	-
Fund Balance at End of Year	\$ 339,547	\$ 26,990	\$ 273,038	\$ 246,048

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 UNIFORM SCHOOL SUPPLIES FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Tuition and Fees	\$ 7,000	\$ 6,525	\$ 6,550	\$ 25
Expenditures:				
Current:				
Instruction:				
Regular	14,447	15,105	6,883	8,222
Net Change in Fund Balance	(7,447)	(8,580)	(333)	8,247
Fund Balance at Beginning of Year	8,594	8,424	8,424	-
Prior Year Encumbrances Appropriated	170	170	170	-
Fund Balance at End of Year	<u>\$ 1,317</u>	<u>\$ 14</u>	<u>\$ 8,261</u>	<u>\$ 8,247</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
OTHER GRANT ROTARY FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Extracurricular Activities	\$ 30,000	\$ 35,720	\$ 35,720	\$ -
Expenditures:				
Current:				
Instruction:				
Regular	132,205	143,480	39,208	104,272
Instructional Staff	3,099	3,363	-	3,363
Operation and Maintenance of Plant	405	440	331	109
Total Expenditures	135,709	147,283	39,539	107,744
Net Change in Fund Balance	(105,709)	(111,563)	(3,819)	107,744
Fund Balance at Beginning of Year	111,563	110,465	110,465	-
Prior Year Encumbrances Appropriated	1,098	1,098	1,098	-
Fund Balance at End of Year	\$ 6,952	\$ -	\$ 107,744	\$ 107,744

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
PUBLIC SCHOOL SUPPORT FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 44,705	\$ 30,338	\$ 30,333	\$ (5)
Customer Sales and Services	10,869	7,376	7,375	(1)
Extracurricular Activities	836,016	567,346	567,253	(93)
<b>Total Revenues</b>	<b>891,590</b>	<b>605,060</b>	<b>604,961</b>	<b>(99)</b>
Expenditures:				
Current:				
Instruction:				
Regular	1,012,206	1,168,200	317,911	850,289
Adult/Continuing	53,347	61,569	16,755	44,814
Support Services:				
Pupils	54,891	63,350	17,240	46,110
Instructional Staff	93,655	108,089	29,415	78,674
Board of Education	12,335	14,235	3,874	10,361
Administration	21,380	24,675	6,715	17,960
Operation and Maintenance of Plant	41,926	48,387	13,168	35,219
<b>Total Expenditures</b>	<b>1,289,740</b>	<b>1,488,505</b>	<b>405,078</b>	<b>1,083,427</b>
<b>Net Change in Fund Balance</b>	<b>(398,150)</b>	<b>(883,445)</b>	<b>199,883</b>	<b>1,083,328</b>
<b>Fund Balance at Beginning of Year</b>	<b>883,445</b>	<b>868,151</b>	<b>868,151</b>	<b>-</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>17,061</b>	<b>15,294</b>	<b>15,294</b>	<b>-</b>
<b>Fund Balance at End of Year</b>	<b>\$ 502,356</b>	<b>\$ -</b>	<b>\$ 1,083,328</b>	<b>\$ 1,083,328</b>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
PERMANENT IMPROVEMENT FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	\$ 535,638	\$ 602,450	\$ 602,450	\$ -
Intergovernmental	334,362	376,068	376,068	-
<b>Total Revenues</b>	<b>870,000</b>	<b>978,518</b>	<b>978,518</b>	<b>-</b>
Expenditures:				
Support Services:				
Fiscal	14,697	16,372	11,010	5,362
Operation and Maintenance of Plant	172,084	191,700	154,566	37,134
Pupil Transportation	142,505	158,749	155,813	2,936
Central	3,258,552	3,629,988	3,180,427	449,561
Non Instructional Services	26,930	30,000	29,829	171
Capital Outlay	1,835,078	2,044,255	2,016,750	27,505
Debt Service:				
Principal Retirement	342,935	382,025	350,000	32,025
Interest and Fiscal Charges	72,077	80,293	57,645	22,648
Contingency	1,153,412	1,284,887	-	1,284,887
<b>Total Expenditures</b>	<b>7,018,270</b>	<b>7,818,269</b>	<b>5,956,040</b>	<b>1,862,229</b>
<b>Net Change in Fund Balance</b>	<b>(6,148,270)</b>	<b>(6,839,751)</b>	<b>(4,977,522)</b>	<b>1,862,229</b>
<b>Fund Balance at Beginning of Year</b>	<b>11,496,840</b>	<b>9,478,574</b>	<b>9,478,574</b>	<b>-</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>2,018,269</b>	<b>2,018,266</b>	<b>2,018,266</b>	<b>-</b>
<b>Fund Balance at End of Year</b>	<b>\$ 7,366,839</b>	<b>\$ 4,657,089</b>	<b>\$ 6,519,318</b>	<b>\$ 1,862,229</b>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUILDING FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ -	\$ 337,273	\$ 381,445	\$ 44,172
Interest	-	148,912	10,004	(138,908)
Gifts and Donations	-	-	-	-
Miscellaneous	-	448,791	507,567	58,776
<b>Total Revenues</b>	<b>-</b>	<b>934,976</b>	<b>899,016</b>	<b>(35,960)</b>
Expenditures:				
Current:				
Vocational	502,731	501,650	483,638	18,012
Support Services:				
Fiscal	15,926	15,892	15,736	156
Plant Operation and Maintenance	26,632	26,575	26,575	-
Central	983,383	981,269	861,808	119,461
Capital Outlay	13,631,420	13,602,116	10,992,621	2,609,495
Contingency	4,381,015	4,371,597	-	4,371,597
<b>Total Expenditures</b>	<b>19,541,107</b>	<b>19,499,099</b>	<b>12,380,378</b>	<b>7,118,721</b>
Net Change in Fund Balance	(19,541,107)	(18,564,123)	(11,481,362)	7,082,761
Fund Balance at Beginning of Year	19,643,998	9,946,546	9,946,546	-
Prior Year Encumbrances Appropriated	9,741,107	9,697,450	9,697,450	-
<b>Fund Balance at End of Year</b>	<b>\$ 9,843,998</b>	<b>\$ 1,079,873</b>	<b>\$ 8,162,634</b>	<b>\$ 7,082,761</b>



**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 INTERACTIVE VIDEO DISTANCE LEARNING FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Support Services:				
Central	11,142	11,142	11,142	-
Net Change in Fund Balance	(11,142)	(11,142)	(11,142)	-
Fund Balance at Beginning of Year	11,142	11,142	11,142	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

## Internal Service Funds

---

### INTERNAL SERVICE FUNDS

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

---

#### Warehouse

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

#### Retrospective Workers' Comp

To account for the accumulation of resources from the funds in which employees are paid which will be used to pay the premiums and claims related to the School District's participation in the Ohio Bureau of Workers' Compensation Retrospective Rating Program.

#### Self-Insurance

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
COMBINING STATEMENT OF FUND NET ASSETS  
ALL INTERNAL SERVICE FUNDS  
JUNE 30, 2011

	<u>Warehouse</u>	<u>Retrospective Workers' Comp</u>	<u>Self- Insurance</u>	<u>Total</u>
<u>Assets:</u>				
Current Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 326,819	\$ 8,608,041	\$ 5,811,704	\$ 14,746,564
Accounts Receivable	-	-	1,809	1,809
Inventory Held for Resale	<u>931,752</u>	<u>-</u>	<u>-</u>	<u>931,752</u>
Total Current Assets	1,258,571	8,608,041	5,813,513	15,680,125
Noncurrent Assets:				
Capital Assets, Net of Accumulated Depreciation	<u>121,803</u>	<u>-</u>	<u>-</u>	<u>121,803</u>
Total Assets	<u>1,380,374</u>	<u>8,608,041</u>	<u>5,813,513</u>	<u>15,801,928</u>
<u>Liabilities:</u>				
Current Liabilities:				
Accounts Payable	25,331	2,779	-	28,110
Accrued Wages and Benefits	-	8,222	-	8,222
Intergovernmental Payable	-	1,029,418	-	1,029,418
Claims Payable	-	288,606	2,747,000	3,035,606
Compensated Absences Payable	<u>-</u>	<u>789</u>	<u>-</u>	<u>789</u>
Total Current Liabilities	25,331	1,329,814	2,747,000	4,102,145
Noncurrent Liabilities:				
Claims Payable	-	1,968,495	-	1,968,495
Compensated Absences Payable	<u>-</u>	<u>7,565</u>	<u>-</u>	<u>7,565</u>
Total Noncurrent Liabilities	<u>-</u>	<u>1,976,060</u>	<u>-</u>	<u>1,976,060</u>
Total Liabilities	<u>25,331</u>	<u>3,305,874</u>	<u>2,747,000</u>	<u>6,078,205</u>
<u>Net Assets</u>				
Invested in Capital Assets	121,803	-	-	121,803
Unrestricted	<u>1,233,240</u>	<u>5,302,167</u>	<u>3,066,513</u>	<u>9,601,920</u>
Total Net Assets	<u>\$ 1,355,043</u>	<u>\$ 5,302,167</u>	<u>\$ 3,066,513</u>	<u>\$ 9,723,723</u>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
ALL INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Warehouse	Retrospective Workers' Comp	Self- Insurance	Total
Operating Revenues:				
Sales	\$ 496,430	\$ -	\$ -	\$ 496,430
Charges for Services	-	2,839,129	28,438,764	31,277,893
Other Revenues	-	38,913	-	38,913
	<u>496,430</u>	<u>2,878,042</u>	<u>28,438,764</u>	<u>31,813,236</u>
Total Operating Revenues				
Operating Expenses:				
Salaries and Wages	564,499	66,110	-	630,609
Fringe Benefits	430,019	26,905	-	456,924
Purchased Services	13,480	1,350,546	1,411,832	2,775,858
Claims	-	555,412	25,480,045	26,035,457
Supplies and Materials	67,626	464	-	68,090
Cost of Sales	398,858	-	-	398,858
Depreciation	19,696	-	-	19,696
	<u>1,494,178</u>	<u>1,999,437</u>	<u>26,891,877</u>	<u>30,385,492</u>
Total Operating Expenses				
Income (Loss) Before Transfers	(997,748)	878,605	1,546,887	1,427,744
Transfers-In	994,518	-	-	994,518
Change in Net Assets	(3,230)	878,605	1,546,887	2,422,262
Net Assets at Beginning of Year	<u>1,358,273</u>	<u>4,423,562</u>	<u>1,519,626</u>	<u>7,301,461</u>
Net Assets at End of Year	<u>\$ 1,355,043</u>	<u>\$ 5,302,167</u>	<u>\$ 3,066,513</u>	<u>\$ 9,723,723</u>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
COMBINING STATEMENT OF CASH FLOWS  
ALL INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Warehouse	Retrospective Workers' Comp	Self-Insurance	Total
Cash Flows from Operating Activities:				
Cash Received from Interfund Services Provided	\$ 496,430	\$ 2,839,129	\$ 28,456,757	\$ 31,792,316
Cash Received from Other Operating Revenue	-	38,913	-	38,913
Cash Payments to Suppliers for Goods	(425,711)	(1,346,653)	(1,411,832)	(3,184,196)
Cash Payments to Employees for Services	(564,499)	(68,391)	-	(632,890)
Cash Payments for Employees Benefits	(430,019)	(18,953)	-	(448,972)
Cash Payments for Claims	-	(331,368)	(25,524,045)	(25,855,413)
Net Cash Provided by (Used in) Operating Activities	(923,799)	1,112,677	1,520,880	1,709,758
Cash Flows from Noncapital Financing Activities				
Operating Transfers-In	994,518	-	-	994,518
Net Increase in Cash and Cash Equivalents	70,719	1,112,677	1,520,880	2,704,276
Cash and Cash Equivalents Beginning of Year	256,100	7,495,364	4,290,824	12,042,288
Cash and Cash Equivalents End of Year	\$ 326,819	\$ 8,608,041	\$ 5,811,704	\$ 14,746,564
Reconciliation of Operating Income Loss to Net Cash Provided (Used in) by Operating Activities:				
Operating Income Loss	\$ (997,748)	\$ 878,605	\$ 1,546,887	\$ 1,427,744
Adjustments:				
Depreciation	19,696	-	-	19,696
Decrease in Accounts Receivable	-	-	17,993	17,993
Decrease in Inventory Held for Resale	45,219	-	-	45,219
Decrease in Due From Other Funds	-	2,706	-	2,706
Increase in Accounts Payable	9,034	2,779	-	11,813
Increase in Accrued Wages and Benefits	-	5,941	-	5,941
Increase in Compensated Absences	-	308	-	308
(Decrease) in Intergovernmental Payable	-	(1,706)	-	(1,706)
Increase (Decrease) in Claims Payable	-	224,044	(44,000)	180,044
Net Cash Provided by Operating Activities	\$ (923,799)	\$ 1,112,677	\$ 1,520,880	\$ 1,709,758

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY  
WAREHOUSE FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Sales	\$ 575,000	\$ 491,569	\$ 496,430	\$ 4,861
Expenses:				
Materials and Supplies	793,755	686,212	483,401	202,811
Net Change in Fund Equity	(218,755)	(194,643)	13,029	207,672
Fund Equity at Beginning of Year	256,099	221,879	221,879	-
Prior Year Encumbrances Appropriated	40,330	34,220	34,220	-
Fund Equity at End of Year	<u>\$ 77,674</u>	<u>\$ 61,456</u>	<u>\$ 269,128</u>	<u>\$ 207,672</u>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY  
RETROSPECTIVE WORKERS' COMP FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Charges for Services	\$ 2,875,000	\$ 2,767,602	\$ 2,878,042	\$ 110,440
Expenses:				
Salaries and Wages	795	1,795	-	1,795
Fringe Benefits	2,733	6,167	-	6,167
Administration	11,388	25,698	1,698	24,000
Claims	4,426,638	9,989,301	1,600,084	8,389,217
Pupil Transportation	92,704	209,199	182,639	26,560
Non Instructional Services	1,294	2,921	-	2,921
Capital Outlay	5,558	12,542	-	12,542
Total Expenses	4,541,110	10,247,623	1,784,421	8,463,202
Net Change in Fund Equity	(1,666,110)	(7,480,021)	1,093,621	8,573,642
Fund Equity at Beginning of Year	7,495,368	7,454,257	7,454,257	-
Prior Year Encumbrances Appropriated	41,110	41,111	41,111	-
Fund Equity at End of Year	\$ 5,870,368	\$ 15,347	\$ 8,588,989	\$ 8,573,642

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY  
SELF-INSURANCE FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Charges for Services	\$ 25,000,000	\$ 27,728,957	\$ 28,456,757	\$ 727,800
Expenses:				
Purchased Services	1,253,969	1,531,477	1,297,280	234,197
Claims	24,782,627	30,267,092	25,638,596	4,628,496
Total Expenses	26,036,596	31,798,569	26,935,876	4,862,693
Net Change in Fund Equity	(1,036,596)	(4,069,612)	1,520,881	5,590,493
Fund Equity at Beginning of Year	4,290,826	4,254,230	4,254,229	-
Prior Year Encumbrances Appropriated	36,596	36,596	36,597	-
Fund Equity at End of Year	<u>\$ 3,290,826</u>	<u>\$ 221,214</u>	<u>\$ 5,811,707</u>	<u>\$ 5,590,493</u>



## Fiduciary Fund

---

### AGENCY FUND

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

---

### Student Managed Activities

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND  
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Student Managed Activities</b>				
<b>ASSETS:</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 134,844	\$ 140,017	\$ 113,098	\$ 161,763
Accounts Receivable	<u>0</u>	<u>2,643</u>	<u>0</u>	<u>2,643</u>
Total Assets	<u>\$ 134,844</u>	<u>\$ 142,660</u>	<u>\$ 113,098</u>	<u>\$ 164,406</u>
<b>LIABILITIES:</b>				
Accounts Payable	\$ 2,676	\$ 4,090	\$ 2,676	\$ 4,090
Due to Students	<u>132,168</u>	<u>138,570</u>	<u>110,422</u>	<u>160,316</u>
Total Liabilities	<u>\$ 134,844</u>	<u>\$ 142,660</u>	<u>\$ 113,098</u>	<u>\$ 164,406</u>

# **STATISTICAL SECTION**



## STATISTICAL SECTION

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

### **Contents:**

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time. These schedules can be found on pages 131 to 139.

#### **Revenue Capacity**

These schedules contain information to help the reader assess the factors affecting the School District's most significant local revenue source, the property tax. These schedules can be found on pages 140 to 147.

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt, as well as, the School District's ability to issue additional debt in the future. These schedules can be found on pages 148 to 153.

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place. These schedules can be found on pages 154 and 155.

#### **Operating Information**

These schedules contain information about the School District's operation and resources to help the reader understand how the School District's financial information relates to the services provided and activities performed. These schedules can be found on pages 156 to 160.

*Sources: Unless otherwise noted, the information in these schedules is derived from the School District's annual financial reports for the relevant year.*

DAYTON



---

PUBLIC SCHOOLS

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
NET ASSETS BY COMPONENT  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Net Assets:										
Invested in capital assets, net of related debt	\$239,262,065	\$274,083,127	\$204,395,827	\$ 156,806,490	\$ 11,057,668	\$ 21,173,201	\$ 15,672,577	\$ 22,001,233	\$ 17,935,291	\$ 18,342,669
Restricted	106,882,904	80,259,977	141,858,409	165,443,307	306,007,970	225,376,276	224,850,749	138,870,412	64,509,463	46,277,621
Unrestricted	47,908,184	25,248,921	18,542,406	19,671,988	17,820,009	20,890,120	43,945,296	44,177,779	44,625,359	31,739,382
Total Net Assets	<u>\$ 394,053,153</u>	<u>\$ 379,592,025</u>	<u>\$ 364,796,642</u>	<u>\$ 341,921,785</u>	<u>\$ 334,885,647</u>	<u>\$ 267,439,597</u>	<u>\$ 284,468,622</u>	<u>\$ 205,049,424</u>	<u>\$ 127,070,113</u>	<u>\$ 96,359,672</u>

**Notes:**

The School District reports only governmental activities and has no component units

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

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Expenses:</b>										
Instruction	95,366,779	96,506,253	\$ 98,856,366	\$ 95,084,453	\$ 111,360,344	\$ 107,433,792	\$ 105,911,991	\$ 103,512,054	\$ 104,713,536	\$ 103,238,352
Pupils	11,333,241	9,677,972	10,819,918	10,155,766	9,575,153	9,537,921	12,672,265	11,741,172	11,475,516	10,079,837
Instructional Staff	17,859,066	18,484,817	15,699,017	13,464,968	19,131,027	22,070,344	17,534,083	17,929,198	14,111,108	12,453,911
Board of Education	747,968	1,083,663	703,373	1,525,305	1,095,719	1,504,940	465,405	433,358	331,687	312,390
Administration	15,189,457	18,587,883	16,305,055	12,003,326	13,132,034	14,653,219	13,219,010	14,587,381	16,318,592	14,702,327
Fiscal	3,614,243	3,700,471	3,779,802	4,289,621	3,058,611	3,851,625	3,987,371	3,214,000	5,258,782	2,951,955
Business	1,543,948	1,500,067	1,682,577	2,145,686	1,519,529	1,442,009	1,805,966	2,321,963	2,558,549	2,593,544
Operation and Maintenance of Plant	20,595,511	22,163,606	22,091,652	22,628,479	31,623,068	32,742,890	38,952,420	33,902,014	21,879,322	20,655,626
Pupil Transportation	17,954,929	16,741,034	15,992,195	18,765,970	19,206,398	19,099,802	17,542,113	16,613,992	14,803,426	14,701,497
Central	7,798,118	7,291,951	7,753,959	6,615,020	7,214,836	8,276,578	9,033,096	9,241,713	14,063,768	11,867,414
Non-Instructional Services	72,608,042	73,765,748	72,023,470	69,946,502	62,479,482	63,227,901	63,389,659	58,497,701	44,685,192	32,943,466
Extracurricular Activities	1,885,787	1,997,118	1,932,220	1,458,700	1,882,414	1,683,123	1,562,922	1,444,007	1,737,120	1,621,199
Interest and Fiscal Charges	10,796,083	12,029,713	11,693,210	11,951,294	12,165,455	12,283,960	12,228,489	12,440,143	1,178,038	145,568
Unallocated Depreciation	5,819,416	5,123,531	3,392,488	4,603,690	1,325,075	1,667,063	1,484,841	1,449,773	1,142,910	409,628
<b>Total Expenses</b>	<b>283,112,588</b>	<b>288,653,827</b>	<b>282,725,302</b>	<b>274,638,780</b>	<b>294,769,145</b>	<b>299,475,167</b>	<b>299,789,631</b>	<b>287,328,469</b>	<b>254,257,546</b>	<b>228,676,714</b>
<b>Program Revenues:</b>										
Charges for services and sales, reported by:										
Regular Instruction	3,220,136	1,789,584	2,386,406	1,341,082	1,835,460	1,396,178	577,862	1,026,650	635,993	433,247
Special Instruction	-	-	-	100,636	178,231	-	986,596	864,493	277,781	157,643
Non-Instructional Services	1,227,808	1,475,801	1,751,167	1,510,104	1,919,204	1,953,662	3,080,464	3,228,825	3,292,153	3,094,822
Extracurricular Activities	686,070	628,574	636,536	1,144,216	509,132	516,844	522,556	471,282	505,541	879,625
Other	915,281	745,087	305,335	1,064,374	-	5,482	424,129	568,198	678,473	792,397
Total Charges for Services and Sales	6,049,295	4,639,046	5,079,444	5,160,412	4,442,027	3,872,166	5,591,607	6,159,448	5,389,941	5,357,734
Operating Grants and Contributions	29,137,438	57,533,689	66,429,355	59,341,676	54,385,141	53,854,341	55,846,887	53,248,257	36,362,935	36,465,863
Capital Grants and Contributions	-	-	939,577	443,277	91,054,817	4,222,900	87,750,501	79,832,438	1,104,640	3,127,179
<b>Total Program Revenues</b>	<b>35,186,733</b>	<b>62,172,735</b>	<b>72,448,376</b>	<b>64,945,365</b>	<b>149,881,985</b>	<b>61,949,407</b>	<b>149,188,995</b>	<b>139,240,143</b>	<b>42,857,516</b>	<b>44,950,776</b>
<b>Net Expense</b>	<b>\$ (247,925,855)</b>	<b>\$ (226,481,092)</b>	<b>\$ (210,276,926)</b>	<b>\$ (209,693,415)</b>	<b>\$ (144,887,160)</b>	<b>\$ (237,525,760)</b>	<b>\$ (150,600,636)</b>	<b>\$ (148,088,326)</b>	<b>\$ (211,400,030)</b>	<b>\$ (183,725,938)</b>

**Notes:**

The School District reports only governmental activities and has no component units.



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

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Net Expense	\$ (247,925,855)	\$ (226,481,092)	\$ (210,276,926)	\$ (209,693,415)	\$ (144,887,160)	\$ (237,525,760)	\$ (150,600,636)	\$ (148,088,326)	\$ (211,400,030)	\$ (183,725,938)
General Revenues:										
Property taxes levied for:										
General purposes	74,266,805	63,864,510	66,244,784	65,646,213	73,210,958	74,230,414	77,453,502	79,125,532	80,978,470	79,139,322
Debt service (a)	14,750,041	11,412,497	12,081,522	12,834,750	14,391,679	13,969,176	13,602,246	16,296,989	7,662,684	-
Capital projects (a)	773,364	654,684	686,935	725,811	810,634	798,454	835,327	990,348	457,970	-
Other purposes (a)	773,364	654,683	686,936	725,812	810,635	798,454	835,324	990,348	457,970	-
Grants and Entitlements Not Restricted to Specific Programs	160,821,538	166,650,134	143,522,125	113,682,762	93,566,583	111,070,302	123,873,866	121,593,221	130,643,396	144,182,250
Investment earnings (b)	5,801,584	(6,557,960)	4,745,892	14,276,257	17,146,192	14,906,186	7,266,006	4,460,091	3,193,064	2,217,766
Miscellaneous	5,200,287	4,624,342	5,183,589	5,422,664	6,542,377	4,723,749	6,153,543	2,613,108	4,982,301	2,229,456
Total General Revenues	262,386,983	241,302,890	233,151,783	213,314,269	206,479,058	220,496,735	230,019,814	226,069,637	228,375,855	227,768,794
Change in Net Assets	\$ 14,461,128	\$ 14,821,798	\$ 22,874,857	\$ 3,620,854	\$ 61,591,898	\$ (17,029,025)	\$ 79,419,178	\$ 77,981,311	\$ 16,975,825	\$ 44,042,856

**Notes:**

- (1) The School District reports only governmental activities and has no component units
- (a) Property taxes levied for debt service, capital projects and other purposes were first collected beginning in 2003 due to the passage of various levies to provide the local funding for the school facilities construction project.
- (b) The decrease in investment earnings in fiscal year 2010 compared to the past five years was due to the decrease in interest rates and monies being invested more conservatively in fiscal year 2010 as compared to the prior fiscal years as well as the change in fair market value of the embedded derivative (options).

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

**FUND BALANCE OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

	2011	2010	2009	2008	2007
<b>General Fund:</b>					
Nonspendable	\$ 1,183,167	\$ 894,677	\$ -	\$ -	\$ -
Assigned	87,383	347,205	-	-	-
Unassigned	8,739,049	4,498,288	-	-	-
Reserved	-	-	6,289,229	5,211,314	6,330,325
Unreserved (Deficit)	-	-	279,230	(319,010)	(6,295,473)
<b>Total General Fund</b>	<b>\$ 10,009,599</b>	<b>\$ 5,740,170</b>	<b>\$ 6,568,459</b>	<b>\$ 4,892,304</b>	<b>\$ 34,852</b>
<b>All Other Governmental Funds:</b>					
Nonspendable	\$ 119,182	\$ 201,138	\$ -	\$ -	\$ -
Restricted	94,212,021	147,679,559	-	-	-
Unassigned	(2,737,367)	(2,609,600)	-	-	-
Reserved (a)	-	-	61,517,410	42,417,236	127,820,587
Unreserved, reported in:					
Capital projects funds	-	-	102,417,098	133,053,990	111,135,925
Debt service fund	-	-	11,899,467	13,977,212	14,494,701
Special revenue funds	-	-	4,716,508	4,921,336	5,260,400
<b>Total All Other Governmental Funds</b>	<b>\$ 91,593,836</b>	<b>\$ 145,271,097</b>	<b>\$ 180,550,483</b>	<b>\$ 194,369,774</b>	<b>\$ 258,711,613</b>

**Notes:**

- (1) The School District implemented GASB Statement No. 54 in fiscal year 2011.
- (a) The increases in the reservation of fund balance, beginning in fiscal year 2003, is attributed to outstanding encumbrances related to the school facilities construction project as well as increases in reservation of fund balance for property taxes for associated levies.

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
14,560,529	15,966,465	12,703,669	11,307,291	7,932,076
5,844,576	27,512,436	28,801,552	29,659,344	28,526,546
<u>\$ 20,405,105</u>	<u>\$ 43,478,901</u>	<u>\$ 41,505,221</u>	<u>\$ 40,966,635</u>	<u>\$ 36,458,622</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
82,594,602	55,553,048	16,158,653	12,137,589	7,044,236
185,877,391	233,569,356	296,800,624	190,338,905	25,257,713
14,058,105	14,215,742	20,952,155	108,740,006	-
4,162,457	3,104,442	1,480,471	900,566	9,460,905
<u>\$ 286,692,555</u>	<u>\$ 306,442,588</u>	<u>\$ 335,391,903</u>	<u>\$ 312,117,066</u>	<u>\$ 41,762,854</u>

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

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

	2011	2010	2009	2008
<b>Revenues:</b>				
Taxes	\$ 72,603,902	\$ 69,279,536	\$ 76,223,293	\$ 81,561,049
Intergovernmental	220,348,538	243,734,419	233,641,391	226,479,942
Interest	1,774,828	1,427,190	5,782,612	13,782,073
Tuition and Fees	2,764,195	1,285,216	2,105,684	2,103,573
All Other Revenues	8,512,622	8,075,526	7,732,819	8,591,424
Total revenue	<u>\$ 306,004,085</u>	<u>\$ 323,801,887</u>	<u>\$ 325,485,799</u>	<u>\$ 332,518,061</u>
<b>Expenditures:</b>				
Current:				
Instruction	97,124,824	97,474,076	\$ 99,360,164	\$ 91,854,848
Support Services:				
Pupils	11,509,619	9,421,194	10,671,850	10,214,217
Instructional Staff	18,142,239	18,457,903	15,418,891	13,614,035
Board of Education	732,653	1,043,473	704,595	1,515,645
Administration	15,194,443	18,431,062	16,112,024	12,102,344
Fiscal and Business	5,118,077	5,171,192	5,414,391	5,714,758
Operation and Maintenance of Plant	20,512,238	21,924,172	22,020,305	22,612,843
Pupil Transportation	17,123,253	18,108,151	15,292,841	17,289,289
Central	7,687,374	6,762,566	7,546,319	6,332,612
Non-Instructional Services	72,775,088	73,427,459	71,922,219	69,785,072
Extracurricular Activities	1,871,742	1,953,493	1,910,692	1,422,323
Capital outlay	67,536,348	76,457,572	51,779,324	120,414,866
Debt service:				
Principal Retirement	7,842,900	7,531,334	6,855,890	6,631,517
Interest and Fiscal Charges	11,246,601	12,479,835	12,133,216	11,969,440
Total expenditures	<u>\$ 354,417,399</u>	<u>\$ 368,643,482</u>	<u>\$ 337,142,721</u>	<u>\$ 391,473,809</u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	6.67%	6.85%	6.65%	6.86%

**Notes:**

(a) 2004 principal retirement included the repayment of a \$151.6 million, one-year, bond anticipation bond.

2007	2006	2005	2004 (a)	2003	2002
\$ 90,489,848	\$ 92,172,361	\$ 95,648,787	\$ 93,575,521	\$ 84,625,054	\$ 79,139,322
216,757,616	198,176,022	184,615,340	194,297,398	165,608,661	178,886,128
17,260,845	13,151,796	6,544,611	4,202,413	2,594,893	2,217,766
1,493,412	983,594	1,254,126	1,415,883	1,009,180	691,382
9,500,464	7,625,405	10,754,524	7,362,155	9,400,448	6,895,808
<u>\$ 335,502,185</u>	<u>\$ 312,109,178</u>	<u>\$ 298,817,388</u>	<u>\$ 300,853,370</u>	<u>\$ 263,238,236</u>	<u>\$ 267,830,406</u>
\$ 115,046,682	\$ 107,085,761	\$ 103,538,639	\$ 103,477,512	\$ 104,726,305	\$ 103,000,885
9,863,485	9,534,492	12,354,055	11,729,581	11,471,369	10,315,659
19,559,431	22,094,580	17,336,963	17,688,523	13,926,825	12,420,172
1,108,281	1,510,498	468,168	420,250	333,427	312,464
13,538,125	14,836,577	12,850,102	14,469,635	16,114,130	15,162,672
4,635,879	5,762,890	5,425,277	6,346,153	6,540,052	5,030,235
22,875,579	25,814,651	24,818,020	22,350,251	21,904,855	22,359,986
18,557,040	18,403,871	16,787,911	15,941,719	14,323,042	14,358,592
7,189,660	8,123,218	8,767,693	8,980,337	13,905,066	13,026,036
62,658,030	63,642,951	63,286,105	58,254,244	44,537,087	32,933,427
1,841,486	1,651,637	1,522,813	1,404,780	1,710,110	1,609,997
87,105,790	58,989,483	36,674,780	32,301,407	4,802,769	3,256,093
7,026,683	6,362,762	11,922,011	152,218,895	800,371	2,775,484
12,175,930	12,293,703	12,421,566	11,235,597	1,178,038	145,568
<u>\$ 383,182,081</u>	<u>\$ 356,107,074</u>	<u>\$ 328,174,103</u>	<u>\$ 456,818,884</u>	<u>\$ 256,273,446</u>	<u>\$ 236,707,270</u>
6.49%	6.28%	8.35%	38.50%	0.79%	1.25%

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

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Excess of Revenues Over (Under) Expenditures	\$ (48,413,314)	\$ (44,841,595)	\$ (11,656,922)	\$ (58,955,748)
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Capital Assets	-	-	98,849	91,060
Inception of Capital Leases	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Proceeds from Sale of Notes	-	-	-	-
Premium on Issuance of Bonds	-	-	-	-
Proceeds from Sale of Options	-	9,685,000	-	-
Discount on Issuance of Bonds	-	-	-	-
Transfers-In	1,500,000	3,460,042	23,006,814	20,600,018
Transfers-Out	(2,494,518)	(4,384,707)	(23,591,877)	(21,219,717)
Total Other Financing Sources (Uses)	<u>(994,518)</u>	<u>8,760,335</u>	<u>(486,214)</u>	<u>(528,639)</u>
Net Change in Fund Balance	<u>\$ (49,407,832)</u>	<u>\$ (36,081,260)</u>	<u>\$ (12,143,136)</u>	<u>\$ (59,484,387)</u>

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<u>\$ (47,679,896)</u>	<u>\$ (43,997,896)</u>	<u>\$ (29,356,715)</u>	<u>\$ (155,965,524)</u>	<u>\$ 6,964,790</u>	<u>\$ 31,123,136</u>
10,883	8,403	23,096	38,259	101,323	15,503
-	1,500,000	3,024,185	-	3,000,000	1,595,702
-	-	-	151,555,000	256,628,439	-
-	-	-	19,860,000	4,463,989	-
-	-	-	8,325,688	4,426,561	-
-	-	-	-	-	-
-	-	-	-	(37,428)	-
444,226	475,018	474,389	123,392,837	465,025	26,189,351
<u>(1,126,408)</u>	<u>(809,354)</u>	<u>(1,140,590)</u>	<u>(123,392,837)</u>	<u>(1,150,474)</u>	<u>(26,900,242)</u>
<u>(671,299)</u>	<u>1,174,067</u>	<u>2,381,080</u>	<u>179,778,947</u>	<u>267,897,435</u>	<u>900,314</u>
<u><u>\$ (48,351,195)</u></u>	<u><u>\$ (42,823,829)</u></u>	<u><u>\$ (26,975,635)</u></u>	<u><u>\$ 23,813,423</u></u>	<u><u>\$ 274,862,225</u></u>	<u><u>\$ 32,023,450</u></u>

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

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN CALENDAR YEARS

Year	Real Property		Public Utility Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2011	\$1,746,003,550	\$4,992,141,600	\$75,471,510	\$190,624,580
2010	1,770,190,640	5,057,687,543	72,227,100	185,850,333
2009	1,794,498,110	5,130,285,140	72,915,370	184,430,587
2008	1,849,984,400	5,285,669,714	71,137,000	182,692,750
2007	1,859,214,090	5,312,040,257	95,265,070	244,658,021
2006	1,882,065,240	5,377,329,257	96,489,120	247,801,604
2005	1,719,716,110	4,913,474,600	104,566,770	268,546,478
2004	1,712,346,690	4,892,419,114	109,740,800	281,834,327
2003	1,699,403,530	4,855,438,657	108,173,280	277,808,651
2002	1,441,598,740	4,065,558,400	102,552,730	263,374,057

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

**Notes:**

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax has been phased out. The assessment percent was 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008, and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers, except telephone companies whose last year to pay tangible personal property tax is 2010. The percentages for telecommunications are 10.0 percent for 2009, 5.0 percent for 2010 and zero for 2011.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent rollback, 2 1/2 percent rollback, and homestead exemptions before being billed. The 10 percent rollback for commercial/industrial property was eliminated in 2006.



Tangible Personal Property		Total		Total Direct Tax Rate	Assessed Value Ratio
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$0	\$0	\$1,821,475,060	\$5,182,766,180	76.52	35.1%
2,404,820	9,619,280	1,844,822,560	5,253,157,156	72.17	35.1%
15,661,840	20,882,453	1,883,075,320	5,335,598,180	75.75	35.3%
93,440,335	1,495,045,360	2,014,561,735	6,963,407,824	70.85	28.9%
139,769,404	607,693,061	2,094,248,564	6,164,391,339	70.85	34.0%
187,024,961	813,152,004	2,165,579,321	6,438,282,865	70.85	33.6%
283,321,748	1,133,286,992	2,107,604,628	6,315,308,070	70.85	33.4%
279,165,476	1,116,661,904	2,101,252,966	6,290,915,345	70.85	33.4%
353,726,646	1,414,906,584	2,161,303,456	6,548,153,892	70.85	33.0%
389,681,365	1,558,725,460	1,933,832,835	5,887,657,917	62.65	32.8%

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

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

YEAR	School District Millage (a)				Total
	Operating	Debt Service	Permanent Improvement	Maintenance and Upkeep	
2011	\$67.55	\$7.97	\$0.50	\$0.50	\$76.52
2010	67.55	7.20	0.50	0.50	75.75
2009	67.55	7.20	0.50	0.50	75.75
2008	62.65	7.20	0.50	0.50	70.85
2007	62.65	7.20	0.50	0.50	70.85
2006	62.65	7.20	0.50	0.50	70.85
2005	62.65	7.20	0.50	0.50	70.85
2004	62.65	7.20	0.50	0.50	70.85
2003	62.65	7.20	0.50	0.50	70.85
2002	62.65	-	-	-	62.65

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

**Notes:**

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

Overlapping Millage (b)

Montgomery County	City of Dayton	Dayton Montgomery County Library	City of Trotwood	City of Riverside	Harrison Township	Jefferson Township
\$20.94	\$10.00	\$1.75	\$19.65	\$11.34	\$24.97	\$18.59
20.94	10.00	1.75	19.65	11.34	23.97	18.59
20.94	10.00	1.25	16.65	11.34	23.97	18.59
20.24	10.00	1.25	17.39	11.34	21.00	18.59
18.24	10.00	1.25	17.39	11.34	21.00	18.59
18.24	10.00	1.25	17.39	11.34	19.05	18.59
18.24	10.00	1.25	17.39	6.39	18.33	18.59
18.24	10.00	0.26	17.39	6.39	18.33	18.59
17.24	10.00	0.26	17.39	6.39	17.53	18.59
17.24	10.00	0.26	17.39	6.39	17.53	18.59

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

Name of Taxpayer	Fiscal Year 2011			Fiscal Year 2002		
	Assessed Value	Rank	Percentage of Total Assessed Value	Assessed Value	Rank	Percentage of Total Assessed Value
Dayton Power and Light Company	\$ 64,447,500	1	3.54%			
NCR Corporation	11,368,020	2	0.62%	16,897,860	1	0.87%
Vectren Engery	9,728,400	3	0.53%			
Good Samaritan Hospital	8,442,370	4	0.46%			
Kettering Tower Partners	5,531,980	5	0.30%			
Marriot International	5,455,160	6	0.30%			
Delamore Elizabeth	4,735,650	7	0.26%			
Ducru SPE LLC	4,405,570	8	0.24%			
Steit Jacqueline	4,068,000	9	0.22%			
The Salvation Army	3,904,590	10	0.21%			
Arts Center Foundation				16,082,190	2	0.83%
City of Dayton				9,751,050	3	0.50%
Marriot Division American				8,461,750	4	0.44%
Heart Hospital of DTO				7,142,490	5	0.37%
Virgioa Kettering Trust				6,595,500	6	0.34%
Danis Realty Co. Inc.				6,037,060	7	0.31%
BEHR Dayton Terminal				5,041,610	8	0.26%
Ducru Limited Partnership				3,986,400	9	0.21%
IOWOP Inc.				3,401,140	10	0.18%
Subtotal	122,087,240		6.70%	83,397,050		4.31%
All Other Taxpayers	1,699,387,820		93.30%	1,850,435,785		95.69%
Total Assessed Valuation	<u>\$1,821,475,060</u>		<u>100.00%</u>	<u>\$ 1,933,832,835</u>		<u>100.00%</u>

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

DAYTON



---

PUBLIC SCHOOLS

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

Year (1)	Current Levy	Current Collections (2)	Percent of Current Levy Collected	Delinquent Tax Collections (3)
2011	\$ 88,240,878	\$ 75,895,004	86.0%	\$ 4,540,620
2010	87,326,213	74,670,801	85.5%	4,924,943
2009	88,548,073	77,026,897	87.0%	6,180,051
2008	85,494,306	76,484,514	89.5%	7,561,992
2007	94,359,884	83,077,715	88.0%	9,047,073
2006	102,017,933	86,512,282	84.8%	11,965,577
2005	100,644,046	89,410,441	88.8%	9,807,078
2004	100,545,821	92,118,706	91.6%	6,868,829
2003 (5)	103,881,526	91,911,703	88.5%	6,169,575
2002	88,333,725	79,897,678	90.4%	6,144,153

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

**Notes:**

- (1) Represents collection year. 2011 information represents tax levies and collections through November 1, 2011.
- (2) State reimbursements of rollback and homestead exemptions are included.
- (3) The County does not identify delinquent tax collections by tax year. Therefore, in years when delinquent collections include amounts from previous tax year, the total tax collections can exceed the current tax levy.
- (4) Penalties and interest are included since by Ohio law they become part of the tax obligation as assessment occurs.
- (5) Increase in levy and collection amounts in 2003 forward is attributed to increased tax rates approved for school construction project.

<u>Total Tax Collections</u>	<u>Total Collection As a Percent of Current Levy</u>	<u>Outstanding Delinquent Taxes (4)</u>	<u>Delinquent Taxes to Current Tax Levy</u>
\$ 80,435,624	91.2%	\$ 43,043,091	48.8%
79,595,744	91.1%	24,878,970	28.5%
83,206,948	94.0%	17,328,667	19.6%
84,046,506	98.3%	15,259,202	17.8%
92,124,788	97.6%	15,928,159	16.9%
98,477,859	96.5%	17,896,768	17.5%
99,217,519	98.6%	19,569,964	19.4%
98,987,535	98.5%	23,453,127	23.3%
98,081,278	94.4%	18,666,656	18.0%
86,041,831	97.4%	13,734,616	15.5%

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

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Year	General Bonded Debt			Percentage of Total Assessed Property Value (a)	Per Capita (b)
	General Obligation Bonds	Amount Available for Debt Service	Net Bond Indebtedness		
2011	\$ 214,669,313	\$ (6,614,250)	\$ 208,055,063	11.42%	\$ 1,470
2010	221,745,305	(8,567,537)	213,177,768	11.56%	1,360
2009	228,566,297	(11,899,467)	216,666,830	11.51%	1,382
2008	234,767,289	(13,977,212)	220,790,077	10.96%	1,390
2007	240,793,281	(14,494,701)	226,298,580	10.81%	1,424
2006	246,734,273	(14,058,105)	232,676,168	10.75%	1,452
2005	252,130,265	(14,215,742)	237,914,523	11.29%	1,432
2004	263,281,257	(20,952,155)	242,329,102	11.53%	1,458
2003	103,926,561	(103,926,561)	-	0.00%	0
2002	-	-	-	n/a	n/a

**Notes:**

- (1) The School District reports only governmental activities and has no component units.
- (2) Details of the School District's outstanding debt can be found in Note 14 to in the notes to the basic financial statements.
- (a) See assessed and estimated actual value of taxable property for total assessed property value.
- (b) See demographics schedule for personal income and population data, which are reported on a calendar year basis.



Other Debt Obligations				Total Outstanding Debt Obligations	Percentage of Personal Income (b)	Per Capita (b)
Long-Term Notes Payable	Certificates of Participation	QZAB Bonds	Capital Leases			
\$1,400,000	\$14,760,000	\$10,000,000	\$2,072,257	\$ 236,287,320	9.98%	1,670
1,750,000	15,070,000	10,000,000	2,705,157	242,702,925	10.26%	1,578
2,100,000	15,350,000	10,000,000	3,311,491	247,428,321	10.05%	1,517
2,450,000	15,600,000	10,000,000	3,892,381	252,732,458	12.45%	1,591
2,800,000	15,825,000	10,000,000	4,448,898	259,372,478	12.85%	1,633
3,150,000	16,025,000	10,000,000	5,510,581	267,361,749	13.41%	1,668
3,500,000	16,205,000	10,000,000	4,973,343	272,592,866	13.33%	1,640
3,500,000	16,360,000	10,000,000	3,091,169	275,280,271	13.87%	1,657
-	-	10,000,000	3,755,064	13,755,064	0.58%	83
-	-	-	1,555,435	1,555,435	0.07%	9

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

	2011	2010	2009	2008
Total Assessed Property Value	\$ 1,821,475,060	\$1,844,822,560	\$1,883,075,320	\$ 2,014,561,735
<b><u>Overall Direct Debt Limitation:</u></b>				
Bond Debt Limit (a)	163,932,755	166,034,030	169,476,779	181,310,556
Net Bond Indebtedness	<u>(199,510,750)</u>	<u>(204,107,463)</u>	<u>(207,070,533)</u>	<u>(210,667,788)</u>
Overall Debt Margin (b)	<u><u>(35,577,995)</u></u>	<u><u>(38,073,433)</u></u>	<u><u>(37,593,754)</u></u>	<u><u>(29,357,232)</u></u>
<i>Total net bonded debt applicable to the limit as a percentage of overall direct debt limitation</i>				
	121.70%	122.93%	122.18%	116.19%
<b><u>Unvoted Direct Debt Limitation:</u></b>				
Unvoted Debt Limit (a)	1,821,475	1,844,823	1,883,075	2,014,562
Unvoted Debt Outstanding	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unvoted Debt Margin	<u><u>1,821,475</u></u>	<u><u>1,844,823</u></u>	<u><u>1,883,075</u></u>	<u><u>2,014,562</u></u>
<i>Total unvoted debt applicable to the limit as a percentage of unvoted direct debt limitation</i>				
	0.00%	0.00%	0.00%	0.00%

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

**Notes:**

- (1) Prior to fiscal year 2003, the School District had no general bonded debt.
- (a) Ohio Bond Law sets a limit of 9% for voted debt, 9/10 of 1% for energy conservation and 1/10 of 1% for unvoted debt.
- (b) The Superintendent of Public Instruction in Ohio, in accordance with Ohio Revised Code Section 133.06(E), certified the School District as an "Approved Special Needs District" in 2003 which enabled the School District to issue bonded debt in excess of the limits statutorily set by the Ohio Bond Law.

2007	2006	2005	2004	2003	2002
\$ 2,094,248,564	\$ 2,165,579,321	\$ 2,107,604,628	\$ 2,101,252,966	\$ 2,161,303,456	\$ 1,933,832,835
188,482,371	194,902,139	189,684,417	189,112,767	194,517,311	174,044,955
(215,650,299)	(221,501,895)	(226,214,258)	(230,102,845)	(142,314,994)	-
(27,167,928)	(26,599,756)	(36,529,841)	(40,990,078)	52,202,317	174,044,955
<i>114.41%</i>	<i>113.65%</i>	<i>119.26%</i>	<i>121.67%</i>	<i>73.16%</i>	<i>0.00%</i>
2,094,249	2,165,579	2,107,605	2,101,253	2,161,303	1,933,833
-	-	-	-	-	-
2,094,249	2,165,579	2,107,605	2,101,253	2,161,303	1,933,833
<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>

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

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2011**

<u>Governmental Unit</u>		<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Amount Applicable to School District</u>
Montgomery County	(b)	\$ 7,469,880	19.54%	\$ 1,459,615
City of Dayton	(b)	52,818,927	95.32%	50,347,001
City of Riverside	(b)	2,277,091	13.96%	317,882
City of Trotwood	(b)	12,500,000	2.63%	328,750
Greater Dayton Regional Transit Authority	(b)	1,795,000	19.54%	350,743
Subtotal, Overlapping Debt				52,803,991
School District Direct Debt				264,857,771
Total Direct and Overlapping Debt				<u>\$ 317,661,762</u>

Source: Ohio Municipal Advisory Council

**Notes:**

- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School District. This process recognizes that, when considering the School District's ability to issue and repay long-term debt, the entire burden borne by the residents and businesses should be taken into account.
- (a) Percentages were determined by dividing the assessed valuation of the subdivision located within the boundaries of the School District by the total assessed value of the subdivision.
- (b) Debt outstanding is as of December 31, 2010.

**DAYTON CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY, OHIO**  
PLEGGED-REVENUE COVERAGE  
LAST EIGHT FISCAL YEARS

Year	Revenue	Tax Anticipation Notes (a)		Coverage
		Principal	Interest	
2011	\$ 618,623	\$ 350,000	\$ 57,645	1.518
2010	590,217	350,000	70,277	1.404
2009	665,845	350,000	83,265	1.537
2008	743,728	350,000	96,289	1.666
2007	820,988	350,000	108,885	1.789
2006	827,700	350,000	121,695	1.755
2005	869,373	-	125,253	6.941
2004	849,883	-	-	n/a

**Notes:**

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

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

DEMOGRAPHIC STATISTICS  
LAST TEN CALENDAR YEARS

Year	City of Dayton Population (1)	Personal Income (2)	Per Capita Personal Income	Unemployment Rate (3)
2010	141,527	\$ 2,130,738,407	\$ 15,055	11.3%
2009	153,843	2,144,937,339	13,942	12.1%
2008	156,771	2,366,597,490	15,096	12.1%
2007	158,873	2,029,749,085	12,776	7.2%
2006	158,873	2,017,874,488	12,701	8.3%
2005	160,293	1,994,164,343	12,441	7.6%
2004	166,179	2,045,250,213	12,308	7.1%
2003	166,179	1,984,250,078	11,940	5.5%
2002	166,179	2,354,103,980	14,166	5.6%
2001	166,179	2,239,718,644	13,478	7.4%

- Source::
- (1) U.S. Census Bureau and Miami Valley Regional Planning Commission, reported on calendar year-end
  - (2) Ohio Department of Taxation. Current year amounts are not available, therefore estimates based on trends were used to calculate this amount.
  - (3) Ohio Bureau of Employment Services, reported on calendar year-end

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

**PRINCIPAL AREA EMPLOYERS  
CURRENT YEAR AND FOUR YEARS AGO**

<u>Employer</u>	<u>Fiscal Year 2011</u>			<u>Fiscal Year 2007 (b)</u>		
	<u>Employees (a)</u>	<u>Rank</u>	<u>Percentage of Total Employees</u>	<u>Employees (a)</u>	<u>Rank</u>	<u>Percentage of Total Employees</u>
Wright Patterson Air Force Base	27,406	1	35.63%			
Premier Heath Partners	14,335	2	18.64%			
Kettering Medical Center Network	9,500	3	12.35%			
The Reynolds and Reynolds Co.	6,000	4	7.80%			
WinWholesale Inc.	5,200	5	6.76%			
Wright State University	3,095	6	4.02%			
LexisNexis	3,000	7	3.90%			
University of Dayton	2,978	8	3.87%			
Honda of America Manufacturing, Inc.	2,940	9	3.82%			
Dayton City School District	2,461	10	3.20%			
Wright Patterson Air Force Base				21,000	1	5.14%
Honda of America Manufacturing, Inc.				13,000	2	3.18%
Premier Heath Partners				9,000	3	2.20%
Kettering Medical Center Network				7,000	4	1.71%
Delphi Corporation				6,000	5	1.47%
Meijer Inc.				5,025	6	1.23%
The Reynolds and Reynolds Co.				4,400	7	1.08%
General Motors Corporation				4,000	9	0.98%
Miami University				3,500	10	0.86%
<b>Total</b>	<b>76,915</b>		<b>100.00%</b>	<b>72,925</b>		<b>17.85%</b>

Source: City of Dayton/Dayton Business Journal

**Notes:**

- (1) Information is presented on a calendar year basis as no information was available at the end of the School District's fiscal year.
- (a) Amount reported is employee headcount which differs from the "Full Time Equivalent" numbers reported elsewhere in this section.
- (b) Fiscal year 2007 is the latest information available

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

OPERATING STATISTICS  
LAST TEN FISCAL YEARS

Year	Average Daily Membership	Operating Expenditures (a)	Cost per Pupil	Percentage Change (b)
2011	14,174	\$ 207,237,315	\$ 14,621	-5.07%
2010	13,664	210,456,733	15,402	8.77%
2009	14,393	203,818,669	14,161	17.26%
2008	16,157	195,120,251	12,077	-11.76%
2007	16,517	226,049,108	13,686	2.03%
2006	17,054	228,759,125	13,414	9.05%
2005	17,677	217,430,737	12,300	-0.73%
2004	17,463	216,373,020	12,390	3.05%
2003	18,163	218,384,612	12,024	14.67%
2002	20,144	211,211,438	10,485	9.54%

**Notes:**

- (a) Operating expenditures are total governmental fund expenditures less capital outlay, debt service and intergovernmental expenditures which are recorded as non-instructional services and represent pass-through payments from the State of Ohio to charter schools within the School District boundaries.
- (b) Decrease in operating costs reported for 2008 was due to budget reductions implemented by the School District as part of its "fiscal recovery plan" developed to avoid a cash deficit during the fiscal year.



<u>Expenses</u>	<u>Cost per Pupil</u>	<u>Percentage Change</u>	<u>Number of Teaching Staff</u>	<u>Pupil-Teacher Ratio</u>	<u>Percentage of Free or Reduced Price Meals</u>
\$ 283,112,588	\$ 19,974	-4.84%	1,038	13.66	81.78%
286,809,065	20,990	6.86%	1,052	12.99	74.56%
282,725,302	19,643	15.56%	1,146	12.56	74.56%
274,638,780	16,998	-4.75%	1,163	13.89	68.60%
294,769,145	17,846	1.63%	1,405	11.76	72.00%
299,475,167	17,560	3.54%	1,432	11.91	72.00%
299,789,631	16,959	3.07%	1,503	11.76	80.00%
287,328,469	16,454	17.54%	1,492	11.70	78.52%
254,257,546	13,999	23.31%	1,577	11.52	75.92%
228,676,714	11,352	N/A	1,620	12.43	71.03%

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

FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST SIX FISCAL YEARS

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008 (a)</u>	<u>2007</u>	<u>2006</u>
<b>Supervisory</b>						
Administrators/Supervisors	65	66	80	90	95	99
Principals	31	22	31	32	36	33
Assistant Principals	<u>24</u>	<u>25</u>	<u>22</u>	<u>13</u>	<u>22</u>	<u>22</u>
Total supervisory	<u>120</u>	<u>113</u>	<u>133</u>	<u>135</u>	<u>153</u>	<u>154</u>
<b>Instruction</b>						
Elementary Classroom Teachers	490	496	504	503	723	738
Secondary Classroom Teachers	236	243	255	254	367	388
Special Education Teachers	277	280	296	288	263	241
Vocational Teachers	35	33	37	29	10	12
Other Teachers (adult)	-	-	-	10	28	30
Instructional Professionals	-	-	-	-	21	23
Classroom Aides	<u>287</u>	<u>289</u>	<u>249</u>	<u>251</u>	<u>283</u>	<u>297</u>
Total instruction	<u>1,325</u>	<u>1,341</u>	<u>1,341</u>	<u>1,335</u>	<u>1,695</u>	<u>1,729</u>
<b>Student Services</b>						
Guidance Counselors	13	14	13	13	19	18
Social Workers	1	1	1	1	1	2
School Nurses	29	28	30	28	33	32
Psychologists	17	17	17	17	18	18
Librarians	<u>8</u>	<u>8</u>	<u>10</u>	<u>10</u>	<u>11</u>	<u>12</u>
Total student services	<u>68</u>	<u>68</u>	<u>71</u>	<u>69</u>	<u>82</u>	<u>82</u>
<b>Support and Administration</b>						
Clerical and Secretarial	125	133	141	145	143	150
Food Service	122	128	140	143	145	145
Transportation	202	212	234	215	212	221
Custodial	119	126	138	148	162	162
Maintenance	<u>31</u>	<u>37</u>	<u>37</u>	<u>39</u>	<u>39</u>	<u>39</u>
Total support and administratic	<u>599</u>	<u>636</u>	<u>690</u>	<u>690</u>	<u>701</u>	<u>717</u>
<b>Total</b>	<u>2,112</u>	<u>2,158</u>	<u>2,235</u>	<u>2,229</u>	<u>2,631</u>	<u>2,682</u>

Source: District personnel records

**Notes:**

- (1) Information is only presented beginning with fiscal year 2006; additional years will be accumulated in future years. Obtaining previous years information was not practical.
- (2) The number of employees reported in this table might differ from the number of employees reported elsewhere in this report as this table presents FTE of employees whereas other numbers might present actual number of employees.
- (a) The reduction in the number of employees reported for fiscal year 2008 was due to the implementation of budget reductions necessary to avoid a negative operating fund balance.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 TEACHER EDUCATION AND EXPERIENCE  
 JUNE 30, 2011

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	252	24.28%
Bachelor's + 18 Semester Hours of Graduate Credit	133	12.81%
Master's Degree	473	45.57%
Master's Degree + 30 Semester Hours of Graduate Credit	170	16.38%
Doctorate Degree	<u>10</u>	<u>0.96%</u>
Total	<u>1,038</u>	<u>100.00%</u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 4	120	11.56%
5 - 9	177	17.05%
10 - 14	214	20.62%
15 - 19	177	17.05%
20 - 29	282	27.17%
30 and over	<u>68</u>	<u>6.55%</u>
Total	<u>1,038</u>	<u>100.00%</u>

Source: Dayton City School District Human Resources Records

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

**CAPITAL ASSET INFORMATION  
LAST SIX FISCAL YEARS**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b><u>School Buildings: (a)</u></b>						
<b>Elementary (PK-8)</b>						
Buildings	22	19	19	24	25	26
Square Feet	1,461,913	1,473,978	1,684,130	1,709,892	1,626,710	1,552,428
Capacity	10,662	10,338	12,144	11,881	12,319	12,105
Enrollment	9,726	9,612	10,146	10,379	10,243	9,704
<b>Middle (b)</b>						
Buildings	-	-	-	1	3	5
Square Feet	-	-	-	189,424	456,644	403,681
Capacity	-	-	-	937	2,912	2,361
Enrollment	-	-	-	667	1,781	2,543
<b>High</b>						
Buildings	4	4	4	6	5	5
Square Feet	986,583	714,815	1,024,448	1,135,725	1,024,461	1,175,881
Capacity	5,119	4,192	5,094	6,017	5,756	7,054
Enrollment	4,114	4,052	4,247	4,384	4,409	4,829
<b>Other</b>						
Buildings	3	9	11	5	3	2
Square Feet	220,282	779,764	197,391	259,066	197,391	281,616
Capacity	1,248	4,689	1,666	2,092	1,666	1,892
Enrollment	334	(c)		(c)	(c)	(c)
<b><u>Administrative Building:</u></b>						
Buildings	1	1	1	2	2	2
Square Feet	150,000	150,000	150,000	220,500	220,500	220,500
<b><u>Service Buildings:</u></b>						
Buildings	6	5	5	4	5	4
Square Feet	191,474	224,639	224,639	120,564	143,964	120,564
<b><u>Transportation:</u></b>						
Garages	1	1	1	1	1	1
Buses	223	239	237	226	231	231
<b><u>Athletics:</u></b>						
Facility	1	1	1	1	1	1
Football Fields	10	9	8	8	10	11
Soccer Fields	4	4	4	4	3	6
Running Tracks	6	6	6	6	6	7
Baseball/Softball Fields	17	9	8	5	10	14
Swimming Pools	0	0	0	1	1	1
Playgrounds	44	44	44	37	41	48
Tennis Courts	16	16	16	11	7	0

Source: Dayton City Schools Records

**Notes:**

- (1) Information is only presented beginning with fiscal year 2006; additional years will be accumulated in future years. Obtaining previous years information was not practical.
- (a) The number and mix of school buildings will continue to change over the next several years as the School district-wide school facilities construction project continues.
- (b) These buildings are not used in fiscal year 2009 due to the School District decided not to have a separate middle schools. All the middle schools are closed. They merged the middle and the elementary schools together formed PK-8 schools.
- (c) These buildings represent combination and alternative center. Enrollment for these buildings are included in the appropriate level above.



## **VISION**

An innovative district of champions where students are academically and culturally prepared by a team committed to developing critical thinkers and productive citizens ready to serve the world community.

**[www.dps.k12.oh.us](http://www.dps.k12.oh.us)**

**This page intentionally left blank.**



# Dave Yost • Auditor of State

DAYTON CITY SCHOOL DISTRICT

MONTGOMERY COUNTY

## CLERK'S CERTIFICATION

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
APRIL 24, 2012