



Mary Taylor, CPA  
Auditor of State



**DAYTON CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Schedule of Federal Awards Receipts and Expenditures.....	1
Notes to the Schedule of Federal Awards Receipts and Expenditures.....	3
Independent Accountants' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	5
Independent Accountants' Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance In Accordance with OMB Circular A-33.....	7
Schedule of Findings.....	9
Schedule of Prior Audit Finding .....	10

**This page intentionally left blank.**

**DAYTON CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2007**

<b>Federal Grantor/ Pass Through Grantor Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass Through Entity Number</b>	<b>Receipts</b>	<b>Non Cash Receipts</b>	<b>Disbursements</b>	<b>Non Cash Disbursements</b>
<b>UNITED STATES DEPARTMENT OF AGRICULTURE</b>						
<b>Direct</b>						
Food Donation - Cash in Lieu of Commodities	10.550	N/A	\$849,425		\$849,425	
<b>Passed Through Ohio Department of Education</b>						
Food Distribution Program - Commodities		N/A		\$279,893		\$279,893
Total Food Distribution Program			849,425	279,893	849,425	279,893
<b>Nutrition Cluster:</b>						
National School Breakfast Program	10.553	05-PU 06 05-PU 07	720,144 991,517		720,144 991,518	
Total National School Breakfast Program			1,711,661		1,711,662	
National School Lunch Program	10.555	LLP1 07 LLP4 06 LLP4 07	13,665 1,532,266 2,525,046		13,666 1,532,266 2,525,047	
Total National School Lunch Program			4,070,977		4,070,979	
Summer Food Service Program	10.559	23-PU 05 24-PU 06 24-PU 07	(11,602) 152,907 70,400		(11,602) 152,907 70,400	
Total Summer Food Service Program			211,705		211,705	
Total Nutrition Cluster			5,994,343		5,994,346	
Total United States Department of Agriculture			6,843,768	279,893	6,843,771	279,893
<b>UNITED STATES DEPARTMENT OF EDUCATION</b>						
<b>Direct</b>						
Magnet School Grant - Smaller Learning Grant	84.165	N/A	222,817		201,024	
<b>Passed Through Ohio Department of Education</b>						
Adult Basic Education	84.002	AB-S1-05 AB-S1-06 AB-S1-07			(219) 48,719 685,856	
Total Adult Basic Education			791,041		734,356	
Title I Grants to Local Educational Agencies	84.010	C1-SK-06 C1-SK-07 C1-SD-06 C1-SD-07 C1-S1-06 C1-S1-07	388,343 141,980 49,343 121,813 1,643,596 10,126,068		244,062 100,000 9,627 124,833 2,103,155 9,489,595	
Total Title I Grants to Local Educational Agencies			12,471,143		12,071,272	
Title II - Part D Education Technology	84.318	TJ-S1-06 TJ-S1-07 TJ-SL-06 TJ-SL-07	50,151 145,504 19,677 184,469		57,047 112,278 26,664 148,789	
Total Title II - Part D Education Technology			399,801		344,778	
<b>Special Education Cluster:</b>						
Special Education Grants to States (IDEA Part B)	84.027	6BEC-06 6B-SF-06 6B-SF-07	23,107 809,488 5,510,650		5,438 1,000,560 4,656,396	
Total Special Education Grants to States (IDEA Part B)			6,343,245		5,662,394	
Special Education Preschool Grants	84.173	PG-D0-06 PG-S1-06 PG-S1-07	3,146 13,486 157,671		71,389 144,960	
Total Special Education Preschool Grants			174,303		216,349	
Total Special Education Cluster			6,517,548		5,878,743	
Vocational Education Basic Grant	84.048	20-A0-05 20-C1-06 20-C1-07	3,575 147,967 734,849		11,575 233,879 590,814	
Total Vocational Education Basic Grant			886,391		836,268	

**DAYTON CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2007**

<b>Federal Grantor/ Pass Through Grantor Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass Through Entity Number</b>	<b>Receipts</b>	<b>Non Cash Receipts</b>	<b>Disbursements</b>	<b>Non Cash Disbursements</b>
Safe and Drug Free Schools	84.186	DR-S1-05			2,720	
		DR-S1-06C	(7,055)		8,630	
		DR-S1-06	(5,700)			
		DR-S1-07	139,751		63,946	
Total Safe and Drug Free Schools			126,996		75,296	
Safe and Drug Free Environment	84.184	N/A	29,113		29,114	
Education for Homeless Children and Youth	84.196	HC-S1-06	42,215		41,347	
		HC-S1-07	113,902		110,032	
Total Education for Homeless Children and Youth			156,117		151,379	
Even Start State Educational Agencies	84.213	EV-S1-06	(827)		5,563	
		EV-S1-07	107,102		92,610	
Total Even Start State Educational Agencies			106,275		98,173	
Funds for the Improvement of Education	84.215	Q215 050093-07	200,664		199,435	
Twenty-First Century Community Learning Centers	84.287	T1-S1-06	30,749		39,571	
		T1-S1-07	169,691		158,790	
Total Twenty-First Century Community Learning Centers			200,440		198,361	
State Grants for Innovative Programs	84.298	C2-S1-05			(75)	
		C2-S1-06C			617	
		C2-S1-06	(29,795)			
		C2-S1-07	61,611		28,176	
Total State Grants for Innovative Programs			31,816		28,718	
Comprehensive School Reform Demonstration	84.332	RF-CC-06	(16,654)			
		RF-CC-07	280,000		354,714	
		RF-K3-05	45,820		52,060	
Total Comprehensive School Reform Demonstration			309,166		406,774	
Improving Teacher Quality	84.367	TR-S1-06	65,904		225,387	
		TR-S1-07	2,460,588		2,317,692	
Total Improving Teacher Quality			2,526,492		2,543,079	
English Language Acquisition Grants	84.365	T3-S1-06	(11,471)		3,671	
		TS-S1-07	34,528		7,107	
		T3-S2-07	5,068			
Total English Language Acquisition Grants			28,125		10,778	
Hurricane Education Recovery Act	84.938	HR-01-06	83,099		83,099	
Reading First	84.357	RS-SI-06	239,267		304,721	
		RS-SI-07	489,489		484,219	
Total Reading First			728,756		788,940	
Total United States Department of Education			25,815,800		24,679,587	
<b>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>						
<b>Passed through Montgomery County Department of Job and Family Services</b>						
Temporary Assistance for Needy Families	93.558	N/A	114,653		69,091	
<b>Passed Through Miami Valley Child Development Centers</b>						
Head Start	93.600	05CH54444	934,804		768,079	
		05CH54444	613,002		709,034	
Total Head Start			1,547,806		1,477,113	
<b>Passed Through Tri-County Educational Service Center</b>						
Medical Assistance Program	93.778	N/A	871		871	
<b>Passed through Montgomery County Educational Service Center</b>						
Medical Assistance Program		N/A	2,037		2,038	
Total Medical Assistance Program			2,908		2,909	
Total United State Department of Health and Human Services			1,665,367		1,549,113	
Total Federal Assistance			<u>\$34,324,935</u>	<u>\$279,893</u>	<u>\$33,072,471</u>	<u>\$279,893</u>

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

**DAYTON CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

**NOTE A -- SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - CHILD NUTRITION CLUSTER**

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

**NOTE C -- FOOD DONATION PROGRAM**

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the fair value of the commodities received.

**NOTE D -- MATCHING REQUIREMENTS**

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

**This page intentionally left blank.**





# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

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

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Dayton City School District, Montgomery County, (the District) as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 21, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the District's management in a separate letter dated December 21, 2007.

### **Compliance and Other Matters**

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain noncompliance or other matters that we reported to the District's management in a separate letter dated December 21, 2007.

We intend this report solely for the information and use of management, the Board of Education, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.

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

**Mary Taylor, CPA**  
Auditor of State

December 21, 2007



# Mary Taylor, CPA

## Auditor of State

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

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

To the Board of Education:

#### Compliance

We have audited the compliance of Dayton City School District (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended June 30, 2007. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2007. In a separate letter to the District's management dated December 21, 2007, we reported another matter related to federal noncompliance not requiring inclusion in this report.

#### Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with 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 requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

One First National Plaza / 130 W. Second St. / Suite 2040 / Dayton, OH 45402  
Telephone: (937) 285-6677 (800) 443-9274 Fax: (937) 285-6688  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

**Internal Control Over Compliance  
(Continued)**

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that the District's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the District's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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.

**Schedule of Federal Awards Receipts and Expenditures**

We have also 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, 2007, and have issued our report thereon dated December 21, 2007. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Schedule of Federal Awards Receipts and Expenditures provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



**Mary Taylor, CPA**  
Auditor of State

December 21, 2007

**DAYTON CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2007**

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Nutrition Cluster CFDA # 10.553, 10.555, 10.559 Special Education Cluster CFDA # 84.027 & 84.173
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$1,000,571 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

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

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

DAYTON CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A -133 § .315 (b)  
JUNE 30, 2007

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b>Explain</b>
<b>2006-001</b>	<b>Ohio Rev. Code Section 5705.41(D)</b> – Failure to certify funds before obligation.	No	Partially corrected. Repeated as a management comment.

**DAYTON CITY SCHOOL DISTRICT**

**COMPREHENSIVE**

**ANNUAL FINANCIAL REPORT**

for the

**FISCAL YEAR ENDED JUNE 30, 2007**



Dayton, Ohio





**COMPREHENSIVE**  
**ANNUAL FINANCIAL REPORT**  
of the  
**DAYTON CITY SCHOOL DISTRICT**  
for the  
**FISCAL YEAR ENDED JUNE 30, 2007**

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, 2007



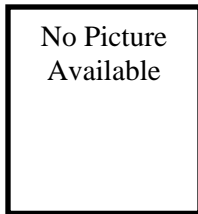
Yvonne V.  
Isaacs  
*President*



Lelia "Lee"  
Massoud  
*Vice President*



Ann Marie  
Gallin



Ronald  
Jackson



Joe  
Lacey



Gail A.  
Littlejohn, J.D.



Stacy M.  
Thompson



Percy A.  
Mack, Ph.D.  
*Superintendent*



Stanley E.  
Lucas  
*Treasurer/CFO*

# **INTRODUCTORY SECTION**



**DAYTON CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY, OHIO  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2007**

---

**TABLE OF CONTENTS**

INTRODUCTORY SECTION

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

FINANCIAL SECTION

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

**DAYTON CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY, OHIO  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2007**

---

**TABLE OF CONTENTS**

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

**DAYTON CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY, OHIO  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2007**

---

**TABLE OF CONTENTS**

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

**DAYTON CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY, OHIO  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2007**

---

**TABLE OF CONTENTS**

Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes  
in Fund Equity – Budget to Actual (Budget Basis):

Warehouse Fund.....	123
Self-Insurance Fund .....	124
Fiduciary Funds:	
Fund Descriptions .....	125
Combining Statement of Changes in Assets and Liabilities - All Agency Funds .....	126

**STATISTICAL SECTION**

Statistical Section Description .....	127
Net Assets by Component – Last Six Fiscal Years.....	129
Expenses, Program Revenues, and Net Expense – Last Six Fiscal Years .....	130
General Revenues and Total Changes in Net Assets – Last Six 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 Ten Years Ago .....	143
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, 2007.....	150
Pledged-Revenue Coverage .....	151
Demographic Statistics – Last Calendar Ten Years.....	152
Principal Area Employers – Current Year and Nine Years Ago .....	153
Operating Statistics – Last Ten Fiscal Years .....	154
Full-Time Equivalent District Employees by Type – Last Two Fiscal Years .....	156
Teacher Education and Experience – June 30, 2007.....	157
Capital Asset Information – Last Two Fiscal Years .....	158





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

115 S. Ludlow Street · Dayton OH 45402-1812

December 21, 2007

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

Dear Board Members:

The Comprehensive Annual Financial Report of the Dayton City School District (the “District”) for the fiscal year ended June 30, 2007, 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.

Mary Taylor, Auditor of State of Ohio, has issued an unqualified (“clean”) opinion on the Dayton City School District’s financial statements for the year ended June 30, 2007. 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.

### **Mission Statement**

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

## **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 is the City of Dayton, Ohio. For the 2006-2007, the District was the 8<sup>th</sup> largest school district in the State of Ohio (among 612 school district) with 16,028 enrolled students. The District has 25 elementary schools, 2 middle schools, 1 combination school enrolling grades 7 through 12, 1 alternative center and 5 high 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. Gail Littlejohn has served the Board as President for five years. She was reelected to another four year term which expires December 31, 2009. Yvonne V. Issacs has served on the Board for six years and became Board President on January 9, 2007. She was reelected to another four year term which expires December 31, 2009. Lelia "Lee" Massoud's was appointed to the Board in 2005. Her term will expire on December 31, 2007. Ann Marie "Mario" Gallin has served on the Board for eight years. Ms. Gallin will serve until December 31, 2007. Joe Lacey has served on the Board for two years and his term will expire December 31, 2009. Stacey Thompson was appointed to the Board in 2006 and her term expires December 31, 2007. Ronald Jackson was appointed to fill Clayton R. Luckie's unexpired term in December, 2006 after Mr. Luckie resigned to fill the vacated 39<sup>th</sup> district House of Representatives seat.

The Superintendent of Schools (the "Superintendent"), was appointed by the Board for a term not longer than three years, is the chief executive officer of the District. He has the responsibility for managing and placing teachers and other employees, assigning the pupils to the proper schools and grades, and performing such other duties as determined by the Board. The current Superintendent, Dr. Percy A. Mack, was appointed permanent Superintendent effective July 15, 2002. Dr. Percy Mack was the Superintendent of record for this reporting period.

The Treasurer is the chief financial officer of the Board and of the District and is, pursuant to statutory requirement, appointed by the Board for a four-year term (following a probationary two-year term) and reports directly to the Board. Stanley E. Lucas has served as the District's treasurer since July 1, 2002. He was re-appointed to a four- year term of employment commencing January 1, 2005 and ending December 31, 2008. Mr. Lucas was the Treasurer of record for this reporting period.

### Employee Relations and Benefits

The District currently has 1,293 certificated employees (psychologists, reserve teachers, and administrators) and 1,539 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 2,832 full and part-time employees. In the fiscal year ended June 30, 2007, the District paid out from its general fund (poverty based assistance (PBA) fund included) \$95,585,738 in salaries and \$41,848,452 in fringe benefits and other labor related costs. These expenditures are comprised of employer retirement contributions, workers' compensation insurance coverage, unemployment compensation, life insurance, medical and dental insurance premiums.

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

The clerical employees are represented by the Ohio Association of Public School Employees (OASPE), Clerical Chapter 158. The paraprofessional employees are represented by OAPSE, Paraprofessional Chapter 643. The transportation employees are represented by the OAPSE, Transportation Chapter 627. Educational interpreters are represented by OAPSE, Chapter 766. Mechanics are represented by OAPSE, Local 156. Lead child care teachers, mental health technicians, occupational therapists, and physical therapists are represented by OAPSE Local 191. Psychologists are represented by OAPSE, Local 766B. Head Start is represented by OAPSE, Local 155. The building trade's employees are represented by the Dayton Building and Construction Trades Council, AFL-CIO. The custodial and food service employees are represented by the Dayton Public Service Union (DPSU), Local #101, Ohio Council #8, AFSCME, AFL-CIO. The security resource officers are represented by DPSU, Local #101, Ohio Council #8, AFSCME, AFL-CIO. Reserve teachers are represented by the Dayton Chapter of Reserve Teachers. A collective bargaining agreement with the Dayton Education Association expires on June 30, 2008. Collective bargaining agreements with the other unions expire September 30, 2007 or later.

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

All District employees participate in either the State Teachers Retirement System or the School Employees Retirement System. The current employer obligation for contributions is 14 percent of the employee's salary. Both retirement systems were created by and operate under Ohio law. The General Assembly could amend the format of either system and could revise rates or methods of contribution to be made by the District in the future. The State Teachers Retirement System is applicable to all teachers, principals, supervisors and administrators who are required

to hold a certificate issued by the State Department of Education. Other eligible employees are covered by the School Employees Retirement System. Pursuant to federal law, all District employees hired after March 31, 1986, are required to participate in the federal Medicare program, which currently requires employer and employee contributions each equal to 1.45 percent of the employee's wages subject to the FICA limit. Otherwise, District employees are not presently covered by the federal Social Security Act. The District's required contributions for pension obligations to the two retirement systems on behalf of its employees amounted to \$16,014,305 for the 2007 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.

Generally, tangible personal property used in business (except for public utility) is currently assessed for taxation purposes at 25 percent of its true value. Beginning January 1, 2002, the assessment percentage applicable to inventory is reduced by one percentage point per year until it reaches zero (for tax years 2002 through 2006, the reduction will be made only if state-wide property tax collections increase over the prior year). Railroad operating property, inter exchange telecommunications property acquired by telephone companies after 1994, all property owned by rural electric and electric companies, except transmission and distribution property, and all property owned by natural gas companies is assessed at 25 percent of true value. Transmission and distribution property of electric companies (other than rural electric companies) and all other public utility tangible personal property is assessed at 88 percent of true value. To replace the money lost due to the lower assessment percentages, new state consumption taxes have been enacted.

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

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

Ohio law has a mechanism that is intended to negate increases in taxes resulting from increases in the true value of real property due solely to inflation. The law grants tax reduction factors to offset increases in taxes resulting from increases in the true value of real property. Legislation implementing a 1980 constitutional amendment classifies real property between (i) residential and agricultural and (ii) all other real property, and provides for tax reduction factors to be separately computed for and applied to each class. These reduction factors apply to certain voted levies on real property and do not apply to 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 2007, on *Forbes* magazine's Best Places for Business and Careers in the United States, the city of Dayton ranked 150. *Forbes'* ranking of the 200 largest metropolitan areas, takes into account employee income, job growth, and costs of doing business, including process of labor, energy, taxes and office space. The magazine also factors in regional crime rates, qualifications of the available labor pool and housing costs. Economy.com, a West Chester, Pennsylvania based economic and financial research firm, helped *Forbes* compile the results.

### *Automotive Manufacturing*

Dayton's long history of automotive manufacturing and its location at the intersection of interstates 70 and 75 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 24.8% 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 decision to cut third shift 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.

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

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

A major catalyst for growth in the Dayton area has been and continues to be Wright-Patterson Air Force Base – an important and unique U.S. Air Force Base. Wright Patterson employs almost one of every twelve people working in the greater Dayton area. The largest single-site employer in Ohio with more than 20,000 military and civilian employees, the Base is headquarters for the Aeronautical Systems Center (ASC) – the foremost aeronautical acquisition center in the U.S. Air Force. The 2005 Defense Base Realignment and Closure (“BRAC”) Commission recommendations have the potential to bring hundreds of highly specialized scientific, engineering, medical and teaching positions to the Dayton area.

### *Technology Transfer*

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

### *Information Technology*

The information technology industry has a long history in Dayton. National Cash Register, now known as NCR Corporation is a worldwide leader in computer technology and applications. In addition, Reynolds and Reynolds, Lexis-Nexis and a host of other IT companies call the Dayton region home. Dayton, Ohio is part of what Miliken Institute calls the “Rust Belt Revival”. The five largest cities in Ohio that comprise the Rust Belt; Dayton, Cincinnati, Cleveland, Columbus and Akron are transforming from an industrial economy to an information based economy and is experiencing a tech upswing with more than 3,500 hi-tech companies in these metropolitan areas.

### *Distribution and Warehousing*

The Dayton International Airport is an ideal location for cargo and freight operations due to its proximity to the Crossroads of America, I-70 and I75 intersection. Passenger traffic at the airport with 10 airlines providing non-stop service to 19 major U.S. cities continued this past year to increase. Air cargo dropped off significantly due to the absence of Emery Worldwide, however Fed Ex and Airborne Express have increased their market share in the cargo and freight arena.

### *Higher Education Opportunities*

There are over 35 institutions of higher learning located within the Dayton region. The Dayton region was ranked 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 to the Dayton Area Chamber of Commerce, the Dayton region has been experiencing a decline in our employment base due in part to the Dayton area's concentration in the manufacturing industry. In essence, the Dayton region is moving towards the national average in the manufacturing sector. The Dayton Area Chamber of Commerce reported the unemployment rate was forecasted at around 5%, but may trend higher after revisions to national employment data. While there has been job loss over the past year, the fact remains that there has been employment growth in the region. Industry sectors such as Education, Health Services, Professional and Business Services and Defense have all seen employment growth. The Dayton region is transitioning from a heavy emphasis in manufacturing industries to one of high tech/service producing industries. As we move further along in this transition, the economy will grow stronger as new employment opportunities present themselves.

## **MAJOR INITIATIVES**

### *Strategic Plan*

The District has adopted strategic initiatives that guide 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*

Dayton Public School is in year six of its academic reform agenda. In 2001, the District's Board and the Superintendent announced four district-wide strategic initiatives focused on higher student achievement. The initiatives provide a clear and consistent focus on student achievement, set high expectations for students and staff, and serve as the basis for future District decision-making. The District's first four strategic initiatives are literacy and mathematics, professional development, student behavior, and accountability. The District has adopted a literacy program to improve the level of reading and writing skills. DPS students posted some of the highest reading scores 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. The Dayton Early College Academy (DECA) in its fifth year of operation was named one of five innovative programs in a study commissioned by The Bill and Melinda Gates Foundation. DPS had the most improved graduation rate of any Ohio urban district. With student achievement as a central



focus, professional development was offered to all District personnel. Through the professional development program, teachers and paraprofessionals were helped to meet the highly qualified teacher mandates under the federal NCLB legislation. The Student Code of Conduct has been revised to ensure uniform and consistent enforcement district-wide. Dayton's student attendance rate continued to improve to 91.1% in 2007 as a direct result of the District's truancy program and aggressive marketing programs. The District has implemented alternative learning approaches that meet the needs of students with chronic behavior problems. A primary goal in the area of District accountability is to move out of academic watch. To achieve this, accountability measures will be developed to tie staff performance, in part, to student achievement.

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

### *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, engage in curriculum development and design to ensure alignment to state and national standards. In an effort to solidify and broaden the comprehensiveness of the

District's focus on improvement, the District's Deputy Superintendent spearheads 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.

#### *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 five major financial institutions: Bank One, National City Bank, Victory Capital Management, Fifth Third Bank, 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, bankers acceptances, commercial paper and all other legal investments very conservatively. No money of the District has ever been invested in interest-only obligations, reverse-purchase obligations, inverse floater obligations, or other investment vehicles commonly referred to as derivative investments. No moneys of the District are invested in obligations which mature later than the time at which it reasonably expected that the District will need access to the money in order to meet current financial commitments. The Treasurer/CFO has attended special training in all of the investment areas to assure compliance with the conservative investment philosophy of the District. All investments are transacted with banks or other financial institutions operating in the state. The amount of investment income recorded for the District in fiscal year 2007 was \$17,146,192. A more detailed description of the District's investment functions is described in Note 6 to the 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 16,000 governmental finance professionals. For the fifteenth 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, 2006. 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 2006 school system comprehensive annual financial report. This award is granted only after an intensive review of the financial report by an expert ASBO Panel of Review consisting of certified public accountants and practicing school business officials. Receiving this award is recognition that a school system has met the highest standards of excellence in school finance reporting.

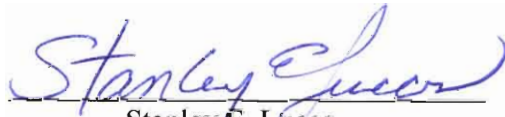
A certificate of excellence is valid for one year only. We believe our current report continues to conform to the standards set by the ASBO Panel of Review, and we are submitting it to ASBO to determine its eligibility for another award.

ACKNOWLEDGMENTS

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



Percy A. Mack Ph.D.  
Superintendent



Stanley E. Lucas  
Treasurer/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, 2006

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.



*Charles S. Cox*  
President

*Jeffrey L. Esser*  
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, 2006**

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

---



\_\_\_\_\_  
President

---



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

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

**BOARD MEMBERS-ELECTED OFFICIALS**  
**June 30, 2007**

---

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



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

**EXECUTIVE CABINET MEMBERS**  
**June 30, 2007**

---

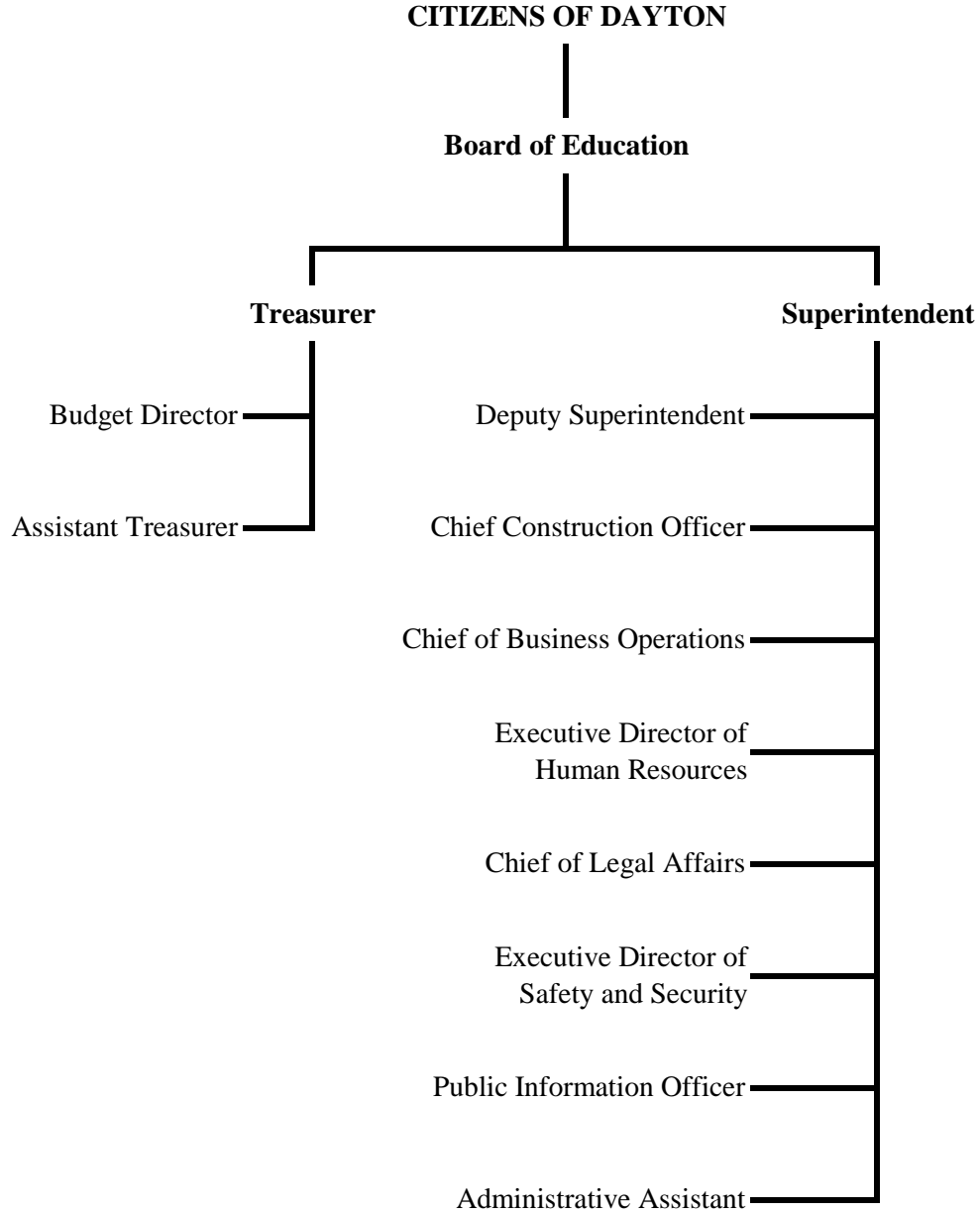
Percy A. Mack, Ph.D.	Superintendent
Stanley E. Lucas	Treasurer
Debra A. Brathwaite	Deputy Superintendent
Jonathan Brown, Ph.D.	Associate Supt., STEM
John H. Carr, AIA	Chief Construction Office
John Concannon, J.D.	Chief of Legal Operations
Robyn Essman	Budget Director
Harry Frisby	Executive Director, Safety & Security
Rebecca Lowry, Ph.D.	Associate Supt., Pupil Services
Gail Mitchell, Ed.D.	Associate Supt., Humanities
Jill Moberley	Public Information Officer
M. Edward Sweetnich	Executive Director, Human Resources
Lori Ward	Interim Chief, Business Operations
Colleen S. Wells	Administrative Assistant to the Superintendent

**DAYTON CITY SCHOOL DISTRICT**

**MONTGOMERY COUNTY, OHIO**

**ORGANIZATIONAL CHART**

**June 30, 2007**



## **FINANCIAL SECTION**





# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

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

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Dayton City School District, Montgomery County, (the District), as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Dayton City School District, Montgomery County, as of June 30, 2007, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2007, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

December 21, 2007

# DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2007 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, 2007. 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 2007 are as follows:

*Overall:*

- Total net assets increased \$61.6 million, which represents 23.0 percent increase from fiscal year 2006.
- Total assets of governmental activities increased by \$50.3 million from those reported at June 30, 2006. The primary factor of the increase was recognizing \$78.1 million in capital assets associated with the school facilities construction project in fiscal year 2007 compared with the \$47.1 million reported for the prior year.
- General revenues accounted for \$206.5 million or 58.0 percent of total revenue. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions account for \$149.9 million or 42.0 percent of total revenues of \$356.4 million.
- The General Fund reported unreserved, undesignated fund deficit of just under \$6.3 million at June 30, 2007.
- During fiscal year 2007, the School District capitalized approximately \$78.3 million in capital assets, including land acquisitions (\$.2 million) and construction in progress (\$78.1 million) associated with the school facilities project. When offset for current year depreciation and disposals, net capital assets increased by \$75.4 million compared with fiscal year 2006 amounts. Also, during fiscal year 2007 the School District opened the first four new school buildings constructed through the school facilities project. The total value of these new school buildings was \$53.8 million.

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

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

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

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

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2007  
Unaudited

---

**Reporting the School District as a Whole**

*Statement of Net Assets and the Statement of Activities*

While this document contains a large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2007?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

*Fund Financial Statements*

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

Governmental Funds

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



**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2007  
Unaudited

---

**The School District as a Whole**

Recall that the Statement of Net Assets provides the perspective of the School District as a whole. In the case of the Dayton City School District, assets exceeded liabilities by approximately \$329 million at June 30, 2007.

Table 1 provides a summary of the School District's net assets for 2007 compared to 2006:

TABLE 1  
Net Assets (in 000's)

	2007	2006 Restated
<i>Assets:</i>		
Current and other Assets	\$ 526,954	\$ 552,040
Capital Assets	<u>188,805</u>	<u>113,384</u>
Total Assets	<u>715,759</u>	<u>665,424</u>
<i>Liabilities:</i>		
Long-Term Liabilities	281,088	294,364
Other Liabilities	<u>105,639</u>	<u>103,620</u>
Total Liabilities	<u>386,727</u>	<u>397,984</u>
<i>Net Assets:</i>		
Invested in Capital Assets, Net of Debt	11,058	21,173
Restricted	306,008	225,377
Unrestricted	<u>11,966</u>	<u>20,890</u>
Total Net Assets	<u>\$ 329,032</u>	<u>\$ 267,440</u>

Total net assets reported at June 30, 2007 are \$61.6 million more than the net assets reported at the end of fiscal year 2006. The primary reason for the increase in the School District's net assets was the increase in the School District's capital assets during the fiscal year. In addition, the amounts recorded as intergovernmental receivables associated with the school facilities construction project increased significantly over those reported the prior year.

Total liabilities decreased by \$11.3 million compared with those reported the prior year. Long-term obligations decreased by \$13.3 million during fiscal year 2007 due to scheduled debt payments made and the overall reduction in compensated absences due to a significant reduction in the number of employees at the School District. Current liabilities increased by \$2.0 million due to increased payable amounts owed at year end associated with the school facilities construction project.

Total assets of the School District at June 30, 2007 totaled \$715.8 million compared with \$665.4 million reported for the prior year. Significant changes in asset accounts were primarily due to an increase in capital assets by \$75.4 million virtually all of the increase is associated with school facilities construction project as mentioned above.

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2007  
 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)

	2007	2006 Restated
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 4,442	\$ 3,872
Operating Grants and Contributions	54,385	53,855
Capital Grants and Contributions	91,055	4,223
General Revenues:		
Property Taxes	89,224	89,797
Grants and Entitlements	93,567	111,070
Other	23,688	19,630
Total Revenues	<u>356,361</u>	<u>282,447</u>
<b>Program Expenses</b>		
Instruction	111,360	107,434
Support Services:		
Pupil and Instructional Staff	28,706	31,608
Board of Education, Administration, Fiscal and Business	18,806	21,452
Plant Operation and Maintenance	31,623	32,743
Pupil Transportation	19,206	19,100
Central	7,215	8,276
Non-Instructional Services	62,480	63,228
Extracurricular Activities	1,882	1,683
Unallocated Depreciation	1,325	1,667
Interest and Fiscal Charges	12,166	12,284
Total Expenses	<u>294,769</u>	<u>299,475</u>
Change in Net Assets	<u>\$ 61,592</u>	<u>\$ (17,028)</u>

During fiscal year 2007, total net assets increased by \$61.6 million or 23.0 percent of the net asset balance reported at June 30, 2006. This increase was due to the increase in the receivables recognized in conjunction with the school facilities construction project as well as the reduction in operating expenses reported for fiscal year 2007. The reduction in operating expenses is the first phase of the School District's \$38.8 million fiscal recovery plan initiated when a proposed property tax levy was rejected by voters in February 2007. In addition to the reductions made in fiscal year 2007, the plan calls for an additional reduction of \$30.5 million in fiscal year 2008. The fiscal recovery plan was necessary to avoid an operating deficit in the General Fund in fiscal year 2008.

As noted in Table 2, the School District remains extremely dependent upon general intergovernmental revenues. Approximately 45 percent of the School District's general revenues is received from intergovernmental sources. Property taxes are the next most significant revenue sources, accounting for nearly 43 percent of total general revenues reported. Reductions in the overall number of student enrolled at the School District for fiscal year 2007 reduced the general aid received by the State.

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2007  
 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 2007 as compared to those recorded in fiscal year 2006. Net cost of services provided identifies the cost of these services supported by general revenues, including tax revenue and unrestricted state entitlements.

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

	2007		2006 - Restated	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 111,360	\$ 80,437	\$ 107,434	\$ 79,104
Support Services:				
Pupil and Instructional Staff	28,706	15,860	31,608	18,715
Board of Education, Administration, Fiscal and Business	18,806	18,429	21,452	20,251
Plant Operation and Maintenance	31,623	(61,357)	32,743	26,547
Pupil Transportation	19,206	19,053	19,100	18,947
Central	7,215	5,818	8,276	7,560
Operation of Non-Instructional Services	62,480	51,784	63,228	51,284
Extracurricular Activities	1,882	1,373	1,683	1,166
Unallocated Depreciation	1,325	12,165	1,667	1,667
Interest and Fiscal Charges	12,166	1,325	12,284	12,284
Total Expenses	<u>\$ 294,769</u>	<u>\$ 144,887</u>	<u>\$ 299,475</u>	<u>\$ 237,525</u>

The net cost of service decreased by nearly \$92.6 million. The reason for this significant change is related to the school facilities project. In prior years, only the first two phases of the project were approved by the State of Ohio and therefore the School did not report a receivable associated with the entire project. However, in fiscal year 2007, the State of Ohio approved a significant portion of the third phase of the project which resulted in additional receivables being recognized at year-end. These receivables are reported as program revenues associated with the operation and maintenance of school facilities. The net cost of that function for fiscal year 2007 was \$(61.4) million compared with \$26.5 million for the prior year.

In conjunction with the fiscal recovery plan previously mentioned, the School District made every effort to redirect available resources to the instructional areas. While the number of employees of the School District actually decreased, the amount of expenses reported in instruction increased by nearly \$4 million. Additional funding was allocated to staff and program development to continue the School District goal to strengthen academic programs resulted in instructional expenses increasing \$3.9 million from expenses reported for 2006 and resulting in a net cost of service increase of \$1.3 million.

# DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2007  
Unaudited

---

## **The School District's Funds**

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

Total ending fund balance reported for governmental funds at June 30, 2007 was \$258.7 million, a \$48.4 million decrease compared with the prior year. Approximately \$198.0 million of the ending fund balance is reported in funds associated with the school facilities construction project. Another \$15.7 million is reported in the debt service fund to be used to pay debt obligations as they become due. There was \$134.2 million reported as reservation of fund balance to indicate that it is already committed and not available for spending. The remaining fund balance is unreserved and available for spending at the discretion of the School District.

The General Fund is the operating fund of the School District. At June 30, 2007, the ending fund balance of the General Fund was \$34,852. However, there were also \$6.3 million of reservation of fund balance reported for the general fund which resulted in an unrestricted fund deficit of just under \$6.3 million. The School District is in the process of fully implementing its financial recovery plan which is designed to ensure an operating deficit is not incurred in fiscal year 2008. This plan calls for the reduction of over \$30 million in operating expense for fiscal year 2008. Once fully implemented, the financial recovery plan should enable the general fund to stabilize until additional revenue sources are identified.

The \$653,861 increase in the fund balance of the Debt Service resulted from the School District receiving tax dollars in amounts greater 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 \$14.4 million decrease in the Classroom Facilities Fund balance was due to increased capital outlay expenditures associated with the school facilities construction project which should continue to occur as the project progresses.

## **General Fund Budgeting Highlights**

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

During the course of fiscal year 2007, the School District amended its general fund budget numerous times, none significant. As the School District receives unanticipated cash receipts or received less than was anticipated, it was necessary to adjust estimated resources and appropriations. Other revenue and expenditure line items were also reviewed.

For the General Fund, budget basis revenue was \$196.9 million as compared to the original budget estimates of \$187.7 million. Original budget amounts were developed using estimates derived from historical revenue amounts received as well as the County Auditor's estimate of tax revenue for the upcoming year. The County Auditor is conservative in the original estimates for property taxes and later amends those estimates as collections are made throughout the fiscal year. The School District can not budget more for property taxes than what is estimated by the County Auditor by State law. In total, actual budgetary revenues received were within five percent of the original revenue budget total.

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2007  
Unaudited

The conservative revenue estimates at the beginning of the school year also drives the original budget of expenditures. Estimated expenditures can not exceed the amounts available to pay those expenditures. As the fiscal year progresses and additional revenues are received, the School District may increase the expenditure budget amounts. For fiscal year 2007, total budgetary expenditures amounted to \$218.1 million or \$5.7 million more than the original budget for expenditures. However, the actual budgetary expenditures were \$3.4 million less than the final expenditure budget amounts adopted by the School District due to the budget reduction measures previously mentioned.

**Capital Assets**

At the end of fiscal year 2007, the School District had \$224.0 million invested in land, buildings, furniture and equipment, vehicles, and construction in progress in governmental activities and \$35.2 of accumulated depreciation resulting in net capital assets of \$188.8 million.

The State of Ohio has determined that most of the School District's school buildings are in need of remodeling or replacement based on the age and condition of the structures. A statewide revitalization program, which operates under the direction of the Ohio Schools Facilities Commission (established through Senate Bill 272) uses resources from state bond funds and the tobacco settlement funds to match local dollars so that eligible districts can remodel or rebuild their capital assets. The first four school buildings completed under this project were opened during fiscal year 2007. Construction in progress on other locations totaling \$78.1 million was capitalized in during this fiscal year. At June 30, 2007 total construction in progress capitalized was \$96.6 million. The overall cost of the construction project is estimated at \$628 million with construction taking place over the next several years.

Table 4 shows fiscal year 2007 balances compared to those of fiscal year 2006:

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

	2007	2006 Restated
Land	\$ 8,429	\$ 8,200
Buildings and Improvements	95,470	42,979
Equipment	7,408	7,429
Vehicles	16,085	16,086
Construction in Progress	96,619	72,378
Less: Accumulated Depreciation	<u>(35,206)</u>	<u>(33,688)</u>
Total Net Assets	<u>\$ 188,805</u>	<u>\$ 113,384</u>

Overall, net capital assets increased approximately \$75.4 million from fiscal year 2006. Besides the construction in progress capitalized in conjunction with the school facilities project, other significant additions to capital assets included building acquisitions and improvements (\$53.8 million), and land acquisitions (\$.2 million). Additional information on the School District's capital assets can be found in Note 9 to the basic financial statements.

# **DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2007  
Unaudited

---

## **Debt Administration**

At the end of fiscal year 2007, the School District had \$269.4 million of outstanding long-term debt obligations, of which \$6.1 million is due within one year. Significant elements of the School District's outstanding long-term debt obligations outstanding at June 30, 2007 include:

- \$240.8 million in outstanding general obligations school facilities construction and improvement bonds and related unamortized bond premiums, with \$5.9 million of principal payments made during the fiscal year 2007.
- \$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.
- \$2.8 million of long-term tax anticipation notes. The School District made principal payments of \$350,000 during the year.
- \$15.8 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 2007 the School District made principal payments of \$200,000 related to this issue.

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

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

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

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

STATEMENT OF NET ASSETS  
JUNE 30, 2007

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 265,831,199
Cash and Cash Equivalents:	
In segregated accounts	442,667
With fiscal agent	5,829,227
Receivables:	
Property and other taxes	102,936,554
Accounts	324,366
Intergovernmental	145,821,924
Accrued Interest	1,113,025
Inventory of supplies and materials	393,467
Inventory held for resale	1,261,908
Prepaid items	860,610
Deferred Charges	2,138,988
Capital Assets:	
Non-depreciable	105,048,096
Depreciable, net of accumulated depreciation	83,756,497
 Total Assets	 715,758,528
Liabilities:	
Accounts payable	9,781,100
Accrued wages and benefits payable	7,073,615
Intergovernmental payable	6,241,772
Accrued interest payable	991,251
Matured compensated absences	158,839
Claims payable	204,000
Unearned revenue	81,188,338
Long Term Liabilities:	
Due within one year	6,906,517
Due in more than one year	274,181,601
 Total Liabilities	 386,727,033
Net Assets:	
Invested in capital assets, net of related debt	11,057,668
Restricted for:	
Grant programs	11,428,203
Capital projects	277,232,930
Debt service	17,346,837
Unrestricted	11,965,857
 Total Net Assets	 \$ 329,031,495

See accompanying notes to the basic financial statements.

DAYTON



---

PUBLIC SCHOOLS



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

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2007

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for services & sales	Operating grants and contributions	Capital grants and contributions	Total Governmental Activities
<b>Governmental Activities:</b>					
<b>Instruction:</b>					
Regular	\$ 73,932,762	\$ 1,835,460	\$ 16,493,321	\$ -	\$ (55,603,981)
Special	31,992,481	178,231	11,156,529	-	(20,657,721)
Vocational	3,457,490	-	806,041	-	(2,651,449)
Adult/Continuing	836,537	-	454,371	-	(382,166)
Other	1,141,074	-	-	-	(1,141,074)
<b>Support Services:</b>					
Pupils	9,575,153	-	2,184,313	-	(7,390,840)
Instructional staff	19,131,027	-	10,662,136	-	(8,468,891)
Board of education	1,095,719	-	-	-	(1,095,719)
Administration	13,132,034	-	377,093	-	(12,754,941)
Fiscal	3,058,611	-	-	-	(3,058,611)
Business	1,519,529	-	-	-	(1,519,529)
Operation and maintenance of plant	31,623,068	-	2,078,480	90,901,912	61,357,324
Pupil transportation	19,206,398	-	-	152,905	(19,053,493)
Central	7,214,836	-	1,396,424	-	(5,818,412)
Non-instructional services	62,479,482	1,919,204	8,776,433	-	(51,783,845)
Extracurricular activities	1,882,414	509,132	-	-	(1,373,282)
Interest and fiscal charges	12,165,455	-	-	-	(12,165,455)
Unallocated depreciation *	1,325,075	-	-	-	(1,325,075)
Total Governmental Activities	\$ 294,769,145	\$ 4,442,027	\$ 54,385,141	\$ 91,054,817	(144,887,160)
 <b>General Revenues:</b>					
Property taxes levied for:					
					73,210,958
					14,391,679
					810,634
					810,635
					93,566,583
					17,146,192
					6,542,377
					206,479,058
					61,591,898
					267,439,597
					\$ 329,031,495

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

See accompanying notes to the basic financial statements.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2007

	General Fund	Bond Retirement	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 4,866,648	\$ 14,494,701	\$ 198,904,393	\$ 46,931,976	\$ 265,197,718
Cash and Cash Equivalents:					
In Segregated Accounts	442,667	-	-	-	442,667
Cash and Cash Equivalents:					
With Fiscal Agent	-	-	5,100,000	729,227	5,829,227
Receivables:					
Taxes - Current	70,955,066	14,374,432	-	1,678,897	87,008,395
Taxes - Delinquent	13,014,065	2,620,864	-	293,230	15,928,159
Accounts	219,806	-	43,411	58,927	322,144
Intergovernmental	1,052,924	-	137,440,508	7,328,492	145,821,924
Interest	-	2,247	984,554	126,224	1,113,025
Due from Other Funds	1,531,747	-	-	4,582	1,536,329
Prepaid Items	151,518	-	677,927	31,165	860,610
Inventory of Supplies and Materials	393,467	-	-	-	393,467
Inventory Held for Resale	-	-	-	77,675	77,675
<b>Total Assets</b>	<u>\$ 92,627,908</u>	<u>\$ 31,492,244</u>	<u>\$ 343,150,793</u>	<u>\$ 57,260,395</u>	<u>\$ 524,531,340</u>
<u>Liabilities and Fund Balances:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$ 680,242	\$ -	\$ 6,729,224	\$ 2,336,860	\$ 9,746,326
Accrued Wages and Benefits	6,141,596	-	-	930,635	7,072,231
Intergovernmental Payable	5,264,617	-	-	975,528	6,240,145
Due to Other Funds	69	-	-	1,536,260	1,536,329
Deferred Revenue	80,351,596	15,775,020	138,425,062	6,479,327	241,031,005
Matured Compensated Absences Payable	154,936	-	-	3,903	158,839
<b>Total Liabilities</b>	<u>92,593,056</u>	<u>15,775,020</u>	<u>145,154,286</u>	<u>12,262,513</u>	<u>265,784,875</u>
<u>Fund Balances:</u>					
<u>Reserved for:</u>					
Encumbrances	1,311,197	-	98,548,122	27,139,782	126,999,101
Supplies Inventory	393,467	-	-	77,675	471,142
Property Taxes	4,474,143	1,222,523	-	123,393	5,820,059
Prepaid Items	151,518	-	677,927	31,165	860,610
<u>Unreserved, Undesignated:</u>					
General Fund	(6,295,473)	-	-	-	(6,295,473)
Special Revenue Funds	-	-	-	5,260,400	5,260,400
Debt Service Fund	-	14,494,701	-	-	14,494,701
Capital Projects Funds	-	-	98,770,458	12,365,467	111,135,925
<b>Total Fund Balances</b>	<u>34,852</u>	<u>15,717,224</u>	<u>197,996,507</u>	<u>44,997,882</u>	<u>258,746,465</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 92,627,908</u>	<u>\$ 31,492,244</u>	<u>\$ 343,150,793</u>	<u>\$ 57,260,395</u>	<u>\$ 524,531,340</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, 2007

Total Governmental Fund Balances:		\$ 258,746,465
<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.		188,600,380
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Taxes	15,928,159	
Interest	1,113,023	
State and federal grants	5,360,977	
School construction grants	<u>137,440,508</u>	
		159,842,667
Bond issuance costs associated with bonds payable, are recorded as a deferred charged on the accrual basis but are not reported in the funds.		2,138,988
Internal service funds are used by management to charge the costs of operating the central warehouse and providing dental insurance to the individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets.		1,782,364
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	(2,800,000)	
General obligation bonds	(230,145,000)	
Premium on G.O. bonds	(10,648,281)	
Certificates of participation	(15,825,000)	
QZAB bonds	(10,000,000)	
Accrued interest on long-term obligations	(991,251)	
Compensated absences	(7,220,939)	
Capital leases payable	<u>(4,448,898)</u>	
Total		<u>(282,079,369)</u>
Net Assets of Governmental Activities		<u>\$ 329,031,495</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, 2007

	General Fund	Bond Retirement	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 74,273,774	\$ 14,574,097	\$ -	\$ 1,641,977	\$ 90,489,848
Intergovernmental	115,438,519	2,613,745	40,902,871	57,802,481	216,757,616
Interest	3,993,898	129,671	10,830,789	2,306,487	17,260,845
Tuition and Fees	1,493,412	-	-	-	1,493,412
Charges for Services	178,231	-	-	1,940,843	2,119,074
Gifts and Donations	-	-	-	13,106	13,106
Extracurricular Activities	-	-	-	829,541	829,541
Miscellaneous	5,589,110	-	77,211	872,422	6,538,743
<b>Total Revenues</b>	<u>200,966,944</u>	<u>17,317,513</u>	<u>51,810,871</u>	<u>65,406,857</u>	<u>335,502,185</u>
Expenditures:					
Current:					
Instruction:					
Regular	62,859,114	-	-	13,383,353	76,242,467
Special	22,709,578	-	-	10,248,317	32,957,895
Vocational	3,112,838	-	-	721,059	3,833,897
Adult/Continuing	328,936	-	-	507,601	836,537
Other Instruction	869,968	-	-	305,918	1,175,886
Support Services:					
Pupils	7,232,339	-	-	2,631,146	9,863,485
Instructional Staff	8,157,942	-	-	11,401,489	19,559,431
Board of Education	1,108,281	-	-	-	1,108,281
Administration	12,744,476	-	-	793,649	13,538,125
Fiscal	2,981,525	215,836	240,747	291,022	3,729,130
Business	906,749	-	-	-	906,749
Plant Operation and Maintenance	20,500,261	-	-	2,375,318	22,875,579
Pupil Transportation	18,306,857	-	-	250,183	18,557,040
Central	5,847,806	-	-	1,341,854	7,189,660
Non-Instructional Services	46,616,274	-	-	16,041,756	62,658,030
Extracurricular Activities	945,234	-	-	896,252	1,841,486
Capital Outlay	3,040,152	-	66,012,439	18,053,199	87,105,790
Debt Service:					
Principal Retirement	1,261,683	5,415,000	-	350,000	7,026,683
Interest and Fiscal Charges	1,034,229	11,032,816	-	108,885	12,175,930
<b>Total Expenditures</b>	<u>220,564,242</u>	<u>16,663,652</u>	<u>66,253,186</u>	<u>79,701,001</u>	<u>383,182,081</u>
Excess of Revenues Over(Under) Expenditures	<u>(19,597,298)</u>	<u>653,861</u>	<u>(14,442,315)</u>	<u>(14,294,144)</u>	<u>(47,679,896)</u>
Other Financing Sources (Uses):					
Proceeds from Sale of Capital Assets	10,883	-	-	-	10,883
Transfers-In	4	-	-	444,222	444,226
Transfers-Out	(783,842)	-	-	(342,566)	(1,126,408)
<b>Total Other Financing Sources (Uses)</b>	<u>(772,955)</u>	<u>-</u>	<u>-</u>	<u>101,656</u>	<u>(671,299)</u>
<b>Net Change in Fund Balance</b>	<u>(20,370,253)</u>	<u>653,861</u>	<u>(14,442,315)</u>	<u>(14,192,488)</u>	<u>(48,351,195)</u>
Fund Balance at Beginning of Year - Restated	<u>20,405,105</u>	<u>15,063,363</u>	<u>212,438,822</u>	<u>59,190,370</u>	<u>307,097,660</u>
<b>Fund Balance at End of Year</b>	<u>\$ 34,852</u>	<u>\$ 15,717,224</u>	<u>\$ 197,996,507</u>	<u>\$ 44,997,882</u>	<u>\$ 258,746,465</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, 2007

Net Change in Fund Balances - Total Governmental Funds \$ (48,351,195)

*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	78,294,988	
Current year depreciation	<u>(2,839,142)</u>	
Total		75,455,846

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.

Proceeds from sale of capital assets	(10,883)	
Gain on disposal of capital assets	<u>3,634</u>	
Total		(7,249)

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

Taxes	(1,265,942)	
Interest	(640,645)	
State and federal grants	(27,451,507)	
School construction grants	<u>49,687,326</u>	
Total		20,329,232

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. 7,026,683

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

Intergovernmental payable	730,294	
Compensated absences payable	5,723,188	
Accrued interest	10,475	
Amortization of bond issuance costs	(100,070)	
Amortization of bond premium	<u>525,992</u>	
Total		6,889,879

Internal service funds are used by management to charge the costs of operating the central warehouse and providing dental insurance to the individual funds are not reported in the statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue or expense of the internal service fund is allocated among the governmental activities. 248,702

Change in Net Assets of Governmental Activities \$ 61,591,898

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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Taxes	\$ 69,811,150	\$ 73,473,181	\$ 73,473,181	\$ -
Intergovernmental	110,432,807	116,225,697	115,430,015	(795,682)
Interest	3,658,258	3,850,156	3,970,983	120,827
Tuition and Fees	1,299,836	1,368,020	1,359,718	(8,302)
Rent	140,864	148,253	147,353	(900)
Charges for Services	170,381	179,319	178,231	(1,088)
Miscellaneous	2,205,300	2,320,983	2,306,897	(14,086)
<b>Total Revenues</b>	<b>187,718,596</b>	<b>197,565,609</b>	<b>196,866,378</b>	<b>(699,231)</b>
Expenditures:				
Current:				
Instruction:				
Regular	57,920,047	60,377,125	59,398,163	978,962
Special	22,078,778	23,015,402	22,671,948	343,454
Vocational	3,071,888	3,202,203	3,154,417	47,786
Adult/Continuing	325,427	339,232	334,170	5,062
Other Instruction	1,133,249	1,181,323	1,163,695	17,628
Support Services:				
Pupils	7,006,214	7,303,431	7,194,443	108,988
Instructional Staff	8,069,031	8,411,334	8,285,814	125,520
Board of Education	832,872	868,204	855,248	12,956
Administration	12,377,300	12,902,368	12,709,829	192,539
Fiscal	2,863,008	2,984,462	2,939,926	44,536
Business	2,437,089	2,540,475	2,502,564	37,911
Operation and Maintenance of Plant	19,628,860	20,461,554	20,156,211	305,343
Pupil Transportation	18,408,618	19,189,546	18,903,185	286,361
Central	6,036,552	6,292,634	6,198,732	93,902
Non-Instructional Services	45,396,645	47,322,457	46,616,274	706,183
Extracurricular Activities	920,179	959,214	944,900	14,314
Capital Outlay	3,850,184	4,117,760	4,056,309	61,451
<b>Total Expenditures</b>	<b>212,355,941</b>	<b>221,468,724</b>	<b>218,085,828</b>	<b>3,382,896</b>
Excess of Revenues Over(Under) Expenditures	(24,637,345)	(23,903,115)	(21,219,450)	2,683,665
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	10,404	10,950	10,883	(67)
Advances-In	-	-	619,800	619,800
Advances-Out	(175,680)	(183,133)	(180,400)	2,733
Transfers-In	-	-	221,290	221,290
Transfers-Out	(99,000)	(103,200)	(101,660)	1,540
<b>Total Other Financing Sources (Uses)</b>	<b>(264,276)</b>	<b>(275,383)</b>	<b>569,913</b>	<b>845,296</b>
<b>Net Change in Fund Balance</b>	<b>(24,901,621)</b>	<b>(24,178,498)</b>	<b>(20,649,537)</b>	<b>3,528,961</b>
Fund Balance at Beginning of Year - Restated	22,646,204	20,864,100	20,864,100	-
Prior Year Encumbrances Appropriated	3,097,621	3,097,621	3,097,621	-
<b>Fund Balance at End of Year</b>	<b>\$ 842,204</b>	<b>\$ (216,777)</b>	<b>\$ 3,312,184</b>	<b>\$ 3,528,961</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, 2007

	Governmental Activities
	Internal Service Funds
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$ 633,481
Accounts Receivable	2,222
Inventory Held for Resale	1,184,233
Total Current Assets	1,819,936
Capital Assets, Net	204,213
Total Assets	2,024,149
<u>Liabilities:</u>	
Accounts Payable	34,774
Accrued Wages and Benefits	1,384
Intergovernmental Payable	1,627
Claims Payable	204,000
Total Current Liabilities	241,785
Total Liabilities	241,785
<u>Net Assets:</u>	
Invested in Capital Assets	204,213
Unrestricted	1,578,151
Total Net Assets	\$ 1,782,364

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, 2007

	Governmental Activities
	Internal Service Funds
Operating Revenues:	
Charges for Services	\$ 1,321,889
Materials and Supplies	775,971
Total Operating Revenue	2,097,860
Operating Expenses:	
Salaries and Wages	451,360
Fringe Benefits	142,494
Purchased Services	91,879
Claims	1,252,950
Supplies and Materials	46,458
Cost of Sales	518,564
Depreciation	27,635
Total Operating Expenses	2,531,340
Operating Loss	(433,480)
Transfers In	682,182
Change in Net Assets	248,702
Net Assets - Beginning of Year	1,533,662
Net Assets - End of Year	\$ 1,782,364

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, 2007

	Governmental Activities
	Internal Service Funds
<u>Increase (Decrease) in Cash and Cash Equivalents</u>	
Cash Flows from Operating Activities:	
Cash Received from Interfund Services Provided	\$ 2,095,638
Cash Payments to Suppliers for Goods and Services	(702,517)
Cash Payments to Employees for Services	(487,267)
Cash Payments for Employee Benefits	(194,915)
Cash Payments for Claims	(1,245,050)
Net Cash Used in Operating Activities	(534,111)
Cash Flows from Noncapital Financing Activities:	
Transfers In	682,182
Net Cash Provided from Noncapital Financing Activities	682,182
Net Increase in Cash and Cash Equivalents	148,071
Cash and Cash Equivalents Beginning of Year	485,410
Cash and Cash Equivalents End of Year	\$ 633,481
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:	
Operating Loss	\$ (433,480)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Depreciation	27,635
Changes in Assets and Liabilities	
Increase in Accounts Receivable	(2,222)
Increase in Inventory Held for Resale	(27,395)
Decrease in Accounts Payable	(18,221)
Decrease in Accrued Wages and Benefits	(35,907)
Decrease in Intergovernmental Payable	(52,421)
Increase in Claims Payable	7,900
Net Cash Used in Operating Activities	\$ (534,111)

See accompanying notes to the basic financial statements.

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUNDS  
JUNE 30, 2007

	Agency Funds
Assets:	
Equity in Pooled Cash	\$ 7,540,099
Accounts Receivable	3,500
Total Assets	\$ 7,543,599
Liabilities:	
Accounts Payable	\$ 18,838
Due to Students	126,009
Undistributed Monies	7,398,752
Total Liabilities	\$ 7,543,599

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, 2007

---

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

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

The School District is the 6th largest in the State of Ohio (among 612 school districts) in terms of enrollment. It is staffed by 1,539 certificated employees and 1,293 classified employees who provide services to student enrollment totaling 16,028.

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

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

The following activities are included within the reporting entity:

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

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

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

# DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

## ***A. Basis Of Presentation***

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

### Government-Wide Financial Statements

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

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

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

### Fund Financial Statements

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

## ***B. Fund Accounting***

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

### Governmental Funds

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

## **DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

### General Fund

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

### Bond Retirement Fund

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

### Classroom Facilities Fund

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

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

### Proprietary Fund

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

### Internal Service Funds

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

### Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. The School District only has agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has two agency funds which are used to account for the monies managed on behalf of the student managed activities throughout the District and for monies collected for workers compensation payments under a previously used retrospective rating plan.

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

***C. Measurement Focus***

Government-wide Financial Statements

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

Fund Financial Statements

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

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

***D. Basis of Accounting***

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

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

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

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

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

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2007, but which were levied to finance fiscal year 2008 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

***E. Budget Data***

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

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue, are identified by the School District. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2007.

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

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

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

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

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

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

STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2007. The Education Foundation monies are also invested in an outside investment pool, the Dayton Foundation. The Dayton Foundation operates in a similar manner to STAROhio.

The Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2007 amounted to \$3,993,898, which includes \$3,265,111 assigned from other School District funds. Interest was also recorded in the Bond Retirement, Classroom Facilities and non-major funds in the amounts of \$129,671, \$10,830,789, and \$2,306,487 respectively. On the accrual basis of accounting, the School District reported investment earnings of \$17,146,192 on the Statement of Activities.

***G. Inventory***

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

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



**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

***H. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 2007, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which services are consumed. Reported prepaid items are equally offset by a fund balance reserve in the governmental funds, which indicates that it does not constitute available resources even though it is a component of net current assets.

***I. 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.

***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 five thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

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

***K. Interfund Activity***

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

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

***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.

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

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

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

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

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

***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-insured dental program. Operating expenses for the internal service funds include the cost of goods sold from the warehouse, cost of managing and delivering those goods, and claims paid from the self-insured dental program. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

***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, 2007, there were no net assets restricted by enabling legislation.

During the fiscal year, the School District met the requirements of the desegregation lawsuit settlement agreement to remove the restriction on \$7.3 million of funds received through the settlement which were previously reported as restricted cash and cash equivalents.

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

***P. Fund Balance Reserves***

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

The reserve for property taxes represents taxes recognized as revenue under accounting principles generally accepted in the United States of America but not available for appropriation under State statute.

**NOTE 3 – PRIOR PERIOD ADJUSTMENT**

During fiscal year 2007, the School District determined certain expenses associated with the school facilities construction project, which were paid on-behalf of the School District by the State of Ohio, were not properly recognized in prior years resulting in the amount reported for construction in progress being understated by \$3,998,721. In addition, at the beginning of the year, the School District brought an individual school into the School District which was previously reported separately from the financial activity of the School District. The school is being reported within the general fund and had beginning fund equity of \$364,700. As a result of the above mention items, the beginning net assets of governmental activities and the beginning fund balance of the general fund have been restated as of July 1, 2006 as noted below.

	<u>Governmental Activities</u>	<u>General Fund</u>
Net Assets/Fund Balance Reported at 6/30/06	\$ 263,086,176	\$ 20,040,405
Construction Manager Fees	3,988,721	-
Beginning Balance of School Added	<u>364,700</u>	<u>364,700</u>
Restated Net Assets/Fund Balances on 7/1/06	<u>\$ 267,439,597</u>	<u>\$ 20,405,105</u>

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

**NOTE 4 – ACCOUNTABILITY**

*Accountability*

The following funds had fund equity deficits as of June 30, 2007:

	<u>Fund Deficit</u>
<i><u>Special Revenue Funds:</u></i>	
Management Information Systems	\$ 11,683
Alternative Schools	2,050
Parity Aid	545,918
Headstart	34,020
Title VI-R Classroom Size Reduction	63,324
Food Service	1,005,107
<i><u>Governmental - Internal Service Fund:</u></i>	
Self-Insurance	152,471

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

**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING**

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

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

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

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

Net Change in Fund Balance General Fund	
GAAP Basis	\$ (20,370,253)
Revenue Accruals	(4,100,566)
Expenditure Accruals	4,469,853
Advances	439,400
Transfers	903,468
Encumbrances	<u>(1,991,439)</u>
Budget Basis	<u>\$ (20,649,537)</u>

**NOTE 6 - DEPOSITS AND INVESTMENTS**

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

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

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

Interim Monies – Those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Ohio law permits interim monies to be invested in legal securities (see Note 2F).

**Deposits**

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

At year end, the carrying amount of the School District’s deposits was \$48,237,647 and the bank balance was \$58,494,208. Of the bank balance, \$246,222 was covered by federal depository insurance and \$58,247,986 was uninsured and uncollateralized. Although all state statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

Investments

Investments are reported at fair value. As of June 30, 2007, the School District had the following investments:

	Fair Value	Percent of Portfolio	Credit Rating (1)	Weighted Average Maturity
Commercial Paper	\$ 13,571,071	5.86%	A-1	> 0.01 yrs
Federal Farm Credit Bank	18,951,161	8.19%	AAA	0.06 yrs
Federal Home Loan Bank	50,457,875	21.80%	AAA	0.23 yrs
Federal National Mortgage Association	51,843,340	22.40%	AAA	0.12 yrs
Federal Home Loan Mortgage Corporation	64,790,754	28.00%	AAA	0.18 yrs
U.S. Treasury Securities	16,523,781	7.14%	N/A	0.23 yrs
Money Market Mutual Funds	14,406,033	6.23%	AAAm	N/A
Outside Investment Pools	<u>861,530</u>	<u>0.37%</u>	(2)	N/A
	<u>\$ 231,405,545</u>	<u>100.00%</u>		
		Portfolio Weighted Average Maturity		0.82 yrs

(1) - Standard and Poors' ratings  
(2) - STAR Ohio is rated AAA by Standard and Poors' and the Dayton Foundation is not rated

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

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

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

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

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.

**NOTE 7 - PROPERTY TAXES**

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

Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Property tax revenue received during calendar 2007 for real and public utility property taxes represents collections of calendar 2006 taxes. Property tax payments received during calendar 2006 for tangible personal property (other than public utility property) is for calendar 2006 taxes.

2007 real property taxes are levied after April 1, 2007, on the assessed value as of January 1, 2007, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value.

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at thirty-five percent of true value. 2007 public utility property taxes became a lien December 31, 2006, are levied after April 1, 2007, and are collected in 2007 with real property taxes.

2007 tangible personal property taxes are levied after April 1, 2007, on the value as of December 31, 2006. Collections are made in 2007. Tangible personal property assessments are twenty-five percent of true value.

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

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20. The assessed values upon which fiscal year 2007 taxes were collected are shown in the Table below.

	<u>2007 First Half Collection</u>		<u>2006 Second Half Collection</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 1,859,214,090	88.78%	\$ 1,882,065,240	86.91%
Public Utility	95,265,070	4.55%	96,489,120	4.46%
Tangible Personal Property	<u>139,769,404</u>	<u>6.67%</u>	<u>187,024,961</u>	<u>8.64%</u>
Total Assessed Value	<u>\$2,094,248,564</u>	<u>100.00%</u>	<u>\$2,165,579,321</u>	<u>100.00%</u>
Tax Rate per \$1,000	\$70.85		\$70.85	

The School District receives property taxes from Montgomery County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2007, are available to finance fiscal year 2007 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property, and public utility taxes that became measurable as of June 30, 2007. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. For the governmental fund financial statements, the receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance was recognized as revenue. On the Statement of Activities, the delinquent taxes that were levied in previous years are recognized as revenue.

The amount available as an advance at June 30, 2007, was \$4,474,143, \$1,222,523 and \$123,393 in the General, Bond Retirement and non-major funds, respectively.

**NOTE 8 - RECEIVABLES**

Receivables at June 30, 2007, consisted of current and delinquent property taxes, accrued interest, accounts (tuition and student fees), intergovernmental grants and interfund transactions. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds.

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

A summary of the principal items of intergovernmental receivables follows:

<i>General Fund:</i>	
Due from other Governments	\$ 1,052,924
<i>Classroom Facilities Fund:</i>	
School Facilities Construction Grants	137,440,508
<i>Non-Major Funds:</i>	
School Lunch Reimbursements	373,930
Title VI(B) Grant	1,039,343
Title I Grant	3,266,203
Head Start Grant	889,101
Miscellaneous Federal Grants	1,040,289
Other Non-major Funds	<u>719,626</u>
 Total Intergovernmental Receivables	 <u>\$ 145,821,924</u>

The \$137.4 million intergovernmental receivable recorded in the Classroom Facilities Capital Project Fund at June 30, 2007 represents monies committed by the State of Ohio to the School District for the school facilities construction project currently underway. Under this program, the State approves the projects, and associated funding, in different segments. Total State funding for the project was originally set at \$357.5 million and the amount segments approved by the State to date total the \$246.5 million. The remaining \$111.0 million of State capital grants will be approved as the project progresses.

**NOTE 9 - CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2007 was as follows:

	Restated Balance 7/1/2006	Additions	Deductions	Balance 6/30/2007
<b><u>Capital Assets, not being depreciated</u></b>				
Land	\$ 8,200,182	\$ 228,949	\$ -	\$ 8,429,131
Construction in Progress	72,377,985	78,066,039	(53,825,059)	96,618,965
	<u>80,578,167</u>	<u>78,294,988</u>	<u>(53,825,059)</u>	<u>105,048,096</u>
<b><u>Capital Assets, being depreciated</u></b>				
Buildings and Improvements	42,979,037	53,825,059	(1,334,313)	95,469,783
Furniture and Equipment	7,429,148	-	(21,365)	7,407,783
Vehicles	16,085,377	-	-	16,085,377
	<u>66,493,562</u>	<u>53,825,059</u>	<u>(1,355,678)</u>	<u>118,962,943</u>
<b><u>Less: Accumulated Depreciation</u></b>				
Buildings and Improvements	(22,025,773)	(1,397,859)	1,331,051	(22,092,581)
Furniture and Equipment	(4,833,446)	(387,426)	17,378	(5,203,494)
Vehicles	(6,828,879)	(1,081,492)	-	(7,910,371)
	<u>(33,688,098)</u>	<u>(2,866,777) *</u>	<u>1,348,429</u>	<u>(35,206,446)</u>
Governmental Activities Capital Assets, Net	<u>\$ 113,383,631</u>	<u>\$ 129,253,270</u>	<u>\$ (53,832,308)</u>	<u>\$ 188,804,593</u>



**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

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

Instruction:		
Regular	\$	31,985
Special		13,136
Vocational		13,987
Support Services:		
Pupil		10,888
Instructional Staff		17,812
Administration		34,977
Fiscal		1,329
Business		52,648
Operation and Maintenance of Plant		98,648
Pupil Transportation		963,698
Central		206,889
Operation of Non-Instructional Services		59,379
Extracurricular Activities		36,326
		<u>1,541,702</u>
Unallocated Depreciation		<u>1,325,075</u>
Total Depreciation Expense	\$	<u>2,866,777</u>

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

**NOTE 10 - RISK MANAGEMENT**

***A. Property and Liability***

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2007 the School District contracted with Clarendon Insurance Company for general liability/school leaders errors and omissions insurance with a \$1 million single occurrence limit and a \$2 million annual policy aggregate. Buildings and contents are covered under Allianz Insurance Company with a \$250,000 deductible.

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 \$50 million for any one construction jobsite location; for other scheduled locations coverage is provided by ACE Insurance Company of Ohio with a limit of liability of \$22.8 million for loss of all covered causes and \$18.3 million for each location. Pollution coverage is provided by American International Specialty Lines Insurance Company with a \$5 million per claim, \$10 million annual policy aggregate. Builders Risk is covered by ACE Insurance Company of Ohio with a \$25,000 deductible. Owners Protection is covered by Steadfast Insurance Company (Zurich) with a \$5 million aggregate limit of liability and \$250,000 deductible. Electronic data processing equipment is covered under Fireman's Fund Insurance Company with a \$1,000 deductible.

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

The School District's vehicles are covered under a business policy with Clarendon Insurance Company for primary coverage. This policy carries a \$1 million limit for bodily injury and property damage to third parties. The auto liability self insured retention is \$150,000 per accident. The School District self insures the physical damage coverage on all units. The School District has excess liability coverage with Lexington Insurance with a \$4 million limit per occurrence.

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

***B. Self-Insured Dental Benefits***

The School District is self-insured for dental benefits. This plan provides dental plans with a \$25 deductible per each person. A third party administrator, Mutual Health Services reviews the majority of claims, which are then paid by the School District. The School District purchases stop-loss coverage of \$5,000 per employee. The School District pays the employees benefits self insurance internal service fund \$22.15 per month for single employees and \$55.46 per employee per month for family plans which represents a portion of the entire premium required. This premium is paid by the fund that pays the employee's salary and is based on historic cost information.

The liability for unpaid claims of \$204,000 reported in the fund at June 30, 2007, as estimated by an analysis of claim payments, is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims, including incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and that the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

The fund's claim liability amount in fiscal years 2006 and 2007 were:

<u>Year</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2006	\$175,000	\$1,267,997	\$1,246,897	\$196,100
2007	\$196,100	\$1,252,950	\$1,245,050	\$204,000

**NOTE 11 - DEFINED BENEFIT PENSION PLANS**

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

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

## DAYTON CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2007, 10.68 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2007, 2006, and 2005 were \$5,044,185, \$4,745,951, and \$3,792,227 respectively; 41.7 percent of the required contributions have been contributed for fiscal year 2007 and 100 percent for fiscal years 2006 and 2005, respectively.

### ***B. State Teachers Retirement System***

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3371, by calling (614) 227-4090, or by visiting the STRS Ohio web site at [www.strsoh.org](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 times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

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

For the fiscal year ended June 30, 2007, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2006, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2007, 2006, and 2005, were \$10,970,120, \$11,284,790, and \$11,046,278 respectively; 82.8 percent of the contractually required contributions have been contributed for fiscal year 2007 and 100 percent for fiscal years 2006 and 2005, respectively. Contributions to the DC and Combined Plans for fiscal year 2007 were \$162,312 made by the School District and \$290,272 made by the plan members.

**NOTE 12 – POSTEMPLOYMENT BENEFITS**

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

All STRS Ohio retirees who participated in the DB or Combined Plans and their dependents are eligible for health care coverage. The STRS Ohio Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. All benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS Ohio funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2007, the STRS Ohio Board allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. For the School District, this amount equaled \$783,580 for fiscal year 2007.

STRS Ohio pays health care benefits from the Health Care Stabilization Fund. At June 30, 2006, (the latest information available) the balance in the Fund was \$3.5 billion. For the fiscal year ended June 30, 2006, net health care costs paid by STRS Ohio were \$282,743,000 and STRS Ohio had 119,184 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, and to disability and survivor benefit recipients. All retirees and beneficiaries are required to pay a portion of their health care premium. The portion is based on years of service, Medicare eligibility, and retirement status.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2007, employer contributions to fund health care benefits were 3.32 percent of covered payroll, compared to 3.42 percent of covered payroll for fiscal year 2006. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2007, the minimum pay was established at \$35,800. However, the surcharge is capped at two percent of each employer's SERS salaries. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2007 fiscal year equaled \$2,183,264.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of the projected claims less premium contributions for the next fiscal year. Expenses for health care for the fiscal year ended June 30, 2006 (the latest information available) were \$158,751,207. At June 30, 2006, SERS had net assets available for payment of health care benefits of \$295.6 million. SERS has 59,492 participants eligible to receive health care benefits.

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

**NOTE 13 - EMPLOYEE BENEFITS**

***A. Compensated Absences***

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

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

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

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

***B. Health Care Benefits***

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

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

**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 has a final maturity date of December 1, 2031 and has interest rates ranging from 2.0 percent to 5 percent. The \$6 million Series 2004-B bonds are serial bonds with a final maturity date of December 1, 2023 having interest rates ranging from 2.0 percent to 4.23 percent. The Series 2004-D serial bonds, totaling \$151.6 million, has a final maturity date of December 1, 2022 with interest rates ranging from 2.0 percent to 5.0 percent.

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

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

Fiscal Year Ended June 30,	Principal	Interest	Total
2008	\$ 5,500,000	\$ 10,879,291	\$ 16,379,291
2009	5,675,000	10,698,216	16,373,216
2010	6,295,000	10,475,144	16,770,144
2011	6,550,000	10,191,095	16,741,095
2012	6,815,000	9,884,924	16,699,924
2013-2017	41,655,000	43,767,878	85,422,878
2018-2022	51,940,000	32,520,709	84,460,709
2023-2027	48,720,000	19,856,805	68,576,805
2028-2032	56,995,000	7,402,375	64,397,375
Total	<u>\$ 230,145,000</u>	<u>\$ 155,676,437</u>	<u>\$ 385,821,437</u>

Certificates of Participation

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

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

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

Fiscal Year Ended June 30,	Principal	Interest	Total
2008	\$ 225,000	\$ 810,764	\$ 1,035,764
2009	250,000	803,795	1,053,795
2010	280,000	795,020	1,075,020
2011	310,000	784,152	1,094,152
2012	345,000	771,199	1,116,199
2013-2017	2,320,000	3,574,082	5,894,082
2018-2022	3,675,000	2,789,100	6,464,100
2023-2027	5,555,000	1,522,982	7,077,982
2028-2029	2,865,000	153,168	3,018,168
Total	<u>\$ 15,825,000</u>	<u>\$ 12,004,262</u>	<u>\$ 27,829,262</u>

Qualified Zone Academy Bond

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

Long-Term Tax Anticipation Notes

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

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

Fiscal Year Ended June 30,	Principal	Interest	Total
2008	\$ 350,000	\$ 96,075	\$ 446,075
2009	350,000	83,265	433,265
2010	350,000	70,455	420,455
2011	350,000	57,645	407,645
2012	350,000	44,835	394,835
2013-2015	1,050,000	57,645	1,107,645
Total	<u>\$ 2,800,000</u>	<u>\$ 409,920</u>	<u>\$ 3,209,920</u>

**DAYTON CITY SCHOOL DISTRICT**  
 Montgomery County, Ohio  
 Notes to the Basic Financial Statements  
 For the Fiscal Year Ended June 30, 2007

Changes in Long-Term Liabilities

Long- term liability activity for the year ended June 30, 2007, was as follows:

	Balance 7/1/2006	Increase	Decrease	Balance 6/30/2007	Due within One Year
<u>General Obligation Bonds:</u>					
2003-A School Construction:					
2.0-5.0 percent	\$ 93,490,000	\$ -	\$ 5,000	\$ 93,485,000	\$ 5,000
2003-B School Construction:					
2.0-4.23 percent	5,535,000	-	240,000	5,295,000	245,000
2003-D School Construction:					
2.0-5.0 percent	136,535,000	-	5,170,000	131,365,000	5,250,000
Add: Unamortized Bond Premium	11,174,273	-	525,992	10,648,281	-
Total General Obligation Bonds	246,734,273	-	5,940,992	240,793,281	5,500,000
QZAB Bonds - 0.0 percent	10,000,000	-	-	10,000,000	-
Certificates of Participation	16,025,000	-	200,000	15,825,000	225,000
Long-Term Tax Anticipation Notes	3,150,000	-	350,000	2,800,000	350,000
Capital Lease Obligations	5,510,581	-	1,061,683	4,448,898	556,517
Compensated Absences Payable	12,944,127	454,344	6,177,532	7,220,939	275,000
Long-Term Obligations	\$ 294,363,981	\$ 454,344	\$ 13,730,207	\$ 281,088,118	\$ 6,906,517

Compensated absences will be paid from the fund from which the employees' salaries are paid. Capital leases obligations are being paid from the general fund.

Due to the magnitude of the school facilities construction project, the debt issued by the School District exceeded the overall debt margin as permitted by Ohio statute. However, the School District was declared a "special needs" school district by the Superintendent of Public Instruction as defined by Section 133.06 of the Ohio Revised Code. Under this special exemption, the School Districts capacity for additional debt is approximately \$15.9 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 2007 totaled \$1,061,683.



**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

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, 2007.

<u>Fiscal Year</u> <u>Ended June 30,</u>	
2008	\$ 739,753
2009	739,754
2010	739,753
2011	739,754
2012	739,753
2013-2016	<u>1,508,791</u>
Total	5,207,558
Less: Amount Representing Interest	<u>(758,660)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 4,448,898</u>

**NOTE 16 - INTERFUND ACTIVITY**

As of June 30, 2007 principal components of interfund balances and transactions were as follows:

<u>Fund Due To</u>	<u>Fund Due From</u>	<u>Amount</u>
General Fund:	Food Service Fund	\$ 750,000
	School Foundation	200,000
	Title I Grant	337,309
	Head Start Grant	200,000
	Other Non-Major Funds	44,438
Non-Major Funds:	General Fund	69
	Other Non-Major Funds	<u>4,513</u>
	Total Amount Due To/From	<u>\$ 1,536,329</u>

The majority of due to represents cash advances to grant funds for cash flow purposes by the general fund. The remainder of the due to and due from other funds represent corrections in accounting entries applicable to fiscal year 2007 but not posted until after year end or for reimbursement for expenditures of one fund spent on behalf of another fund.

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>
General Fund:	Education Foundation	\$ 101,500
	Non-Major Funds	160
	Internal Service Fund	682,182
Non-Major Funds:	General Fund	4
	Welcome Stadium Fund	<u>342,562</u>
	Total Transfers Out/In	<u>\$ 1,126,408</u>

The transfers represent permanently transfers of funds to different programs and operations with general fund unrestricted revenues and as allowed by statute. During fiscal year 2007, the School District established a separate fund to account for the operations of Welcome Stadium. As such, the fund equity of the District Managed Activities Fund attributable to Welcome Stadium was transferred to newly established fund.

In addition, the transfer to the internal service fund represents financial resources spent by the General Fund for warehouse operating expenses which were reclassified for reporting purposes. The small transfer from the non-major governmental funds to the General Fund was made to close out an activity reported in that Fund.

**NOTE 17 - SET-ASIDE CALCULATIONS AND FUND RESERVES**

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

	<u>Textbooks</u>	<u>Capital Spending</u>
Set-aside Reserve Balance as of June 30, 2006	\$ -	\$ -
Carry-over from Prior Year	(3,674,489)	(102,543,429)
Current Year Set-aside Requirement	2,517,614	2,517,614
Current Year Revenue Off-Sets	-	(1,619,868)
Qualifying Disbursements	<u>(1,861,326)</u>	<u>(86,421,747)</u>
Set-aside Balances Carried Forward to Future Fiscal Years	<u>\$ (3,018,201)</u>	<u>\$ (188,067,430)</u>
Set-aside Reserve Balances as of June 30, 2007	<u>\$ -</u>	<u>\$ -</u>

**DAYTON CITY SCHOOL DISTRICT**

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2007

---

**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, 2007.

***B. Litigation***

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

**NOTE 19 – CONSTRUCTION COMMITMENTS**

At June 30, 2007 the School District had open purchase orders associated with the school facilities construction project totaling \$128.6 million; \$105.3 million in the Classroom Facilities capital project fund and \$23.3 million in the Building capital project fund.

**NOTE 20 – CHANGE IN ACCOUNTING PRINCIPLE**

For the year ended June 30, 2007, the School District has implemented GASB Statement No. 45, “Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions”. GASB Statement No. 45 establishes the accounting and reporting standards to be used by governmental entities associated with postemployment benefits other than pensions, including actuarial data regarding funding status of these benefits.

This statement had no effect on the net assets or fund balance of the School District.

DAYTON



---

PUBLIC SCHOOLS

**Combining Statements and  
Individual Fund Schedules**

## Major Governmental Funds

---

### MAJOR GOVERNMENTAL FUNDS

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

---

#### General Fund

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

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

#### Bond Retirement Fund

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

#### Classroom Facilities Fund

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BOND RETIREMENT FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	\$ 13,294,326	\$ 14,356,832	\$ 14,356,832	\$ -
Intergovernmental	2,420,310	2,613,745	2,613,745	-
Interest	98,974	106,884	132,172	25,288
<b>Total Revenues</b>	<b>15,813,610</b>	<b>17,077,461</b>	<b>17,102,749</b>	<b>25,288</b>
Expenditures:				
Current:				
Support Services:				
Fiscal	384,055	384,055	215,836	168,219
Debt Service:				
Principal Retirement	9,635,353	9,635,353	5,415,000	4,220,353
Interest and Fiscal Charges	19,631,593	19,631,593	11,032,816	8,598,777
<b>Total Expenditures</b>	<b>29,651,001</b>	<b>29,651,001</b>	<b>16,663,652</b>	<b>12,987,349</b>
Net Change in Fund Balance	(13,837,391)	(12,573,540)	439,097	13,012,637
Fund Balance at Beginning of Year	13,837,522	14,054,885	14,054,885	-
Fund Balance at End of Year	<u>\$ 131</u>	<u>\$ 1,481,345</u>	<u>\$ 14,493,982</u>	<u>\$ 13,012,637</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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 113,300,569	\$ 116,448,134	\$ 40,902,871	\$ (75,545,263)
Interest	30,564,169	31,413,262	10,570,956	(20,842,306)
Miscellaneous	120,336	123,679	33,800	(89,879)
<b>Total Revenues</b>	<b>143,985,074</b>	<b>147,985,075</b>	<b>51,507,627</b>	<b>(96,477,448)</b>
Expenditures:				
Current:				
Support Services:				
Fiscal	510,479	510,479	240,747	269,732
Captial Outlay	357,539,113	357,539,113	168,618,800	188,920,313
<b>Total Expenditures</b>	<b>358,049,592</b>	<b>358,049,592</b>	<b>168,859,547</b>	<b>189,190,045</b>
<b>Net Change in Fund Balance</b>	<b>(214,064,518)</b>	<b>(210,064,517)</b>	<b>(117,351,920)</b>	<b>92,712,597</b>
Fund Balance at Beginning of Year	147,891,435	144,221,727	144,221,727	-
Prior Year Encumbrances Appropriated	66,173,593	66,173,593	66,173,593	-
<b>Fund Balance at End of Year</b>	<b>\$ 510</b>	<b>\$ 330,803</b>	<b>\$ 93,043,400</b>	<b>\$ 92,712,597</b>



## Nonmajor Governmental Funds

---

### NONMAJOR SPECIAL REVENUE FUNDS

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

---

#### Other Grant Rotary

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

#### Public School Support

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

#### Other Grants

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

#### Computer Networks

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

#### Education Foundation

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

#### Maintenance of Classroom Facilities

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

#### District Managed Student Activities

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

#### Auxiliary Services

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

#### Management Information Systems

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

#### Public School Preschool

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

## Nonmajor Governmental Funds

(Continued)

---

### NONMAJOR SPECIAL REVENUE FUNDS (Continued)

#### Entry Year Program

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

#### Data Communications

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

#### SchoolNet Professional Development

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

#### Textbooks/Instructional Material Subsidy

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

#### Ohio Reads

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

#### Summer Intervention

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

#### Alternative Schools

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

#### Parity Aid

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

#### Miscellaneous State Grants

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

#### Adult Basic Education

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

#### Title VI-B

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

#### Vocational Education

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

## Nonmajor Governmental Funds

(Continued)

---

### NONMAJOR SPECIAL REVENUE FUNDS (Continued)

#### Headstart

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

#### Dropout Prevention and Intervention

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

#### Title I

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

#### Title VI

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

#### Drug Free Schools Program

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

#### EHA Preschool Grants for the Handicapped

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

#### E-Rate Grant

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

#### Title VI-R Classroom Size Reduction

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

#### Miscellaneous Federal Grants

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

#### Special Trust

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

#### Food Service

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

#### Uniform School Supplies

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

#### Welcome Stadium

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

## **Nonmajor Governmental Funds**

(Continued)

---

### **NONMAJOR CAPITAL PROJECTS FUNDS**

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

---

#### Permanent Improvement

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

#### Building Fund

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

#### Replacement

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

#### SchoolNet

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

#### Interactive Video Distance Learning

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

#### School Building Assistance Limited

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2007

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 11,039,349	\$ 35,892,627	\$ 46,931,976
Cash and Cash Equivalents with Fiscal Agent	729,227	-	729,227
<u>Receivables:</u>			
Taxes - Current	839,544	839,353	1,678,897
Taxes - Delinquent	146,615	146,615	293,230
Accounts	54,816	4,111	58,927
Intergovernmental	7,328,492	-	7,328,492
Interest	-	126,224	126,224
Due from other Funds	4,582	-	4,582
Prepays	1,855	29,310	31,165
Inventory held for Resale	77,675	-	77,675
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Assets	<u>\$ 20,222,155</u>	<u>\$ 37,038,240</u>	<u>\$ 57,260,395</u>
 <u>Liabilities and Fund Balance:</u>			
<u>Liabilities:</u>			
Accounts Payable	\$ 2,077,403	\$ 259,457	\$ 2,336,860
Accrued Wages and Benefits	911,520	19,115	930,635
Intergovernmental Payable	945,215	30,313	975,528
Due to Other Funds	1,536,260	-	1,536,260
Deferred Revenue	5,428,831	1,050,496	6,479,327
Compensated Absences Payable	3,903	-	3,903
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Liabilities	<u>10,903,132</u>	<u>1,359,381</u>	<u>12,262,513</u>
 <u>Fund Balance:</u>			
<u>Reserved for:</u>			
Encumbrances	3,917,396	23,222,386	27,139,782
Supplies Inventory	77,675	-	77,675
Property Taxes	61,697	61,696	123,393
Prepaid Items	1,855	29,310	31,165
Unreserved, Undesignated	5,260,400	12,365,467	17,625,867
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Fund Balance	<u>9,319,023</u>	<u>35,678,859</u>	<u>44,997,882</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Liabilities and Fund Balance	<u>\$ 20,222,155</u>	<u>\$ 37,038,240</u>	<u>\$ 57,260,395</u>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2007

	Other Grant Rotary	Public School Support	Other Grants	Computer Networks
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 135,905	\$ 536,664	\$ 467,123	\$ 64,979
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
Receivables:				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	-	-	54,816	-
Intergovernmental	-	-	11,255	-
Due from other Funds	-	25	-	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 135,905</u>	<u>\$ 536,689</u>	<u>\$ 533,194</u>	<u>\$ 64,979</u>
<u>Liabilities and Fund Balances:</u>				
Liabilities:				
Accounts Payable	\$ -	\$ 10,004	\$ 102,343	\$ -
Accrued Wages and Benefits	-	-	2,476	-
Intergovernmental Payable	-	-	906	-
Due to Other Funds	-	-	-	-
Deferred Revenue	-	-	-	-
Compensated Absences Payable	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>-</u>	<u>10,004</u>	<u>105,725</u>	<u>-</u>
Fund Balances:				
Reserved for:				
Encumbrances	2,511	18,891	-	-
Supplies Inventory	-	-	-	-
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Unreserved, Undesignated	<u>133,394</u>	<u>507,794</u>	<u>427,469</u>	<u>64,979</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>135,905</u>	<u>526,685</u>	<u>427,469</u>	<u>64,979</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 135,905</u>	<u>\$ 536,689</u>	<u>\$ 533,194</u>	<u>\$ 64,979</u>

Education Foundation	Maintenance of Classroom Facilities	District Managed Student Activities	Auxiliary Services	Management Information Systems	Public School Preschool
\$ - 729,227	\$ 4,435,212 -	\$ 892,358 -	\$ 1,390,171 -	\$ - -	\$ 32,898 -
-	839,544	-	-	-	-
-	146,615	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,855	-	-	-
-	-	-	-	-	-
<u>729,227</u>	<u>5,421,371</u>	<u>894,213</u>	<u>1,390,171</u>	<u>-</u>	<u>32,898</u>
\$ - - - 200,000 - -	\$ - - - 924,462 -	\$ 11,989 743 536 - -	\$ 329,751 23,039 7,119 - -	\$ 1,748 5,726 4,209 - -	\$ 8,992 1,963 14,221 2,021 -
<u>200,000</u>	<u>924,462</u>	<u>13,268</u>	<u>359,909</u>	<u>11,683</u>	<u>27,197</u>
-	166,360	76,419	851,940	-	9,505
-	-	-	-	-	-
-	61,697	-	-	-	-
-	-	1,855	-	-	-
<u>529,227</u>	<u>4,268,852</u>	<u>802,671</u>	<u>178,322</u>	<u>(11,683)</u>	<u>(3,804)</u>
<u>529,227</u>	<u>4,496,909</u>	<u>880,945</u>	<u>1,030,262</u>	<u>(11,683)</u>	<u>5,701</u>
<u>729,227</u>	<u>5,421,371</u>	<u>894,213</u>	<u>1,390,171</u>	<u>-</u>	<u>32,898</u>

(Continued)

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2007  
 (Continued)

	<u>Entry Year</u> <u>Program</u>	<u>Data</u> <u>Communications</u>	<u>SchoolNet</u> <u>Professional</u> <u>Development</u>	<u>Textbooks/</u> <u>Instructional</u> <u>Material Subsidy</u>
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 14,246	\$ 202,039	\$ 1,818	\$ 3,709
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
Receivables:				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	-	-	-
Due from other Funds	-	-	-	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	-	-
Total Assets	<u>\$ 14,246</u>	<u>\$ 202,039</u>	<u>\$ 1,818</u>	<u>\$ 3,709</u>
<u>Liabilities and Fund Balances:</u>				
Liabilities:				
Accounts Payable	\$ 961	\$ 119,459	\$ -	\$ -
Accrued Wages and Benefits	-	-	-	-
Intergovernmental Payable	-	-	249	-
Due to Other Funds	-	-	-	-
Deferred Revenue	-	-	-	-
Compensated Absences Payable	-	-	-	-
Total Liabilities	<u>961</u>	<u>119,459</u>	<u>249</u>	<u>-</u>
Fund Balances:				
Reserved for:				
Encumbrances	12,117	66,602	-	-
Supplies Inventory	-	-	-	-
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Unreserved, Undesignated	<u>1,168</u>	<u>15,978</u>	<u>1,569</u>	<u>3,709</u>
Total Fund Balances	<u>13,285</u>	<u>82,580</u>	<u>1,569</u>	<u>3,709</u>
Total Liabilities and Fund Balances	<u>\$ 14,246</u>	<u>\$ 202,039</u>	<u>\$ 1,818</u>	<u>\$ 3,709</u>



<u>Ohio Reads</u>	<u>Summer Intervention</u>	<u>Alternative Schools</u>	<u>Parity Aid</u>	<u>Miscellaneous State Grants</u>	<u>Adult Basic Education</u>
\$ 1,751	\$ -	\$ 11,085	\$ 71,895	\$ 144,188	\$ 74,718
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
24,307	-	19,882	-	251,817	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 26,058</u>	<u>\$ -</u>	<u>\$ 30,967</u>	<u>\$ 71,895</u>	<u>\$ 396,005</u>	<u>\$ 74,718</u>
\$ 8,121	\$ -	\$ 18,880	\$ 172,361	\$ 43,967	\$ 12,692
-	-	1,095	300,372	15,555	4,790
-	-	2,649	145,080	6,907	10,531
-	-	3,805	-	-	-
16,042	-	6,588	-	133,561	-
-	-	-	-	-	-
<u>24,163</u>	<u>-</u>	<u>33,017</u>	<u>617,813</u>	<u>199,990</u>	<u>28,013</u>
16,465	-	-	-	152,030	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(14,570)	-	(2,050)	(545,918)	43,985	46,705
<u>1,895</u>	<u>-</u>	<u>(2,050)</u>	<u>(545,918)</u>	<u>196,015</u>	<u>46,705</u>
<u>\$ 26,058</u>	<u>\$ -</u>	<u>\$ 30,967</u>	<u>\$ 71,895</u>	<u>\$ 396,005</u>	<u>\$ 74,718</u>

(Continued)

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2007  
 (Continued)

	<u>Title VI-B</u>	<u>Vocational Education</u>	<u>Headstart</u>	<u>Dropout Prevention and Intervention</u>
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 554,255	\$ 145,361	\$ 103,971	\$ 32,492
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
<u>Receivables:</u>				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	1,039,343	107,587	889,101	-
Due from other Funds	-	-	-	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	-	-
Total Assets	<u>\$ 1,593,598</u>	<u>\$ 252,948</u>	<u>\$ 993,072</u>	<u>\$ 32,492</u>
<u>Liabilities and Fund Balances:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ 136,060	\$ 83,079	\$ 47,647	\$ -
Accrued Wages and Benefits	86,171	5,626	13,007	-
Intergovernmental Payable	160,610	249	74,471	-
Due to Other Funds	-	1,216	201,840	102
Deferred Revenue	494,666	107,587	690,127	-
Compensated Absences Payable	-	-	-	-
Total Liabilities	<u>877,507</u>	<u>197,757</u>	<u>1,027,092</u>	<u>102</u>
<u>Fund Balances:</u>				
<u>Reserved for:</u>				
Encumbrances	723,397	93,171	17,663	848
Supplies Inventory	-	-	-	-
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Unreserved, Undesignated	<u>(7,306)</u>	<u>(37,980)</u>	<u>(51,683)</u>	<u>31,542</u>
Total Fund Balances	<u>716,091</u>	<u>55,191</u>	<u>(34,020)</u>	<u>32,390</u>
Total Liabilities and Fund Balances	<u>\$ 1,593,598</u>	<u>\$ 252,948</u>	<u>\$ 993,072</u>	<u>\$ 32,492</u>

<u>Title I</u>	<u>Title VI</u>	<u>Drug Free Schools Program</u>	<u>EHA Preschool Grants for the Handicapped</u>	<u>E-Rate Grant</u>	<u>Title VI-R Classroom Size Reduction</u>
\$ 620,422	\$ 51,286	\$ 75,807	\$ 15,858	\$ 499,042	\$ 142,898
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,266,203	135,151	130,643	38,984	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,886,625</u>	<u>\$ 186,437</u>	<u>\$ 206,450</u>	<u>\$ 54,842</u>	<u>\$ 499,042</u>	<u>\$ 142,898</u>
\$ 313,724	\$ 3,167	\$ 13,729	\$ 2,996	\$ 34,013	\$ 48,537
279,787	-	2,219	7,983	2,877	91,857
194,802	-	3,390	12,704	3,532	32,685
337,500	-	1,141	2,073	-	33,143
1,896,679	135,151	114,319	21,858	-	-
-	-	-	-	-	-
<u>3,022,492</u>	<u>138,318</u>	<u>134,798</u>	<u>47,614</u>	<u>40,422</u>	<u>206,222</u>
1,084,487	3,917	80,099	4,837	324,990	47,713
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(220,354)</u>	<u>44,202</u>	<u>(8,447)</u>	<u>2,391</u>	<u>133,630</u>	<u>(111,037)</u>
<u>864,133</u>	<u>48,119</u>	<u>71,652</u>	<u>7,228</u>	<u>458,620</u>	<u>(63,324)</u>
<u>\$ 3,886,625</u>	<u>\$ 186,437</u>	<u>\$ 206,450</u>	<u>\$ 54,842</u>	<u>\$ 499,042</u>	<u>\$ 142,898</u>

(Continued)

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2007**  
(Continued)

	Miscellaneous Federal Grants	Special Trust	Food Service	Uniform School Supplies
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 111,139	\$ 64,932	\$ 4,684	\$ 11,756
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-
Receivables:				
Taxes - Current	-	-	-	-
Taxes - Delinquent	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	1,040,289	-	373,930	-
Due from other Funds	-	-	4,557	-
Prepays	-	-	-	-
Inventory held for Resale	-	-	77,675	-
Total Assets	<u>\$ 1,151,428</u>	<u>\$ 64,932</u>	<u>\$ 460,846</u>	<u>\$ 11,756</u>
<u>Liabilities and Fund Balances:</u>				
Liabilities:				
Accounts Payable	\$ 138,006	\$ 5,590	\$ 409,587	\$ -
Accrued Wages and Benefits	26,642	-	39,592	-
Intergovernmental Payable	7,494	-	262,871	-
Due to Other Funds	3,419	-	750,000	-
Deferred Revenue	887,791	-	-	-
Compensated Absences Payable	-	-	3,903	-
Total Liabilities	<u>1,063,352</u>	<u>5,590</u>	<u>1,465,953</u>	<u>-</u>
Fund Balances:				
Reserved for:				
Encumbrances	162,968	-	-	466
Supplies Inventory	-	-	77,675	-
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Unreserved, Undesignated	<u>(74,892)</u>	<u>59,342</u>	<u>(1,082,782)</u>	<u>11,290</u>
Total Fund Balances	<u>88,076</u>	<u>59,342</u>	<u>(1,005,107)</u>	<u>11,756</u>
Total Liabilities and Fund Balances	<u>\$ 1,151,428</u>	<u>\$ 64,932</u>	<u>\$ 460,846</u>	<u>\$ 11,756</u>

<u>Welcome Stadium</u>	<u>Total</u>
\$ 124,687	\$ 11,039,349
-	729,227
-	839,544
-	146,615
-	54,816
-	7,328,492
-	4,582
-	1,855
-	77,675
<u>\$ 124,687</u>	<u>\$ 20,222,155</u>
\$ -	\$ 2,077,403
-	911,520
-	945,215
-	1,536,260
-	5,428,831
-	3,903
<u>-</u>	<u>10,903,132</u>
-	3,917,396
-	77,675
-	61,697
-	1,855
<u>124,687</u>	<u>5,260,400</u>
<u>124,687</u>	<u>9,319,023</u>
<u>\$ 124,687</u>	<u>\$ 20,222,155</u>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 JUNE 30, 2007

	Permanent Improvement	Building	Replacement	SchoolNet
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 4,173,435	\$ 29,506,463	\$ 249,182	\$ 2,955
Receivables:				
Taxes - Current	839,353	-	-	-
Taxes - Delinquent	146,615	-	-	-
Accounts	-	4,111	-	-
Interest	-	118,590	-	-
Prepaid Items	-	29,310	-	-
Total Assets	\$ 5,159,403	\$ 29,658,474	\$ 249,182	\$ 2,955
<u>Liabilities and Fund Equity:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ 97,282	\$ 162,175	\$ -	\$ -
Accrued Salaries Payable	-	19,115	-	-
Intergovernmental Payable	-	30,313	-	-
Due to Other Funds	-	-	-	-
Deferred Revenue	924,272	118,590	-	-
Total Liabilities	1,021,554	330,193	-	-
<u>Fund Balance:</u>				
Reserved for Encumbrances	89,976	23,129,286	-	1,186
Reserved for Taxes	61,696	-	-	-
Reserved for Prepays	-	29,310	-	-
Unreserved	3,986,177	6,169,685	249,182	1,769
Total Fund Balance	4,137,849	29,328,281	249,182	2,955
Total Liabilities and Fund Balance	\$ 5,159,403	\$ 29,658,474	\$ 249,182	\$ 2,955

Interactive Video Distance Learning	School Building Assistance Limited	Total Nonmajor Capital Projects Funds
\$ 11,142	\$ 1,949,450	\$ 35,892,627
-	-	839,353
-	-	146,615
-	-	4,111
-	7,634	126,224
<u>-</u>	<u>-</u>	<u>29,310</u>
<u>\$ 11,142</u>	<u>\$ 1,957,084</u>	<u>\$ 37,038,240</u>
\$ -	\$ -	\$ 259,457
-	-	19,115
-	-	30,313
-	-	-
<u>-</u>	<u>7,634</u>	<u>1,050,496</u>
<u>-</u>	<u>7,634</u>	<u>1,359,381</u>
-	1,938	23,222,386
-	-	61,696
-	-	29,310
<u>11,142</u>	<u>1,947,512</u>	<u>12,365,467</u>
<u>11,142</u>	<u>1,949,450</u>	<u>35,678,859</u>
<u>\$ 11,142</u>	<u>\$ 1,957,084</u>	<u>\$ 37,038,240</u>

DAYTON



---

PUBLIC SCHOOLS



**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Revenues:			
Taxes	\$ 820,989	\$ 820,988	\$ 1,641,977
Intergovernmental	57,331,928	470,553	57,802,481
Interest	319,107	1,987,380	2,306,487
Charges for Services	1,940,843	-	1,940,843
Gifts and Donations	13,106	-	13,106
Extracurricular Activities	829,541	-	829,541
Miscellaneous	872,422	-	872,422
	<u>62,127,936</u>	<u>3,278,921</u>	<u>65,406,857</u>
Total Revenues			
Expenditures:			
Current:			
Instruction:			
Regular	13,377,416	5,937	13,383,353
Special	10,248,317	-	10,248,317
Vocational	721,059	-	721,059
Adult/Continuing	507,601	-	507,601
Other Instruction	305,918	-	305,918
Support Services:			
Pupils	2,631,146	-	2,631,146
Instructional Staff	11,401,489	-	11,401,489
Administration	781,646	12,003	793,649
Fiscal	224,352	66,670	291,022
Plant Operation and Maintenance	1,738,117	637,201	2,375,318
Pupil Transportation	241,926	8,257	250,183
Central	1,136,581	205,273	1,341,854
Non-Instructional Services	16,041,756	-	16,041,756
Extracurricular Activities	896,252	-	896,252
Capital Outlay	(19,009)	18,072,208	18,053,199
Debt Service:			
Principal Retirement	-	350,000	350,000
Interest and Fiscal Charges	-	108,885	108,885
	<u>60,234,567</u>	<u>19,466,434</u>	<u>79,701,001</u>
Total Expenditures			
Excess of Revenues Over(Under)			
Expenditures	1,893,369	(16,187,513)	(14,294,144)
Other Financing Sources:			
Transfers In	444,222	-	444,222
Transfers Out	(342,566)	-	(342,566)
	<u>101,656</u>	<u>-</u>	<u>101,656</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	1,995,025	(16,187,513)	(14,192,488)
Fund Balance at Beginning of Year - Restated	7,323,998	51,866,372	59,190,370
Fund Balance at End of Year	<u>\$ 9,319,023</u>	<u>\$ 35,678,859</u>	<u>\$ 44,997,882</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, 2007

	Other Grant Rotary	Public School Support	Other Grants	Computer Networks
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	11,255	89,889
Interest	-	-	-	-
Charges for Services	-	-	-	-
Gifts and Donations	-	-	-	-
Extracurricular Activities	16,846	303,563	-	-
Miscellaneous	-	3,493	842,812	-
	<u>16,846</u>	<u>307,056</u>	<u>854,067</u>	<u>89,889</u>
Total Revenues				
Expenditures:				
Current:				
Instruction:				
Regular	36,453	301,539	687,369	-
Special	-	-	196	-
Vocational	-	-	-	-
Adult/Continuing	-	-	1,680	-
Other Instruction	-	-	-	-
Support Services:				
Pupils	-	6,141	183,285	-
Instructional Staff	-	-	95,192	-
Administration	-	-	3,760	-
Fiscal	-	-	-	-
Plant Operation and Maintenance	-	366	-	-
Pupil Transportation	-	-	-	-
Central	-	-	10,500	75,696
Non-Instructional Services	-	667	-	-
Extracurricular Activities	-	-	60,592	-
Capital Outlay	-	-	-	-
	<u>36,453</u>	<u>308,713</u>	<u>1,042,574</u>	<u>75,696</u>
Total Expenditures				
Excess of Revenues Over(Under) Expenditures	(19,607)	(1,657)	(188,507)	14,193
Other Financing Sources:				
Transfers-In	-	-	-	-
Transfers-Out	-	-	(1)	-
Net Change in Fund Balance	(19,607)	(1,657)	(188,508)	14,193
Fund Balance at Beginning of Year	<u>155,512</u>	<u>528,342</u>	<u>615,977</u>	<u>50,786</u>
Fund Balance at End of Year	<u>\$ 135,905</u>	<u>\$ 526,685</u>	<u>\$ 427,469</u>	<u>\$ 64,979</u>

Education Foundation	Maintenance of Classroom Facilities	District Managed Student Activities	Auxiliary Services	Management Information Systems	Public School Preschool
\$ -	\$ 820,989	\$ -	\$ -	\$ -	\$ -
-	548,518	-	1,894,198	57,523	299,700
110,861	-	-	145,850	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	116,668	-	-	-
22,160	-	-	-	-	3,760
<u>133,021</u>	<u>1,369,507</u>	<u>116,668</u>	<u>2,040,048</u>	<u>57,523</u>	<u>303,460</u>
-	-	-	-	-	74,202
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	66,155
-	-	-	-	-	145,395
73,746	-	-	-	-	-
-	11,921	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	94,916	-
861	-	-	1,778,982	-	-
-	-	219,220	-	-	-
-	(19,009)	-	-	-	-
<u>74,607</u>	<u>(7,088)</u>	<u>219,220</u>	<u>1,778,982</u>	<u>94,916</u>	<u>285,752</u>
58,414	1,376,595	(102,552)	261,066	(37,393)	17,708
101,500	-	-	-	-	-
-	-	(342,562)	-	-	-
159,914	1,376,595	(445,114)	261,066	(37,393)	17,708
<u>369,313</u>	<u>3,120,314</u>	<u>1,326,059</u>	<u>769,196</u>	<u>25,710</u>	<u>(12,007)</u>
<u>\$ 529,227</u>	<u>\$ 4,496,909</u>	<u>\$ 880,945</u>	<u>\$ 1,030,262</u>	<u>\$ (11,683)</u>	<u>\$ 5,701</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, 2007  
(Continued)

	Entry Year Program	Data Communications	SchoolNet Professional Development	Textbooks/ Instructional Material Subsidy
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	58,650	219,600	10,500	-
Interest	-	-	-	-
Charges for Services	-	-	-	-
Gifts and Donations	-	-	-	-
Extracurricular Activities	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<u>58,650</u>	<u>219,600</u>	<u>10,500</u>	<u>-</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	-	-	-	-
Special	-	-	-	-
Vocational	-	-	-	-
Adult/Continuing	-	-	-	-
Other Instruction	-	-	-	-
<b>Support Services:</b>				
Pupils	-	-	-	-
Instructional Staff	61,795	-	21,110	-
Administration	6,000	-	-	-
Fiscal	-	-	-	-
Plant Operation and Maintenance	-	-	-	-
Pupil Transportation	-	-	-	-
Central	-	188,835	-	-
Non-Instructional Services	-	-	-	-
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	-
<b>Total Expenditures</b>	<u>67,795</u>	<u>188,835</u>	<u>21,110</u>	<u>-</u>
<b>Excess of Revenues Over(Under)</b>				
Expenditures	(9,145)	30,765	(10,610)	-
<b>Other Financing Sources:</b>				
Transfers-In	-	-	-	-
Transfers-Out	-	-	-	-
<b>Net Change in Fund Balance</b>	<u>(9,145)</u>	<u>30,765</u>	<u>(10,610)</u>	<u>-</u>
<b>Fund Balance at Beginning of Year</b>	<u>22,430</u>	<u>51,815</u>	<u>12,179</u>	<u>3,709</u>
<b>Fund Balance at End of Year</b>	<u>\$ 13,285</u>	<u>\$ 82,580</u>	<u>\$ 1,569</u>	<u>\$ 3,709</u>

Ohio Reads	Summer Intervention	Alternative Schools	Parity Aid	Miscellaneous State Grants	Adult Basic Education
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
116,826	-	290,458	19,277,695	374,579	722,879
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	197	-	-	-	-
<u>116,826</u>	<u>197</u>	<u>290,458</u>	<u>19,277,695</u>	<u>374,579</u>	<u>722,879</u>
68,245	-	418	12,070,139	25,555	-
-	-	-	641,464	-	-
-	-	-	59,581	14,813	-
-	-	-	-	4,563	427,345
-	-	-	233,374	17,657	-
16,486	-	243,362	368,257	-	-
22,791	-	20,905	173,981	149,570	213,756
-	-	24,157	-	-	3,737
-	-	3,805	-	-	-
-	-	-	1,536,164	3,800	80,174
-	-	-	-	-	9,574
-	-	-	10,027	-	-
-	-	-	4,208,296	-	2,177
-	-	-	-	-	-
-	-	-	-	-	-
<u>107,522</u>	<u>-</u>	<u>292,647</u>	<u>19,301,283</u>	<u>215,958</u>	<u>736,763</u>
9,304	197	(2,189)	(23,588)	158,621	(13,884)
-	-	-	-	-	-
<u>(3)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
9,301	197	(2,189)	(23,588)	158,621	(13,884)
<u>(7,406)</u>	<u>(197)</u>	<u>139</u>	<u>(522,330)</u>	<u>37,394</u>	<u>60,589</u>
<u>\$ 1,895</u>	<u>\$ -</u>	<u>\$ (2,050)</u>	<u>\$ (545,918)</u>	<u>\$ 196,015</u>	<u>\$ 46,705</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, 2007  
(Continued)

	Title VI-B	Vocational Education	Headstart	Dropout Prevention and Intervention
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	6,115,309	886,394	1,746,781	20,282
Interest	-	-	-	-
Charges for Services	-	-	-	-
Gifts and Donations	-	-	-	-
Extracurricular Activities	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<u>6,115,309</u>	<u>886,394</u>	<u>1,746,781</u>	<u>20,282</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	-	-	-	-
Special	1,831,173	-	1,363,471	1,456
Vocational	-	646,665	-	-
Adult/Continuing	-	-	-	-
Other Instruction	-	-	-	-
<b>Support Services:</b>				
Pupils	707,764	19,946	3,971	-
Instructional Staff	2,475,092	39,562	36,424	6,932
Administration	153,966	34,607	71,108	-
Fiscal	7,314	-	-	102
Plant Operation and Maintenance	-	-	-	-
Pupil Transportation	-	4,240	-	-
Central	-	104,385	-	-
Non-Instructional Services	416,214	-	-	-
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	-
<b>Total Expenditures</b>	<u>5,591,523</u>	<u>849,405</u>	<u>1,474,974</u>	<u>8,490</u>
<b>Excess of Revenues Over(Under)</b>				
Expenditures	523,786	36,989	271,807	11,792
<b>Other Financing Sources:</b>				
Transfers-In	-	-	-	-
Transfers-Out	-	-	-	-
<b>Net Change in Fund Balance</b>	523,786	36,989	271,807	11,792
<b>Fund Balance at Beginning of Year</b>	<u>192,305</u>	<u>18,202</u>	<u>(305,827)</u>	<u>20,598</u>
<b>Fund Balance at End of Year</b>	<u>\$ 716,091</u>	<u>\$ 55,191</u>	<u>\$ (34,020)</u>	<u>\$ 32,390</u>

Title I	Title VI	Drug Free Schools Program	EHA Preschool Grants for the Handicapped	E-Rate Grant	Title VI-R Classroom Size Reduction
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12,594,592	65,905	149,020	191,430	1,022,859	2,426,869
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>12,594,592</u>	<u>65,905</u>	<u>149,020</u>	<u>191,430</u>	<u>1,022,859</u>	<u>2,426,869</u>
-	-	-	-	-	-
6,192,708	3,829	-	13,061	-	35,833
-	-	-	-	-	-
74,013	-	-	-	-	-
54,887	-	-	-	-	-
357,791	269	1,695	1,661	-	-
4,694,573	3,220	76,805	144,914	-	2,419,182
404,477	-	-	-	-	-
143,165	-	1,141	2,073	-	33,143
-	-	-	-	-	-
228,112	-	-	-	-	-
-	-	-	-	640,099	-
301,697	-	1,580	-	-	24,631
-	6,101	-	-	-	-
-	-	-	-	-	-
<u>12,451,423</u>	<u>13,419</u>	<u>81,221</u>	<u>161,709</u>	<u>640,099</u>	<u>2,512,789</u>
143,169	52,486	67,799	29,721	382,760	(85,920)
-	-	-	160	-	-
-	-	-	-	-	-
143,169	52,486	67,799	29,881	382,760	(85,920)
<u>720,964</u>	<u>(4,367)</u>	<u>3,853</u>	<u>(22,653)</u>	<u>75,860</u>	<u>22,596</u>
<u>\$ 864,133</u>	<u>\$ 48,119</u>	<u>\$ 71,652</u>	<u>\$ 7,228</u>	<u>\$ 458,620</u>	<u>\$ (63,324)</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, 2007  
(Continued)

	Miscellaneous Federal Grants	Special Trust	Food Service	Uniform School Supplies
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,701,081	-	6,439,136	-
Interest	-	-	62,396	-
Charges for Services	-	-	1,919,204	21,639
Gifts and Donations	-	13,106	-	-
Extracurricular Activities	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<u>1,701,081</u>	<u>13,106</u>	<u>8,420,736</u>	<u>21,639</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	91,923	-	-	21,573
Special	165,126	-	-	-
Vocational	-	-	-	-
Adult/Continuing	-	-	-	-
Other Instruction	-	-	-	-
<b>Support Services:</b>				
Pupils	643,043	11,320	-	-
Instructional Staff	600,290	-	-	-
Administration	6,088	-	-	-
Fiscal	21,688	-	-	-
Plant Operation and Maintenance	-	-	117,613	-
Pupil Transportation	-	-	-	-
Central	-	12,123	-	-
Non-Instructional Services	11,612	-	9,295,039	-
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	-
<b>Total Expenditures</b>	<u>1,539,770</u>	<u>23,443</u>	<u>9,412,652</u>	<u>21,573</u>
<b>Excess of Revenues Over(Under) Expenditures</b>	<b>161,311</b>	<b>(10,337)</b>	<b>(991,916)</b>	<b>66</b>
<b>Other Financing Sources:</b>				
Transfers-In	-	-	-	-
Transfers-Out	-	-	-	-
<b>Net Change in Fund Balance</b>	<b>161,311</b>	<b>(10,337)</b>	<b>(991,916)</b>	<b>66</b>
<b>Fund Balance at Beginning of Year</b>	<u><b>(73,235)</b></u>	<u><b>69,679</b></u>	<u><b>(13,191)</b></u>	<u><b>11,690</b></u>
<b>Fund Balance at End of Year</b>	<u><u><b>\$ 88,076</b></u></u>	<u><u><b>\$ 59,342</b></u></u>	<u><u><b>\$ (1,005,107)</b></u></u>	<u><u><b>\$ 11,756</b></u></u>



Welcome Stadium	Total
\$ -	\$ 820,989
-	57,331,928
-	319,107
-	1,940,843
-	13,106
392,464	829,541
<u>-</u>	<u>872,422</u>
<u>392,464</u>	<u>62,127,936</u>
-	13,377,416
-	10,248,317
-	721,059
-	507,601
-	305,918
-	2,631,146
-	11,401,489
-	781,646
-	224,352
-	1,738,117
-	241,926
-	1,136,581
-	16,041,756
610,339	896,252
<u>-</u>	<u>(19,009)</u>
<u>610,339</u>	<u>60,234,567</u>
(217,875)	1,893,369
342,562	444,222
<u>-</u>	<u>(342,566)</u>
124,687	1,995,025
<u>-</u>	<u>7,323,998</u>
<u>\$ 124,687</u>	<u>\$ 9,319,023</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, 2007

	Permanent Improvement	Building	Replacement	SchoolNet
Revenues:				
Taxes	\$ 820,988	\$ -	\$ -	\$ -
Intergovernmental	158,838	-	-	-
Interest	-	1,953,102	27,144	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<u>979,826</u>	<u>1,953,102</u>	<u>27,144</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	5,937	-	-
Support Services:				
Administration	-	12,003	-	-
Fiscal	11,921	51,517	-	-
Plant Operation and Maintenance	617,786	14,462	-	-
Pupil Transportation	8,257	-	-	-
Central	-	144,652	-	60,621
Capital Outlay	-	17,784,093	-	-
Debt Service:				
Principal Retirement	350,000	-	-	-
Interest and Fiscal Charges	108,885	-	-	-
<b>Total Expenditures</b>	<u>1,096,849</u>	<u>18,012,664</u>	<u>-</u>	<u>60,621</u>
Net Change in Fund Balance	(117,023)	(16,059,562)	27,144	(60,621)
Fund Balance at Beginning of Year - Restated	<u>4,254,872</u>	<u>45,387,843</u>	<u>222,038</u>	<u>63,576</u>
Fund Balance at End of Year	<u>\$ 4,137,849</u>	<u>\$ 29,328,281</u>	<u>\$ 249,182</u>	<u>\$ 2,955</u>

Interactive Video Distance Learning	School Building Assistance Limited	Total Nonmajor Capital Projects Funds
\$ -	\$ -	\$ 820,988
-	311,715	470,553
-	7,134	1,987,380
-	-	-
-	318,849	3,278,921
-	-	5,937
-	-	12,003
-	3,232	66,670
-	4,953	637,201
-	-	8,257
-	-	205,273
-	288,115	18,072,208
-	-	350,000
-	-	108,885
-	296,300	19,466,434
-	22,549	(16,187,513)
<u>11,142</u>	<u>1,926,901</u>	<u>51,866,372</u>
<u>\$ 11,142</u>	<u>\$ 1,949,450</u>	<u>\$ 35,678,859</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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Extracurricular Activities	\$ 40,500	\$ 25,096	\$ 25,096	\$ -
Total Revenues	40,500	25,096	25,096	-
Expenditures:				
Current:				
Instruction:				
Regular	181,654	172,429	39,036	133,393
Total Expenditures	181,654	172,429	39,036	133,393
Net Change in Fund Balance	(141,154)	(147,333)	(13,940)	133,393
Fund Balance at Beginning of Year	146,099	147,179	147,179	-
Prior Year Encumbrances Appropriated	154	154	154	-
Fund Balance at End of Year	<u>\$ 5,099</u>	<u>\$ -</u>	<u>\$ 133,393</u>	<u>\$ 133,393</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
PUBLIC SCHOOL SUPPORT FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Extracurricular Activities	\$ 444,964	\$ 302,626	\$ 303,563	\$ 937
Miscellaneous	5,036	3,425	3,468	43
<b>Total Revenues</b>	<b>450,000</b>	<b>306,051</b>	<b>307,031</b>	<b>980</b>
Expenditures:				
Current:				
Instruction:				
Regular	955,417	830,919	338,667	492,252
Support Services:				
Pupils	24,744	21,520	8,771	12,749
Plant Operation and Maintenance	1,033	898	366	532
Non-Instructional Services	1,881	1,636	667	969
<b>Total Expenditures</b>	<b>983,075</b>	<b>854,973</b>	<b>348,471</b>	<b>506,502</b>
Net Change in Fund Balance	(533,075)	(548,922)	(41,440)	507,482
Fund Balance at Beginning of Year	485,417	501,134	501,134	-
Prior Year Encumbrances Appropriated	48,075	48,075	48,075	-
<b>Fund Balance at End of Year</b>	<b>\$ 417</b>	<b>\$ 287</b>	<b>\$ 507,769</b>	<b>\$ 507,482</b>

**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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Miscellaneous	\$ 1,270,500	\$ 810,797	\$ 813,197	\$ 2,400
Total Revenues	<u>1,270,500</u>	<u>810,797</u>	<u>813,197</u>	<u>2,400</u>
Expenditures:				
Current:				
Instruction:				
Regular	858,651	1,009,157	692,622	316,535
Special	243	286	196	90
Adult Continuing	2,094	2,460	1,689	771
Support Services:				
Pupils	307,314	361,181	247,892	113,289
Instructional Staff	117,372	137,945	94,677	43,268
Board of Education	242	284	195	89
Administration	4,420	5,194	3,565	1,629
Central	13,017	15,299	10,500	4,799
Extracurricular Activities	86,746	101,953	69,974	31,979
Total Expenditures	<u>1,390,099</u>	<u>1,633,759</u>	<u>1,121,310</u>	<u>512,449</u>
Excess of Revenues Over(Under) Expenditures	<u>(119,599)</u>	<u>(822,962)</u>	<u>(308,113)</u>	<u>514,849</u>
Other Financing Sources (Uses):				
Transfers-Out	<u>(1)</u>	<u>(2)</u>	<u>(1)</u>	<u>1</u>
Total Other Financing Sources (Uses)	<u>(1)</u>	<u>(2)</u>	<u>(1)</u>	<u>1</u>
Net Change in Fund Balance	(119,600)	(822,964)	(308,114)	514,850
Fund Balance at Beginning of Year	49,187	524,132	524,132	-
Prior Year Encumbrances Appropriated	<u>197,100</u>	<u>197,100</u>	<u>197,100</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 126,687</u>	<u>\$ (101,732)</u>	<u>\$ 413,118</u>	<u>\$ 514,850</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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
	\$ 24,600	\$ 89,889	\$ 89,889	\$ -
Total Revenues	<u>24,600</u>	<u>89,889</u>	<u>89,889</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Central	<u>76,433</u>	<u>141,782</u>	<u>141,624</u>	<u>158</u>
Total Expenditures	<u>76,433</u>	<u>141,782</u>	<u>141,624</u>	<u>158</u>
Net Change in Fund Balance	(51,833)	(51,893)	(51,735)	158
Fund Balance at Beginning of Year	32,260	32,260	32,260	-
Prior Year Encumbrances Appropriated	<u>19,633</u>	<u>19,633</u>	<u>19,633</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 60</u>	<u>\$ -</u>	<u>\$ 158</u>	<u>\$ 158</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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	\$ 546,070	\$ 809,934	\$ 809,934	\$ -
Intergovernmental	369,819	548,518	548,518	-
<b>Total Revenues</b>	<u>915,889</u>	<u>1,358,452</u>	<u>1,358,452</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Fiscal	220,282	220,286	11,921	208,365
Capital Outlay	3,074,078	3,074,075	166,360	2,907,715
<b>Total Expenditures</b>	<u>3,294,360</u>	<u>3,294,361</u>	<u>178,281</u>	<u>3,116,080</u>
<b>Net Change in Fund Balance</b>	(2,378,471)	(1,935,909)	1,180,171	3,116,080
Fund Balance at Beginning of Year	2,908,154	2,922,320	2,922,320	-
Prior Year Encumbrances Appropriated	166,360	166,360	166,360	-
<b>Fund Balance at End of Year</b>	<u>\$ 696,043</u>	<u>\$ 1,152,771</u>	<u>\$ 4,268,851</u>	<u>\$ 3,116,080</u>



**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
DISTRICT MANAGED STUDENT ACTIVITIES FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Extracurricular Activities	\$ 1,000,000	\$ 116,668	\$ 116,668	\$ -
Total Revenues	1,000,000	116,668	116,668	-
Expenditures:				
Current:				
Extracurricular Activities	1,398,704	678,740	302,036	376,704
Total Expenditures	1,398,704	678,740	302,036	376,704
Excess of Revenues Over(Under) Expenditures	(398,704)	(562,072)	(185,368)	376,704
Other Financing Sources (Uses):				
Transfers-Out	(705,965)	(769,809)	(342,562)	427,247
Total Other Financing Sources (Uses)	(705,965)	(769,809)	(342,562)	427,247
Net Change in Fund Balance	(1,104,669)	(1,331,881)	(527,930)	803,951
Fund Balance at Beginning of Year	1,211,159	1,222,212	1,222,212	-
Prior Year Encumbrances Appropriated	109,669	109,669	109,669	-
Fund Balance at End of Year	\$ 216,159	\$ -	\$ 803,951	\$ 803,951

**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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 5,169,219	\$ 1,894,212	\$ 1,894,212	\$ -
Interest	344,781	126,341	145,850	19,509
Total Revenues	<u>5,514,000</u>	<u>2,020,553</u>	<u>2,040,062</u>	<u>19,509</u>
Expenditures:				
Current:				
Non-Instructional Services	6,169,075	2,960,986	2,801,682	159,304
Total Expenditures	<u>6,169,075</u>	<u>2,960,986</u>	<u>2,801,682</u>	<u>159,304</u>
Excess of Revenues Over(Under) Expenditures	<u>(655,075)</u>	<u>(940,433)</u>	<u>(761,620)</u>	<u>178,813</u>
Other Financing Sources (Uses):				
Refund of Prior Year Expenditures	<u>(7,112)</u>	<u>(22,526)</u>	<u>(21,314)</u>	<u>1,212</u>
Total Other Financing Sources (Uses)	<u>(7,112)</u>	<u>(22,526)</u>	<u>(21,314)</u>	<u>1,212</u>
Net Change in Fund Balance	(662,187)	(962,959)	(782,934)	180,025
Fund Balance at Beginning of Year	562,860	455,227	455,227	-
Prior Year Encumbrances Appropriated	<u>536,187</u>	<u>536,187</u>	<u>536,187</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 436,860</u>	<u>\$ 28,455</u>	<u>\$ 208,480</u>	<u>\$ 180,025</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
MANAGEMENT INFORMATION SYSTEMS FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 146,790	\$ 57,523	\$ 57,523	\$ -
Total Revenues	<u>146,790</u>	<u>57,523</u>	<u>57,523</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Central	<u>150,112</u>	<u>91,135</u>	<u>91,135</u>	<u>-</u>
Total Expenditures	<u>150,112</u>	<u>91,135</u>	<u>91,135</u>	<u>-</u>
Net Change in Fund Balance	(3,322)	(33,612)	(33,612)	-
Fund Balance at Beginning of Year	10,343	33,500	33,500	-
Prior Year Encumbrances Appropriated	<u>112</u>	<u>112</u>	<u>112</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 7,133</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
PUBLIC SCHOOL PRESCHOOL FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 357,933	\$ 299,700	\$ 299,700	\$ -
Miscellaneous	4,491	3,760	3,760	-
<b>Total Revenues</b>	<u>362,424</u>	<u>303,460</u>	<u>303,460</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	112,882	98,203	93,600	4,603
Support Services:				
Pupils	79,387	69,065	65,827	3,238
Instructional Staff	172,707	150,257	143,213	7,044
<b>Total Expenditures</b>	<u>364,976</u>	<u>317,525</u>	<u>302,640</u>	<u>14,885</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,552)</u>	<u>(14,065)</u>	<u>820</u>	<u>14,885</u>
Other Financing Sources (Uses):				
Refund of Prior Year Expenditures	(8)	(180)	(171)	9
<b>Total Other Financing Uses</b>	<u>(8)</u>	<u>(180)</u>	<u>(171)</u>	<u>9</u>
<b>Net Change in Fund Balance</b>	<u>(2,560)</u>	<u>(14,245)</u>	<u>649</u>	<u>14,894</u>
Fund Balance at Beginning of Year	(9,401)	1,769	1,769	-
Prior Year Encumbrances Appropriated	11,984	11,984	11,984	-
<b>Fund Balance at End of Year</b>	<u>\$ 23</u>	<u>\$ (492)</u>	<u>\$ 14,402</u>	<u>\$ 14,894</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ENTRY YEAR PROGRAM FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 28,979	\$ 58,650	\$ 58,650	\$ -
Total Revenues	<u>28,979</u>	<u>58,650</u>	<u>58,650</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Instructional Staff	33,528	60,790	60,321	469
Administration	<u>3,467</u>	<u>6,286</u>	<u>6,238</u>	<u>48</u>
Total Expenditures	<u>36,995</u>	<u>67,076</u>	<u>66,559</u>	<u>517</u>
Excess of Revenues Over(Under) Expenditures	<u>(8,016)</u>	<u>(8,426)</u>	<u>(7,909)</u>	<u>517</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(3,482)	(18,918)	(18,772)	146
Advances-Out	(12,020)	(65,305)	(64,800)	505
Advances-In	<u>15,021</u>	<u>30,400</u>	<u>30,400</u>	<u>-</u>
Total Other Financing Sources	<u>(481)</u>	<u>(53,823)</u>	<u>(53,172)</u>	<u>651</u>
Net Change in Fund Balance	(8,497)	(62,249)	(61,081)	1,168
Fund Balance at Beginning of Year	22,716	53,752	53,752	-
Prior Year Encumbrances Appropriated	<u>8,497</u>	<u>8,497</u>	<u>8,497</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 22,716</u>	<u>\$ -</u>	<u>\$ 1,168</u>	<u>\$ 1,168</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
DATA COMMUNICATION FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 264,555	\$ 219,600	\$ 219,600	\$ -
Total Revenues	<u>264,555</u>	<u>219,600</u>	<u>219,600</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Central	<u>345,386</u>	<u>264,997</u>	<u>255,445</u>	<u>9,552</u>
Total Expenditures	<u>345,386</u>	<u>264,997</u>	<u>255,445</u>	<u>9,552</u>
Net Change in Fund Balance	(80,831)	(45,397)	(35,845)	9,552
Fund Balance at Beginning of Year	39,126	6,438	6,438	-
Prior Year Encumbrances Appropriated	<u>45,386</u>	<u>45,386</u>	<u>45,386</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 3,681</u>	<u>\$ 6,427</u>	<u>\$ 15,979</u>	<u>\$ 9,552</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
SCHOOLNET PROFESSIONAL DEVELOPMENT FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 65,000	\$ 10,500	\$ 10,500	\$ -
Total Revenues	<u>65,000</u>	<u>10,500</u>	<u>10,500</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Instructional Staff	<u>75,200</u>	<u>22,679</u>	<u>20,861</u>	<u>1,818</u>
Total Expenditures	<u>75,200</u>	<u>22,679</u>	<u>20,861</u>	<u>1,818</u>
Net Change in Fund Balance	(10,200)	(12,179)	(10,361)	1,818
Fund Balance at Beginning of Year	10,079	11,979	11,979	-
Prior Year Encumbrances Appropriated	<u>200</u>	<u>200</u>	<u>200</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 79</u>	<u>\$ -</u>	<u>\$ 1,818</u>	<u>\$ 1,818</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 TEXTBOOKS/INSTRUCTIONAL MATERIALS SUBSIDY FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Instruction:				
Regular	-	3,709	-	3,709
Total Expenditures	-	3,709	-	3,709
Net Change in Fund Balance	-	(3,709)	-	3,709
Fund Balance at Beginning of Year	3,613	3,709	3,709	-
Fund Balance at End of Year	<u>\$ 3,613</u>	<u>\$ -</u>	<u>\$ 3,709</u>	<u>\$ 3,709</u>



**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
OHIO READS FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 108,500	\$ 108,561	\$ 108,561	\$ -
Total Revenues	<u>108,500</u>	<u>108,561</u>	<u>108,561</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	52,862	89,909	89,178	731
Support Services:				
Pupils	10,046	17,086	16,947	139
Instructional Staff	13,516	22,988	22,801	187
Total Expenditures	<u>76,424</u>	<u>129,983</u>	<u>128,926</u>	<u>1,057</u>
Excess of Revenues Over(Under) Expenditures	<u>32,076</u>	<u>(21,422)</u>	<u>(20,365)</u>	<u>1,057</u>
Other Financing Sources (Uses):				
Refund of Prior Year Expenditures	(86)	(661)	(655)	6
Advances-Out	(6,575)	(50,410)	(50,000)	410
Transfers-Out	-	(3)	(3)	-
Total Other Financing Sources (Uses)	<u>(6,661)</u>	<u>(51,074)</u>	<u>(50,658)</u>	<u>416</u>
Net Change in Fund Balance	25,415	(72,496)	(71,023)	1,473
Fund Balance at Beginning of Year	(42,671)	30,103	30,103	-
Prior Year Encumbrances Appropriated	<u>18,085</u>	<u>18,085</u>	<u>18,085</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 829</u>	<u>\$ (24,308)</u>	<u>\$ (22,835)</u>	<u>\$ 1,473</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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 300,000	\$ 279,013	\$ 279,013	\$ -
Total Revenues	<u>300,000</u>	<u>279,013</u>	<u>279,013</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Pupils	232,760	259,383	249,271	10,112
Instructional Staff	18,909	21,071	20,250	821
Administration	19,412	21,632	20,789	843
Fiscal	3,832	4,271	4,104	167
Total Expenditures	<u>274,913</u>	<u>306,357</u>	<u>294,414</u>	<u>11,943</u>
Excess of Revenues Over(Under) Expenditures	<u>25,087</u>	<u>(27,344)</u>	<u>(15,401)</u>	<u>11,943</u>
Other Financing Sources (Uses):				
Advances-Out	<u>(1,996)</u>	<u>(31,217)</u>	<u>(30,000)</u>	<u>1,217</u>
Total Other Financing Sources (Uses)	<u>(1,996)</u>	<u>(31,217)</u>	<u>(30,000)</u>	<u>1,217</u>
Net Change in Fund Balance	23,091	(58,561)	(45,401)	13,160
Fund Balance at Beginning of Year	(28,228)	32,771	32,771	-
Prior Year Encumbrances Appropriated	<u>5,909</u>	<u>5,909</u>	<u>5,909</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 772</u>	<u>\$ (19,881)</u>	<u>\$ (6,721)</u>	<u>\$ 13,160</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
POVERTY AID FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 16,000,000	\$ 19,277,695	\$ 19,277,695	\$ -
<b>Total Revenues</b>	<b>16,000,000</b>	<b>19,277,695</b>	<b>19,277,695</b>	<b>-</b>
Expenditures:				
Current:				
Instruction:				
Regular	2,455,162	2,955,712	12,086,176	(9,130,464)
Special	100,984	121,572	551,478	(429,906)
Vocational	10,901	13,123	59,531	(46,408)
Other Instruction	40,358	48,586	220,396	(171,810)
Support Services:				
Pupils	67,433	81,181	368,257	(287,076)
Instructional Staff	36,569	44,025	199,706	(155,681)
Plant Operation and Maintenance	302,272	363,899	1,650,730	(1,286,831)
Central	1,836	2,209	10,028	(7,819)
Non-Instructional Services	13,061,389	15,724,292	4,208,296	11,515,996
<b>Total Expenditures</b>	<b>16,076,904</b>	<b>19,354,599</b>	<b>19,354,598</b>	<b>1</b>
Net Change in Fund Balance	(76,904)	(76,904)	(76,903)	1
Fund Balance at Beginning of Year	-	-	-	-
Prior Year Encumbrances Appropriated	76,904	76,904	76,904	-
<b>Fund Balance at End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ 1</b>

**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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 400,000	\$ 256,323	\$ 256,323	\$ -
Total Revenues	400,000	256,323	256,323	-
Expenditures:				
Current:				
Instruction:				
Regular	30,104	29,722	24,027	5,695
Vocational	34,118	33,685	27,231	6,454
Other Instruction	21,958	21,678	17,525	4,153
Support Services:				
Instructional Staff	368,990	364,302	294,502	69,800
Fiscal	982	969	784	185
Plant Operation and Maintenance	1,927	1,902	1,538	364
Total Expenditures	458,079	452,258	365,607	86,651
Net Change in Fund Balance	(58,079)	(195,935)	(109,284)	86,651
Fund Balance at Beginning of Year	40,994	39,393	39,393	-
Prior Year Encumbrances Appropriated	18,079	18,079	18,079	-
Fund Balance at End of Year	<u>\$ 994</u>	<u>\$ (138,463)</u>	<u>\$ (51,812)</u>	<u>\$ 86,651</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ADULT BASIC EDUCATION FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 925,760	\$ 791,044	\$ 791,044	\$ -
Total Revenues	<u>925,760</u>	<u>791,044</u>	<u>791,044</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Adult/Continuing	510,781	507,729	426,653	81,076
Support Services:				
Instructional Staff	253,181	251,668	211,481	40,187
Board of Education	6,091	6,055	5,088	967
Administration	105,613	104,982	88,218	16,764
Fiscal	11,462	11,393	9,574	1,819
Non-Instructional Services	<u>6,055</u>	<u>6,019</u>	<u>5,058</u>	<u>961</u>
Total Expenditures	<u>893,183</u>	<u>887,846</u>	<u>746,072</u>	<u>141,774</u>
Net Change in Fund Balance	32,577	(96,802)	44,972	141,774
Fund Balance at Beginning of Year	(91,805)	(42,152)	(42,152)	-
Prior Year Encumbrances Appropriated	<u>60,183</u>	<u>60,183</u>	<u>60,183</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 955</u>	<u>\$ (78,771)</u>	<u>\$ 63,003</u>	<u>\$ 141,774</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
TITLE VI-B FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 7,500,000	\$ 6,320,139	\$ 6,320,139	\$ -
Total Revenues	<u>7,500,000</u>	<u>6,320,139</u>	<u>6,320,139</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	2,883,418	3,798,400	2,584,059	1,214,341
Support Services:				
Pupils	803,065	1,057,898	719,690	338,208
Instructional Staff	2,836,793	3,736,980	2,542,275	1,194,705
Administration	188,973	248,939	169,354	79,585
Fiscal	73,644	97,013	65,998	31,015
Non-Instructional Services	485,435	639,476	435,037	204,439
Total Expenditures	<u>7,271,328</u>	<u>9,578,706</u>	<u>6,516,413</u>	<u>3,062,293</u>
Excess of Revenues Over(Under) Expenditures	<u>228,672</u>	<u>(3,258,567)</u>	<u>(196,274)</u>	<u>3,062,293</u>
Other Financing Sources (Uses):				
Advances-Out	<u>(108,682)</u>	<u>(440,981)</u>	<u>(300,000)</u>	<u>140,981</u>
Total Other Financing Sources (Uses)	<u>(108,682)</u>	<u>(440,981)</u>	<u>(300,000)</u>	<u>140,981</u>
Net Change in Fund Balance	119,990	(3,699,548)	(496,274)	3,203,274
Fund Balance at Beginning of Year	(580,708)	(288,939)	(288,939)	-
Prior Year Encumbrances Appropriated	<u>480,010</u>	<u>480,010</u>	<u>480,010</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 19,292</u>	<u>\$ (3,508,477)</u>	<u>\$ (305,203)</u>	<u>\$ 3,203,274</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
VOCATIONAL EDUCATION FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 1,279,240	\$ 886,394	\$ 886,394	\$ -
Total Revenues	<u>1,279,240</u>	<u>886,394</u>	<u>886,394</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Vocational	918,793	830,526	766,729	63,797
Support Services:				
Pupils	36,471	32,967	30,435	2,532
Instructional Staff	53,532	48,389	44,672	3,717
Administration	41,471	37,487	34,607	2,880
Pupil Transportation	5,081	4,593	4,240	353
Central	156,698	141,644	130,764	10,880
Total Expenditures	<u>1,212,046</u>	<u>1,095,606</u>	<u>1,011,447</u>	<u>84,159</u>
Net Change in Fund Balance	67,194	(209,212)	(125,053)	84,159
Fund Balance at Beginning of Year	(147,284)	13,118	13,118	-
Prior Year Encumbrances Appropriated	<u>81,045</u>	<u>81,045</u>	<u>81,045</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 955</u>	<u>\$ (115,049)</u>	<u>\$ (30,890)</u>	<u>\$ 84,159</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
HEADSTART GRANT FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 2,610,610	\$ 1,747,807	\$ 1,547,807	\$ (200,000)
Total Revenues	<u>2,610,610</u>	<u>1,747,807</u>	<u>1,547,807</u>	<u>(200,000)</u>
Expenditures:				
Current:				
Instruction:				
Special	2,378,499	2,091,753	1,421,191	670,562
Support Services:				
Pupils	8,828	7,763	5,275	2,488
Instructional Staff	81,576	71,742	48,743	22,999
Administration	112,487	98,926	67,213	31,713
Total Expenditures	<u>2,581,390</u>	<u>2,270,184</u>	<u>1,542,422</u>	<u>727,762</u>
Net Change in Fund Balance	29,220	(522,377)	5,385	527,762
Fund Balance at Beginning of Year	(96,020)	(34,115)	(34,115)	-
Prior Year Encumbrances Appropriated	<u>67,391</u>	<u>67,391</u>	<u>67,391</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 591</u>	<u>\$ (489,101)</u>	<u>\$ 38,661</u>	<u>\$ 527,762</u>



**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
DROPOUT PREVENTION AND INTERVENTION FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 120,774	\$ 28,126	\$ 28,126	\$ -
Total Revenues	<u>120,774</u>	<u>28,126</u>	<u>28,126</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	32,312	61,293	3,705	57,588
Support Services:				
Instructional Staff	<u>69,071</u>	<u>131,013</u>	<u>7,920</u>	<u>123,093</u>
Total Expenditures	<u>101,383</u>	<u>192,306</u>	<u>11,625</u>	<u>180,681</u>
Net Change in Fund Balance	19,391	(164,180)	16,501	180,681
Fund Balance at Beginning of Year	(23,833)	9,760	9,760	-
Prior Year Encumbrances Appropriated	<u>5,383</u>	<u>5,383</u>	<u>5,383</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 941</u>	<u>\$ (149,037)</u>	<u>\$ 31,644</u>	<u>\$ 180,681</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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 15,800,000	\$ 13,042,704	\$ 13,042,704	\$ -
<b>Total Revenues</b>	<b>15,800,000</b>	<b>13,042,704</b>	<b>13,042,704</b>	<b>-</b>
Expenditures:				
Current:				
Instruction:				
Special	8,601,170	9,438,164	7,729,809	1,708,355
Adult/Continuing	85,192	93,482	76,561	16,921
Other Instruction	8,769	9,622	7,881	1,741
Support Services:				
Pupils	509,066	558,604	457,494	101,110
Instructional Staff	5,535,612	6,074,291	4,974,814	1,099,477
Administration	461,177	506,054	414,456	91,598
Fiscal	129,756	142,384	116,611	25,773
Pupil Transportation	33,164	36,391	29,804	6,587
Non-Instructional Services	357,594	392,393	321,368	71,025
<b>Total Expenditures</b>	<b>15,721,500</b>	<b>17,251,385</b>	<b>14,128,798</b>	<b>3,122,587</b>
<b>Net Change in Fund Balance</b>	<b>78,500</b>	<b>(4,208,681)</b>	<b>(1,086,094)</b>	<b>3,122,587</b>
Fund Balance at Beginning of Year	(2,467,677)	(2,113,195)	(2,113,195)	-
Prior Year Encumbrances Appropriated	2,421,500	2,421,500	2,421,500	-
<b>Fund Balance at End of Year</b>	<b>\$ 32,323</b>	<b>\$ (3,900,376)</b>	<b>\$ (777,789)</b>	<b>\$ 3,122,587</b>

**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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 740,000	\$ 65,905	\$ 65,905	\$ -
Total Revenues	<u>740,000</u>	<u>65,905</u>	<u>65,905</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	235,917	32,150	5,299	26,851
Support Services:				
Pupils	11,976	1,631	269	1,362
Instructional Staff	201,056	27,404	4,592	22,812
Administration	-	-	(76)	76
Non-Instructional Services	<u>541,509</u>	<u>73,798</u>	<u>12,163</u>	<u>61,635</u>
Total Expenditures	<u>990,458</u>	<u>134,983</u>	<u>22,247</u>	<u>112,736</u>
Net Change in Fund Balance	(250,458)	(69,078)	43,658	112,736
Fund Balance at Beginning of Year	245,627	(4,918)	(4,918)	-
Prior Year Encumbrances Appropriated	<u>5,459</u>	<u>5,459</u>	<u>5,459</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 628</u>	<u>\$ (68,537)</u>	<u>\$ 44,199</u>	<u>\$ 112,736</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
DRUG FREE SCHOOLS PROGRAM FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 476,000	\$ 132,696	\$ 132,696	\$ -
Total Revenues	476,000	132,696	132,696	-
Expenditures:				
Current:				
Support Services:				
Pupils	-	-	(1,301)	1,301
Instructional Staff	665,810	237,225	162,959	74,266
Non-Instructional Services	8,340	2,972	2,025	947
Total Expenditures	674,150	240,197	163,683	76,514
Net Change in Fund Balance	(198,150)	(107,501)	(30,987)	76,514
Fund Balance at Beginning of Year	196,470	10,815	10,815	-
Prior Year Encumbrances Appropriated	2,150	2,150	2,150	-
Fund Balance at End of Year	<u>\$ 470</u>	<u>\$ (94,536)</u>	<u>\$ (18,022)</u>	<u>\$ 76,514</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
EHA PRESCHOOL GRANTS FOR THE HANDICAPPED FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 220,000	\$ 174,465	\$ 174,304	\$ (161)
Total Revenues	<u>220,000</u>	<u>174,465</u>	<u>174,304</u>	<u>(161)</u>
Expenditures:				
Current:				
Instruction:				
Special	22,433	29,017	19,803	9,214
Support Services:	6,806	8,804	6,008	2,796
Pupils	<u>168,076</u>	<u>217,406</u>	<u>148,370</u>	<u>69,036</u>
Total Expenditures	<u>197,315</u>	<u>255,227</u>	<u>174,181</u>	<u>81,046</u>
Excess of Revenues Over(Under) Expenditures	<u>22,685</u>	<u>(80,762)</u>	<u>123</u>	<u>80,885</u>
Other Financing Sources (Uses):				
Proceeds from Sale of Fixed Assets	-	-	160	160
Advances-Out	<u>(10,788)</u>	<u>(73,265)</u>	<u>(50,000)</u>	<u>23,265</u>
Total Other Financing Sources (Uses)	<u>(10,788)</u>	<u>(73,265)</u>	<u>(49,840)</u>	<u>23,425</u>
Net Change in Fund Balance	11,897	(154,027)	(49,717)	104,310
Fund Balance at Beginning of Year	(24,064)	44,650	44,650	-
Prior Year Encumbrances Appropriated	<u>13,093</u>	<u>13,093</u>	<u>13,093</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 926</u>	<u>\$ (96,284)</u>	<u>\$ 8,026</u>	<u>\$ 104,310</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
E-RATE GRANT FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 952,597	\$ 1,022,859	\$ 1,022,859	\$ -
Total Revenues	952,597	1,022,859	1,022,859	-
Expenditures:				
Current:				
Support Services:				
Central	1,055,533	1,106,847	966,807	140,040
Total Expenditures	1,055,533	1,106,847	966,807	140,040
Net Change in Fund Balance	(102,936)	(83,988)	56,052	140,040
Fund Balance at Beginning of Year	86,335	66,455	66,455	-
Prior Year Encumbrances Appropriated	17,533	17,533	17,533	-
Fund Balance at End of Year	<u>\$ 932</u>	<u>\$ -</u>	<u>\$ 140,040</u>	<u>\$ 140,040</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
TITLE VI-R CLASSROOM SIZE REDUCTION FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 3,500,000	\$ 2,526,493	\$ 2,526,493	\$ -
Total Revenues	<u>3,500,000</u>	<u>2,526,493</u>	<u>2,526,493</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	3,832	3,956	2,750	1,206
Support Services:				
Instructional Staff	3,497,755	3,611,442	2,509,882	1,101,560
Non-Instructional Services	<u>37,206</u>	<u>38,415</u>	<u>26,698</u>	<u>11,717</u>
Total Expenditures	<u>3,538,793</u>	<u>3,653,813</u>	<u>2,539,330</u>	<u>1,114,483</u>
Excess of Revenues Over(Under) Expenditures	<u>(38,793)</u>	<u>(1,127,320)</u>	<u>(12,837)</u>	<u>1,114,483</u>
Other Financing Sources(Uses):				
Advances - Out	<u>(23,739)</u>	<u>(143,889)</u>	<u>(100,000)</u>	<u>43,889</u>
Total Other Financing Sources (Uses)	<u>(23,739)</u>	<u>(143,889)</u>	<u>(100,000)</u>	<u>43,889</u>
Net Change in Fund Balance	(62,532)	(1,271,209)	(112,837)	1,158,372
Fund Balance at Beginning of Year	35,632	131,949	131,949	-
Prior Year Encumbrances Appropriated	<u>27,533</u>	<u>27,533</u>	<u>27,533</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 633</u>	<u>\$ (1,111,727)</u>	<u>\$ 46,645</u>	<u>\$ 1,158,372</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
MISCELLANEOUS FEDERAL GRANTS FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 4,425,620	\$ 1,836,451	\$ 1,858,566	\$ 22,115
<b>Total Revenues</b>	<b>4,425,620</b>	<b>1,836,451</b>	<b>1,858,566</b>	<b>22,115</b>
Expenditures:				
Current:				
Instruction:				
Regular	161,528	106,881	83,099	23,782
Special	804,066	532,036	413,655	118,381
Support Services:				
Pupils	1,698,689	1,123,994	873,898	250,096
Instructional Staff	1,428,541	945,240	734,919	210,321
Administration	25,058	16,581	12,891	3,690
Fiscal	93,544	61,896	48,124	13,772
Non-Instructional Services	33,770	22,344	17,373	4,971
<b>Total Expenditures</b>	<b>4,245,196</b>	<b>2,808,972</b>	<b>2,183,959</b>	<b>625,013</b>
<b>Net Change in Fund Balance</b>	<b>180,424</b>	<b>(972,521)</b>	<b>(325,393)</b>	<b>647,128</b>
Fund Balance at Beginning of Year	(600,868)	(315,642)	(315,642)	-
Prior Year Encumbrances Appropriated	421,195	421,195	421,195	-
<b>Fund Balance at End of Year</b>	<b>\$ 751</b>	<b>\$ (866,968)</b>	<b>\$ (219,840)</b>	<b>\$ 647,128</b>



**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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Miscellaneous	\$ 17,000	\$ 13,106	\$ 13,106	\$ -
Total Revenues	<u>17,000</u>	<u>13,106</u>	<u>13,106</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Pupils	25,211	24,554	5,730	18,824
Central	59,789	58,231	13,588	44,643
Total Expenditures	<u>85,000</u>	<u>82,785</u>	<u>19,318</u>	<u>63,467</u>
Net Change in Fund Balance	(68,000)	(69,679)	(6,212)	63,467
Fund Balance at Beginning of Year	<u>69,479</u>	<u>69,679</u>	<u>69,679</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,479</u>	<u>\$ -</u>	<u>\$ 63,467</u>	<u>\$ 63,467</u>

**DAYTON SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOOD SERVICE FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 8,283,807	\$ 7,862,305	\$ 7,148,333	\$ (713,972)
Interest	46,168	43,860	62,396	18,536
Charges for Services	1,920,799	1,824,802	1,921,038	96,236
<b>Total Revenues</b>	<b>10,250,774</b>	<b>9,730,967</b>	<b>9,131,767</b>	<b>(599,200)</b>
Expenditures:				
Current:				
Support Services:				
Plant Operation and Maintenance	113,275	102,888	102,888	-
Non-Instructional Services	10,275,310	9,333,098	9,333,098	-
<b>Total Expenditures</b>	<b>10,388,585</b>	<b>9,435,986</b>	<b>9,435,986</b>	<b>-</b>
Excess of Revenues Over(Under) Expenditures	(137,811)	294,981	(304,219)	(599,200)
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(14,004)	(11,603)	(11,603)	-
Transfers-In	150,000	150,000	150,000	-
<b>Total Other Financing Sources (Uses)</b>	<b>135,996</b>	<b>138,397</b>	<b>138,397</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(1,815)</b>	<b>433,378</b>	<b>(165,822)</b>	<b>(599,200)</b>
Fund Balance at Beginning of Year	96,119	169,391	169,391	-
Prior Year Encumbrances Appropriated	1,815	1,815	1,815	-
<b>Fund Balance at End of Year</b>	<b>\$ 96,119</b>	<b>\$ 604,584</b>	<b>\$ 5,384</b>	<b>\$ (599,200)</b>

**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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Charges for Services	\$ 30,000	\$ 21,639	\$ 21,639	\$ -
Total Revenues	30,000	21,639	21,639	-
Expenditures:				
Current:				
Instruction:				
Regular	38,538	33,592	22,445	11,147
Total Expenditures	38,538	33,592	22,445	11,147
Net Change in Fund Balance	(8,538)	(11,953)	(806)	11,147
Fund Balance at Beginning of Year	7,407	10,673	10,673	-
Prior Year Encumbrances Appropriated	1,424	1,424	1,424	-
Fund Balance at End of Year	<u>\$ 293</u>	<u>\$ 144</u>	<u>\$ 11,291</u>	<u>\$ 11,147</u>

**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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Charges for Services	\$ 387,638	\$ 387,638	\$ 392,464	\$ 4,826
Total Revenues	387,638	387,638	392,464	4,826
Expenditures:				
Current:				
Support Services:				
Plant Operation and Maintenance	61,419	61,419	60,462	957
Extracurricular Activities	558,581	558,581	549,877	8,704
Total Expenditures	620,000	620,000	610,339	9,661
Excess of Revenues Over(Under) Expenditures	(232,362)	(232,362)	(217,875)	14,487
Other Financing Sources (Uses):				
Transfers-In	342,562	342,562	342,562	-
Total Other Financing Sources (Uses)	342,562	342,562	342,562	-
Net Change in Fund Balance	110,200	110,200	124,687	14,487
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ 110,200	\$ 110,200	\$ 124,687	\$ 14,487

**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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Taxes	\$ 765,721	\$ 809,934	\$ 809,934	\$ -
Intergovernmental	150,168	158,838	158,838	-
<b>Total Revenues</b>	<b>915,889</b>	<b>968,772</b>	<b>968,772</b>	<b>-</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Support Services:</b>				
Fiscal	45,547	45,547	11,921	33,626
Plant Operation and Maintenance	3,431,855	3,431,855	898,241	2,533,614
Pupil Transportation	31,673	31,673	8,290	23,383
Captial Outlay	45,255	45,255	11,845	33,410
<b>Debt Service:</b>				
Principal Retirement	1,337,224	1,337,224	350,000	987,224
Interest and Fiscal Charges	416,010	416,010	108,885	307,125
<b>Total Expenditures</b>	<b>5,307,564</b>	<b>5,307,564</b>	<b>1,389,182</b>	<b>3,918,382</b>
<b>Net Change in Fund Balance</b>	<b>(4,391,675)</b>	<b>(4,338,792)</b>	<b>(420,410)</b>	<b>3,918,382</b>
Fund Balance at Beginning of Year	3,941,855	3,956,021	3,956,021	-
Prior Year Encumbrances Appropriated	450,564	450,564	450,564	-
<b>Fund Balance at End of Year</b>	<b>\$ 744</b>	<b>\$ 67,793</b>	<b>\$ 3,986,175</b>	<b>\$ 3,918,382</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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Interest	\$ 23,500,000	\$ 23,500,000	\$ 1,872,987	\$ (21,627,013)
Total Revenues	<u>23,500,000</u>	<u>23,500,000</u>	<u>1,872,987</u>	<u>(21,627,013)</u>
Expenditures:				
Current:				
Support Services:				
Fiscal	86,057	86,057	56,198	29,859
Plant Operation and Maintenance	66,833	66,833	43,644	23,189
Central	222,422	222,422	145,248	77,174
Captial Outlay	<u>62,984,919</u>	<u>62,984,919</u>	<u>41,131,037</u>	<u>21,853,882</u>
Total Expenditures	<u>63,360,231</u>	<u>63,360,231</u>	<u>41,376,127</u>	<u>21,984,104</u>
Net Change in Fund Balance	(39,860,231)	(39,860,231)	(39,503,140)	357,091
Fund Balance at Beginning of Year	24,363,741	30,045,165	30,045,165	-
Prior Year Encumbrances Appropriated	<u>15,497,231</u>	<u>15,497,231</u>	<u>15,497,231</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 741</u>	<u>\$ 5,682,165</u>	<u>\$ 6,039,256</u>	<u>\$ 357,091</u>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
REPLACEMENT FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Interest	\$ 10,000	\$ 24,032	\$ 27,144	\$ 3,112
Total Revenues	<u>10,000</u>	<u>24,032</u>	<u>27,144</u>	<u>3,112</u>
Expenditures:				
Current:				
Support Services:				
Plant Operation and Maintenance	67,545	73,794	-	73,794
Capital Outlay	<u>161,455</u>	<u>176,394</u>	<u>-</u>	<u>176,394</u>
Total Expenditures	<u>229,000</u>	<u>250,188</u>	<u>-</u>	<u>250,188</u>
Net Change in Fund Balance	(219,000)	(226,156)	27,144	253,300
Fund Balance at Beginning of Year	<u>229,065</u>	<u>231,466</u>	<u>231,466</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 10,065</u></u>	<u><u>\$ 5,310</u></u>	<u><u>\$ 258,610</u></u>	<u><u>\$ 253,300</u></u>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
SCHOOLNET FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 540,000	\$ -	\$ -	\$ -
Total Revenues	<u>540,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Central	603,000	63,450	61,681	1,769
Total Expenditures	<u>603,000</u>	<u>63,450</u>	<u>61,681</u>	<u>1,769</u>
Excess of Revenues Over(Under) Expenditures	<u>(63,000)</u>	<u>(63,450)</u>	<u>(61,681)</u>	<u>1,769</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	-	(129)	(126)	3
Total Other Financing Sources (Uses)	<u>-</u>	<u>(129)</u>	<u>(126)</u>	<u>3</u>
Net Change in Fund Balance	(63,000)	(63,579)	(61,807)	1,772
Fund Balance at Beginning of Year	<u>63,579</u>	<u>63,579</u>	<u>63,579</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 579</u>	<u>\$ -</u>	<u>\$ 1,772</u>	<u>\$ 1,772</u>



**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 INTERACTIVE VIDEO DISTANCE LEARNING FUND - BUDGET (NON-GAAP) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Central	11,142	11,142	-	11,142
Total Expenditures	11,142	11,142	-	11,142
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	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,142</u>	<u>\$ 11,142</u>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
SCHOOL BUILDING ASSISTANCE LIMITED FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Interest	\$ 100,000	\$ 278,203	\$ 311,715	\$ 33,512
Total Revenues	<u>100,000</u>	<u>278,203</u>	<u>311,715</u>	<u>33,512</u>
Expenditures:				
Current:				
Support Services:				
Fiscal	20,028	20,028	3,232	16,796
Plant Operation and Maintenance	37,226	37,226	6,008	31,218
Capital Outlay	<u>1,797,254</u>	<u>1,797,254</u>	<u>290,054</u>	<u>1,507,200</u>
Total Expenditures	<u>1,854,508</u>	<u>1,854,508</u>	<u>299,294</u>	<u>1,555,214</u>
Net Change in Fund Balance	(1,754,508)	(1,576,305)	12,421	1,588,726
Fund Balance at Beginning of Year	1,823,554	1,871,271	1,871,271	-
Prior Year Encumbrances Appropriated	<u>54,508</u>	<u>54,508</u>	<u>54,508</u>	-
Fund Balance at End of Year	<u><u>\$ 123,554</u></u>	<u><u>\$ 349,474</u></u>	<u><u>\$ 1,938,200</u></u>	<u><u>\$ 1,588,726</u></u>

## Internal Service Funds

---

### INTERNAL SERVICE FUNDS

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

---

#### Warehouse

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

#### Self-Insurance

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
COMBINING STATEMENT OF FUND NET ASSETS  
ALL INTERNAL SERVICE FUNDS  
JUNE 30, 2007

	Warehouse	Self-Insurance	Total
<u>Assets:</u>			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 584,174	\$ 49,307	\$ 633,481
Accounts Receivable	-	2,222	2,222
Inventory Held for Resale	1,184,233	-	1,184,233
Total Current Assets	1,768,407	51,529	1,819,936
Capital Assets	366,716	-	366,716
Less: Accumulated Depreciation	(162,503)	-	(162,503)
Total Assets	1,972,620	51,529	2,024,149
<u>Liabilities:</u>			
Liabilities:			
Current Liabilities:			
Accounts Payable	34,774	-	34,774
Accrued Wages and Benefits	1,384	-	1,384
Intergovernmental Payable	1,627	-	1,627
Claims Payable	-	204,000	204,000
Total Current Liabilities	37,785	204,000	241,785
Total Liabilities	37,785	204,000	241,785
<u>Net Assets</u>			
Invested in Capital Assets	204,213	-	204,213
Unrestricted	1,730,622	(152,471)	1,578,151
Total Net Assets	\$ 1,934,835	\$ (152,471)	\$ 1,782,364

**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, 2007

	<u>Warehouse</u>	<u>Self-Insurance</u>	<u>Total</u>
Operating Revenues:			
Charges for Services	\$ -	\$ 1,321,889	\$ 1,321,889
Materials and Supplies	<u>775,971</u>	<u>-</u>	<u>775,971</u>
Total Operating Revenues	<u>775,971</u>	<u>1,321,889</u>	<u>2,097,860</u>
Operating Expenses:			
Salaries and Wages	451,360	-	451,360
Fringe Benefits	142,494	-	142,494
Purchased Services	16,699	75,180	91,879
Claims	-	1,252,950	1,252,950
Supplies and Materials	46,458	-	46,458
Cost of Sales	518,564	-	518,564
Depreciation	<u>27,635</u>	<u>-</u>	<u>27,635</u>
Total Operating Expenses	<u>1,203,210</u>	<u>1,328,130</u>	<u>2,531,340</u>
Operating Loss	(427,239)	(6,241)	(433,480)
Transfers In	<u>682,182</u>	<u>-</u>	<u>682,182</u>
Change in Net Assets	254,943	(6,241)	248,702
Net Assets - Beginning of Year	<u>1,679,892</u>	<u>(146,230)</u>	<u>1,533,662</u>
Net Assets - End of Year	<u>\$ 1,934,835</u>	<u>\$ (152,471)</u>	<u>\$ 1,782,364</u>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
COMBINING STATEMENT OF CASH FLOWS  
ALL INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Warehouse</u>	<u>Self-Insurance</u>	<u>Total</u>
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities:			
Cash Received from Interfund Services Provided	\$ 775,971	\$ 1,319,667	\$ 2,095,638
Cash Payments to Suppliers for Goods and Services	(627,337)	(75,180)	(702,517)
Cash Payments to Employees for Services	(487,267)	-	(487,267)
Cash Payments for Employee Benefits	(194,915)	-	(194,915)
Cash Payments for Claims	<u>-</u>	<u>(1,245,050)</u>	<u>(1,245,050)</u>
Net Cash Provided Used in Operating Activities	<u>(533,548)</u>	<u>(563)</u>	<u>(534,111)</u>
Cash Flows from Noncapital Financing Activities:			
Operating Transfers-In	<u>682,182</u>	<u>-</u>	<u>682,182</u>
Net Cash Provided from Noncapital Financing Activities	<u>682,182</u>	<u>-</u>	<u>682,182</u>
Net Increase (Decrease) in Cash and Cash Equivalents	148,634	(563)	148,071
Cash and Cash Equivalents Beginning of Year	<u>435,540</u>	<u>49,870</u>	<u>485,410</u>
Cash and Cash Equivalents End of Year	<u>\$ 584,174</u>	<u>\$ 49,307</u>	<u>\$ 633,481</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:			
Operating Loss	\$ (427,239)	\$ (6,241)	\$ (433,480)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:			
Depreciation	27,635	-	27,635
Changes in Assets and Liabilities			
Increase in Accounts Receivable	-	(2,222)	(2,222)
Increase in Inventory Held for Resale	(27,395)	-	(27,395)
Decrease in Accounts Payable	(18,221)	-	(18,221)
Decrease in Accrued Wages and Benefits Payable	(35,907)	-	(35,907)
Decrease in Intergovernmental Payable	(52,421)	-	(52,421)
Increase in Claims Payable	<u>-</u>	<u>7,900</u>	<u>7,900</u>
Net Cash Used in Operating Activities	<u>\$ (533,548)</u>	<u>\$ (563)</u>	<u>\$ (534,111)</u>

**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, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Sales	\$ 850,000	\$ 764,681	\$ 775,971	\$ 11,290
Total Revenues	<u>850,000</u>	<u>764,681</u>	<u>775,971</u>	<u>11,290</u>
Expenses:				
Materials and Supplies	<u>1,002,395</u>	<u>1,095,408</u>	<u>784,413</u>	<u>310,995</u>
Total Expenses	<u>1,002,395</u>	<u>1,095,408</u>	<u>784,413</u>	<u>310,995</u>
Net Change in Fund Equity	(152,395)	(330,727)	(8,442)	322,285
Fund Equity at Beginning of Year	49,210	332,145	332,145	-
Prior Year Encumbrances Appropriated	<u>103,395</u>	<u>103,395</u>	<u>103,395</u>	<u>-</u>
Fund Equity at End of Year	<u>\$ 210</u>	<u>\$ 104,813</u>	<u>\$ 427,098</u>	<u>\$ 322,285</u>

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY  
SELF-INSURANCE FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Charges for Services	\$ 1,300,000	\$ 1,319,667	\$ 1,319,667	\$ -
Total Revenues	<u>1,300,000</u>	<u>1,319,667</u>	<u>1,319,667</u>	<u>-</u>
Expenses:				
Purchased Services	75,452	77,987	75,180	2,807
Claims	<u>1,249,548</u>	<u>1,291,550</u>	<u>1,245,050</u>	<u>46,500</u>
Total Expenses	<u>1,325,000</u>	<u>1,369,537</u>	<u>1,320,230</u>	<u>49,307</u>
Net Change in Fund Equity	(25,000)	(49,870)	(563)	49,307
Fund Equity at Beginning of Year	<u>25,384</u>	<u>49,870</u>	<u>49,870</u>	<u>-</u>
Fund Equity at End of Year	<u>\$ 384</u>	<u>\$ -</u>	<u>\$ 49,307</u>	<u>\$ 49,307</u>



## **Fiduciary Funds**

---

### **AGENCY FUNDS**

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

---

#### District Agency

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

#### Student Managed Activities

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

**DAYTON CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY, OHIO**  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Balance July 1, 2006	Additions	Deletions	Balance June 30, 2007
<u>District Agency:</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 5,813,895	\$ 3,216,230	\$ 1,629,586	\$ 7,400,539
Intergovernmental Receivable	<u>105,363</u>	<u>-</u>	<u>105,363</u>	<u>-</u>
Total Assets	<u>\$ 5,919,258</u>	<u>\$ 3,216,230</u>	<u>\$ 1,734,949</u>	<u>\$ 7,400,539</u>
Liabilities:				
Accounts Payable	\$ 2,654	\$ 1,787	\$ 2,654	\$ 1,787
Undistributed Monies	<u>5,916,604</u>	<u>3,214,443</u>	<u>1,732,295</u>	<u>7,398,752</u>
Total Liabilities	<u>\$ 5,919,258</u>	<u>\$ 3,216,230</u>	<u>\$ 1,734,949</u>	<u>\$ 7,400,539</u>
<u>Student Managed Activities</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 137,456	\$ 128,199	\$ 126,095	\$ 139,560
Accounts Receivable	<u>100</u>	<u>3,500</u>	<u>100</u>	<u>3,500</u>
Total Assets	<u>\$ 137,556</u>	<u>\$ 131,699</u>	<u>\$ 126,195</u>	<u>\$ 143,060</u>
Liabilities:				
Accounts Payable	\$ 4,150	\$ 17,051	\$ 4,150	\$ 17,051
Due to Students	<u>133,406</u>	<u>114,648</u>	<u>122,045</u>	<u>126,009</u>
Total Liabilities	<u>\$ 137,556</u>	<u>\$ 131,699</u>	<u>\$ 126,195</u>	<u>\$ 143,060</u>
<u>Total All Agency Funds</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 5,951,351	\$ 3,344,429	\$ 1,755,681	\$ 7,540,099
Accounts Receivable	100	3,500	100	3,500
Intergovernmental Receivable	<u>105,363</u>	<u>-</u>	<u>105,363</u>	<u>-</u>
Total Assets	<u>\$ 6,056,814</u>	<u>\$ 3,347,929</u>	<u>\$ 1,861,144</u>	<u>\$ 7,543,599</u>
Liabilities:				
Accounts Payable	\$ 6,804	\$ 18,838	\$ 6,804	\$ 18,838
Due to Students	133,406	114,648	122,045	126,009
Undistributed Monies	<u>5,916,604</u>	<u>3,214,443</u>	<u>1,732,295</u>	<u>7,398,752</u>
Total Liabilities	<u>\$ 6,056,814</u>	<u>\$ 3,347,929</u>	<u>\$ 1,861,144</u>	<u>\$ 7,543,599</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 129 to 137.

#### **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 138 to 145.

#### **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 146 to 151.

#### **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 152 and 153.

#### **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 154 to 158.

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

DAYTON



---

PUBLIC SCHOOLS

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

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

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Net Assets:						
Invested in capital assets, net of related debt	\$ 11,057,668	\$ 21,173,201	\$ 15,672,577	\$ 22,001,233	\$ 17,935,291	\$ 18,342,669
Restricted	306,007,970	225,376,276	224,850,749	138,870,412	64,509,463	46,277,621
Unrestricted	<u>11,965,857</u>	<u>20,890,120</u>	<u>43,945,296</u>	<u>44,177,779</u>	<u>44,625,359</u>	<u>31,739,382</u>
Total Net Assets	<u>\$329,031,495</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:**

- (1) The School District reports only governmental activities and has no component units
- (2) The School District began to report accrual information when it implemented GASB Statement No. 34 for fiscal year 2002.
- (3) For fiscal year 2007, the net assets of the year ended June 30, 2006 were restated; see note 3 to the financial statements for further details.

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

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

	2007	2006	2005	2004	2003	2002
<b>Expenses:</b>						
Instruction	\$ 111,360,344	\$ 107,433,792	\$ 105,911,991	\$ 103,512,054	\$ 104,713,536	\$ 103,238,352
Pupil personnel services	9,575,153	9,537,921	12,672,265	11,741,172	11,475,516	10,079,837
Instructional Staff (a)	19,131,027	22,070,344	17,534,083	17,929,198	14,111,108	12,453,911
Board of Education	1,095,719	1,504,940	465,405	433,358	331,687	312,390
Administration	13,132,034	14,653,219	13,219,010	14,587,381	16,318,592	14,702,327
Fiscal	3,058,611	3,851,625	3,987,371	3,214,000	5,258,782	2,951,955
Business	1,519,529	1,442,009	1,805,966	2,321,963	2,558,549	2,593,544
Operation and maintenance of plant (b)	31,623,068	32,742,890	38,952,420	33,902,014	21,879,322	20,655,626
Pupil transportation (c)	19,206,398	19,099,802	17,542,113	16,613,992	14,803,426	14,701,497
Central	7,214,836	8,276,578	9,033,096	9,241,713	14,063,768	11,867,414
Non-instructional services (d)	62,479,482	63,227,901	63,389,659	58,497,701	44,685,192	32,943,466
Extracurricular activities	1,882,414	1,683,123	1,562,922	1,444,007	1,737,120	1,621,199
Interest and fiscal charges (e)	12,165,455	12,283,960	12,228,489	12,440,143	1,178,038	145,568
Unallocated depreciation	1,325,075	1,667,063	1,484,841	1,449,773	1,142,910	409,628
<b>Total Expenses</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	4,442,027	3,872,166	5,591,607	6,159,448	5,389,941	5,357,734
Operating grants and contributions	54,385,141	53,854,341	55,846,887	53,248,257	36,362,935	36,465,863
Capital grants and contributions (f)	91,054,817	4,222,900	87,750,501	79,832,438	1,104,640	3,127,179
<b>Total Program Revenues</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><u>\$(144,887,160)</u></b>	<b><u>\$(237,525,760)</u></b>	<b><u>\$(150,600,636)</u></b>	<b><u>\$(148,088,326)</u></b>	<b><u>\$(211,400,030)</u></b>	<b><u>\$(183,725,938)</u></b>

**Notes:**

- (1) The School District reports only governmental activities and has no component units
- (2) The School District began to report accrual information when it implemented GASB Statement No. 34 for fiscal year 2002.
- (a) The increase in instructional staff cost resulted from a change in account codes used to report certain positions within the School District.
- (b) Increase in the operation and maintenance of plant from 2004 to 2007 was the result of additional maintenance projects on existing school buildings until new buildings were completed. These projects did not extend the useful lives of the existing buildings and therefore were completed. These projects did not extend the useful life of the existing buildings and expensed during the year.
- (c) Pupil transportation costs increased over the past three years due to a new intra-district open enrollment policy.
- (d) The every increasing number of charter schools opening within the School District during the past several years has resulted dollars passing thru the School District to these charter schools increasing dramatically over that time period.
- (e) The interest and fiscal charges increase is directly related to the additional debt incurred by the School District associated with the school facilities construction project.
- (f) The capital grants and contributions reported for 2004 and 2005 represent the recognition of the first two rounds of state funding associated with the school facilities construction project. Fiscal year 2007 was the first year the approval of the third round was recognized.
- (g) In prior years, the cost of pass-thru funding to the charter schools was shown separately as intergovernmental expense, however in 2007 it was determined these costs should be reported under the non-instructional services functional category. Therefore, all years presented in this table show these expenses as part of non-instructional services functional expense.



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

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

	2007	2006	2005	2004	2003	2002
Net Expense	\$(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	73,210,958	74,230,414	77,453,502	79,125,532	80,978,470	79,139,322
Debt service (a)	14,391,679	13,969,176	13,602,246	16,296,989	7,662,684	-
Capital projects (a)	810,634	798,454	835,327	990,348	457,970	-
Other purposes (a)	810,635	798,454	835,324	990,348	457,970	-
Unrestricted grants and contributions	93,566,583	111,070,302	123,873,866	121,593,221	130,643,396	144,182,250
Investment earnings (b)	17,146,192	14,906,186	7,266,006	4,460,091	3,193,064	2,217,766
Miscellaneous	6,542,377	4,723,749	6,153,543	2,613,108	4,982,301	2,229,456
Total General Revenues	<u>206,479,058</u>	<u>220,496,735</u>	<u>230,019,814</u>	<u>226,069,637</u>	<u>228,375,855</u>	<u>227,768,794</u>
Change in Net Assets	<u>\$ 61,591,898</u>	<u>\$ (17,029,025)</u>	<u>\$ 79,419,178</u>	<u>\$ 77,981,311</u>	<u>\$ 16,975,825</u>	<u>\$ 44,042,856</u>

**Notes:**

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

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

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

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Fund:				
Reserved	\$ 6,330,325	\$ 14,560,529	\$ 15,966,465	\$ 12,703,669
Unreserved	(6,295,473)	5,844,576	27,512,436	28,801,552
Total General Fund	<u>\$ 34,852</u>	<u>\$ 20,405,105</u>	<u>\$ 43,478,901</u>	<u>\$ 41,505,221</u>
All Other Governmental Funds:				
Reserved (a)	\$ 127,820,587	\$ 82,594,602	\$ 55,553,048	\$ 16,158,653
Unreserved, reported in:				
Capital projects funds (b)	111,135,925	185,877,391	233,569,356	296,800,624
Debt service fund (b)	14,494,701	14,058,105	14,215,742	20,952,155
Special revenue funds	5,260,400	4,162,457	3,104,442	1,480,471
Total All Other Governmental Funds	<u>\$ 258,711,613</u>	<u>\$ 286,692,555</u>	<u>\$ 306,442,588</u>	<u>\$ 335,391,903</u>

**Notes:**

- (1) The School District implemented GASB Statement No. 34 in fiscal year 2002, therefore the amounts for fiscal years 1998 through 2001 includes general, special revenue, capital projects and expendable trust funds.
- (2) Fiscal year 2006 fund balance restated; see Note 3 for further details.
  - (a) The increases in the reservation of fund balance is attributal to outstanding encumbrances related to the school facilities construction project as well as increase in reservation of fund balance for property taxes for associated levies.
  - (b) Fund balance reported for the capital projects and debt service funds increased over the past four fiscal years due to the collection of property taxes and issuance of debt to provide financing for the school facilities construction project.

<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
\$ 11,307,291	\$ 7,932,076	\$ 14,032,763	\$ 12,276,098	\$ 9,266,667	\$ 7,698,626
<u>29,659,344</u>	<u>28,526,546</u>	<u>12,283,937</u>	<u>(821,994)</u>	<u>(16,089,431)</u>	<u>(11,672,361)</u>
<u>\$ 40,966,635</u>	<u>\$ 36,458,622</u>	<u>\$ 26,316,700</u>	<u>\$ 11,454,104</u>	<u>\$ (6,822,764)</u>	<u>\$ (3,973,735)</u>
\$ 12,137,589	\$ 7,044,236	\$ 7,576,427	\$ 4,281,067	\$ 4,737,475	\$ 6,592,931
190,338,905	25,257,713	1,292,397	4,118,742	4,857,009	6,874,178
108,740,006	-	-	-	-	-
<u>900,566</u>	<u>9,460,905</u>	<u>9,842,914</u>	<u>9,520,281</u>	<u>8,267,953</u>	<u>6,860,254</u>
<u>\$ 312,117,066</u>	<u>\$ 41,762,854</u>	<u>\$ 18,711,738</u>	<u>\$ 17,920,090</u>	<u>\$ 17,862,437</u>	<u>\$ 20,327,363</u>

**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)

	2007	2006	2005	2004
<b>Revenues:</b>				
Taxes	\$ 90,489,848	\$ 92,172,361	\$ 95,648,787	\$ 93,575,521
Intergovernmental	216,757,616	198,176,022	184,615,340	194,297,398
Interest	17,260,845	13,151,796	6,544,611	4,202,413
Tuition and fees	1,493,412	983,594	1,254,126	1,415,883
All other revenues	9,500,464	7,625,405	10,754,524	7,362,155
Total revenue	\$ 335,502,185	\$ 312,109,178	\$ 298,817,388	\$ 300,853,370
<b>Expenditures:</b>				
Current:				
Instruction	\$ 115,046,682	\$ 107,085,761	\$ 103,538,639	\$ 103,477,512
Support Services:				
Pupils	9,863,485	9,534,492	12,354,055	11,729,581
Instructional staff	19,559,431	22,094,580	17,336,963	17,688,523
Board of education	1,108,281	1,510,498	468,168	420,250
Administration	13,538,125	14,836,577	12,850,102	14,469,635
Fiscal and business	4,635,879	5,762,890	5,425,277	6,346,153
Plant operation & maintenance	22,875,579	25,814,651	24,818,020	22,350,251
Pupil transportation	18,557,040	18,403,871	16,787,911	15,941,719
Central	7,189,660	8,123,218	8,767,693	8,980,337
Non-instructional services	62,658,030	63,642,951	63,286,105	58,254,244
Extracurricular activities	1,841,486	1,651,637	1,522,813	1,404,780
Capital outlay	87,105,790	58,989,483	36,674,780	32,301,407
Debt service:				
Principal retirement	7,026,683	6,362,762	11,922,011	152,218,895
Interest and fiscal charges	12,175,930	12,293,703	12,421,566	11,235,597
Total expenditures	\$ 383,182,081	\$ 356,107,074	\$ 328,174,103	\$ 456,818,884
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	4.29%	4.32%	4.45%	2.72%

**Notes:**

- (1) The School District implemented GASB Statement No. 34 in fiscal year 2002, therefore the amounts for fiscal years 1998 through 2001 includes general, special revenue, capital projects and expendable trust funds.

2003	2002	2001	2000	1999	1998
\$ 84,625,054	\$ 79,139,322	\$ 81,202,187	\$ 82,082,275	\$ 77,748,879	\$ 78,610,526
165,608,661	178,886,128	142,719,648	139,691,584	129,782,093	122,126,544
2,594,893	2,217,766	3,041,588	2,345,172	2,746,560	2,644,095
1,009,180	691,382	671,857	901,057	1,220,650	723,596
9,400,448	6,895,808	6,516,586	3,873,339	6,960,352	9,624,468
<u>\$ 263,238,236</u>	<u>\$ 267,830,406</u>	<u>\$ 234,151,866</u>	<u>\$ 228,893,427</u>	<u>\$ 218,458,534</u>	<u>\$ 213,729,229</u>
\$ 104,726,305	\$ 103,000,885	\$ 106,357,786	\$ 96,134,133	\$ 114,897,399	\$ 110,005,011
11,471,369	10,315,659	11,253,152	12,758,274	13,133,013	12,944,250
13,926,825	12,420,172	13,718,922	13,354,221	15,544,619	15,001,729
333,427	312,464	263,034	279,817	197,164	168,496
16,114,130	15,162,672	13,930,237	13,742,589	14,432,110	15,334,799
6,540,052	5,030,235	4,873,971	4,953,809	4,829,815	4,048,719
21,904,855	22,359,986	25,552,232	24,525,462	29,626,634	25,980,547
14,323,042	14,358,592	12,681,960	13,839,664	13,385,166	13,333,822
13,905,066	13,026,036	8,236,150	8,660,828	10,329,737	12,592,316
44,537,087	32,933,427	20,638,297	16,712,109	3,010,353	2,705,177
1,710,110	1,609,997	1,388,728	1,765,593	2,195,122	2,752,850
4,802,769	3,256,093	383,970	2,475,010	4,441,688	326,777
800,371	2,775,484	1,476,281	1,284,444	338,874	-
1,178,038	145,568	171,899	217,914	35,297	-
<u>\$ 256,273,446</u>	<u>\$ 236,707,270</u>	<u>\$ 220,926,619</u>	<u>\$ 210,703,867</u>	<u>\$ 226,396,991</u>	<u>\$ 215,194,493</u>
0.47%	0.06%	0.08%	0.10%	0.02%	0.00%

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

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

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Excess of Revenues Over(Under)				
Expenditures	<u>\$ (47,679,896)</u>	<u>\$ (43,997,896)</u>	<u>\$ (29,356,715)</u>	<u>\$ (155,965,524)</u>
<b>Other Financing Sources(Uses):</b>				
Proceeds from sale of capital assets	10,883	8,403	23,096	38,259
Inception of capital leases	-	1,500,000	3,024,185	-
Proceeds from sale of bonds	-	-	-	151,555,000
Proceeds from sale of notes	-	-	-	19,860,000
Premium on issuance of bonds	-	-	-	8,325,688
Discount on issuance of bonds	-	-	-	-
Transfers-in	444,226	475,018	474,389	123,392,837
Transfers-out	<u>(1,126,408)</u>	<u>(809,354)</u>	<u>(1,140,590)</u>	<u>(123,392,837)</u>
Total Other Financing Sources (Uses)	<u>(671,299)</u>	<u>1,174,067</u>	<u>2,381,080</u>	<u>179,778,947</u>
Net Change in Fund Balance	<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>

**Notes:**

- (1) The School District implemented GASB Statement No. 34 in fiscal year 2002, therefore the amounts for fiscal years 1998 through 2001 includes general, special revenue, capital projects and expendable trust funds.

<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
<u>\$ 6,964,790</u>	<u>\$ 31,123,136</u>	<u>\$ 13,225,247</u>	<u>\$ 18,189,560</u>	<u>\$ (7,938,457)</u>	<u>\$ (1,465,264)</u>
101,323	15,503	13,005	35,033	13,666	-
3,000,000	1,595,702	819,379	855,894	3,763,368	-
256,628,439	-	-	-	-	-
4,463,989	-	-	-	-	-
4,426,561	-	-	-	-	-
(37,428)	-	-	-	-	-
465,025	26,189,351	414,334	3,266,383	1,278,916	13,875,687
<u>(1,150,474)</u>	<u>(26,900,242)</u>	<u>(1,095,813)</u>	<u>(3,998,166)</u>	<u>(2,091,341)</u>	<u>(14,624,122)</u>
<u>267,897,435</u>	<u>900,314</u>	<u>150,905</u>	<u>159,144</u>	<u>2,964,609</u>	<u>(748,435)</u>
<u>\$ 274,862,225</u>	<u>\$ 32,023,450</u>	<u>\$ 13,376,152</u>	<u>\$ 18,348,704</u>	<u>\$ (4,973,848)</u>	<u>\$ (2,213,699)</u>

**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
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
2001	1,424,191,260	4,069,117,886	138,296,070	256,162,039
2000	1,420,851,430	4,059,575,514	151,121,950	182,078,341
1999	1,305,127,980	3,728,937,086	159,113,050	188,264,559
1998	1,303,641,910	3,724,691,171	154,123,580	181,982,432

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

**Notes:**

For fiscal years 1998 to 2000, real property assessed value was 35% of the estimated actual value, public utility assessed value was 88% of estimated actual value and personal property assessed value was 25% of the estimated actual value. For fiscal years 2001 through 2007, the actual property value were estimated by the Montgomery County Auditor's Office due to changes percentage of property subject to taxation.



Tangible Personal Property		Total		Total Direct Tax Rate	Assessed Value Ratio
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$ 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%
374,858,377	1,499,433,508	1,937,345,707	5,824,713,433	62.65	33.3%
342,778,104	1,371,112,416	1,914,751,484	5,612,766,271	62.65	34.1%
322,008,566	1,288,034,264	1,786,249,596	5,205,235,909	62.65	34.3%
321,943,702	1,287,774,808	1,779,709,192	5,194,448,411	62.65	34.3%

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

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

YEAR	School District Millage (b)					Total
	Operating	Debt Service	Permanent Improvement	Maintenance and Upkeep		
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
2001	62.65	-	-	-		62.65
2000	62.65	-	-	-		62.65
1999	62.65	-	-	-		62.65
1998	62.65	-	-	-		62.65

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

**Notes:**

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

Overlapping Millage (a)

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

DAYTON



---

PUBLIC SCHOOLS

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

Name of Taxpayer	Fiscal Year 2007			Fiscal Year 1998		
	Assessed Value	Rank	Percentage of Total Assessed Value	Assessed Value	Rank	Percentage of Total Assessed Value
Dayton Power and Light Company	\$ 50,422,500	1	2.41%	\$ 94,884,410	1	5.33%
Ohio Bell Telephone Company	29,883,600	2	1.43%	45,571,790	2	2.56%
NCR Corporation	17,535,710	3	0.84%	38,958,780	3	2.19%
Behr Dayton Thermal Products (b)	11,632,940	4	0.56%	12,141,580	5	0.68%
Vectren Engery	10,840,930	5	0.52%			
Delphi Automotive Systems (a)	8,516,940	6	0.41%	35,188,150	4	1.98%
Marriot International	7,490,000	7	0.36%			
Dayton Heart Hospital	7,427,010	8	0.35%			
Danis - Fifth Third Center	6,640,500	9	0.32%			
City of Dayton	6,416,410	10	0.31%	9,405,270	7	0.53%
Reynolds and Reynolds				9,984,280	6	0.56%
Standard Register				9,350,750	8	0.53%
Duriron Company, Inc.				8,107,990	9	0.46%
Virginia Kettering Trust				6,360,690	10	0.36%
Subtotal	156,806,540		7.49%	269,953,690		15.17%
All Other Taxpayers	1,937,442,024		92.51%	1,509,755,502		84.83%
Total Assessed Valuation	<u>\$ 2,094,248,564</u>		<u>100.00%</u>	<u>\$ 1,779,709,192</u>		100.00%

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

**Notes:**

- (a) Delphi was owned by General Motors in 1998
- (b) Behr Dayton Thermal Products was owned by Chrysler Corporation in 1998

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

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

<u>Year (1)</u>	<u>Current Levy</u>	<u>Current Collections (2)</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Tax Collections (5)</u>
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 (4)	103,881,526	91,911,703	88.5%	6,169,575
2002	88,333,725	79,897,678	90.4%	6,144,153
2001	88,894,023	84,512,563	95.1%	4,910,464
2000	87,365,716	84,806,370	97.1%	4,700,336
1999	85,554,721	82,580,466	96.5%	4,357,881
1998	85,162,582	81,212,570	95.4%	4,153,109

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. 2007 information represents tax levies and collections through November 1, 2007.
- (2) State reimbursements of rollback and homestead exemptions are included.
- (3) Penalties and interest are included since by Ohio law they become part of the tax obligation as assessment occurs.
- (4) Increase in levy and collection amounts in 2003 forward is attributed to increase tax rates approved for school construction project.
- (5) Delinquent tax collection are not reported by tax year from the County Auditor.

	<u>Total Tax Collections</u>	<u>Total Collection As a Percent of Current Levy</u>	<u>Outstanding Delinquent Taxes (3)</u>	<u>Delinquent Taxes to Current Tax Levy</u>
\$	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%
	89,423,027	100.6%	15,738,509	17.7%
	89,506,706	102.5%	15,895,995	18.2%
	86,938,347	101.6%	13,569,357	15.9%
	85,365,679	100.2%	14,374,154	16.9%

**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		
2007	\$ 230,145,000	\$ (14,494,701)	\$ 215,650,299	10.30%	\$ 1,357
2006	235,560,000	(14,058,105)	221,501,895	10.23%	1,382
2005	240,430,000	(14,215,742)	226,214,258	10.73%	1,361
2004	251,055,000	(20,952,155)	230,102,845	10.95%	1,385
2003	251,055,000	(108,740,006)	142,314,994	6.58%	856
2002	-	-	-	n/a	n/a
2001	-	-	-	n/a	n/a
2000	-	-	-	n/a	n/a
1999	-	-	-	n/a	n/a
1998	-	-	-	n/a	n/a

**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			
\$ 2,800,000	\$ 15,825,000	\$ 10,000,000	\$ 4,448,898	\$ 248,724,197	12.79%	\$ 1,566
3,150,000	16,025,000	10,000,000	5,510,581	256,187,476	12.85%	1,598
3,500,000	16,205,000	10,000,000	4,973,343	260,892,601	12.76%	1,570
3,500,000	16,360,000	10,000,000	3,091,169	263,054,014	13.26%	1,583
-	-	10,000,000	3,755,064	156,070,058	6.63%	939
-	-	-	1,555,435	1,555,435	0.07%	9
-	-	-	2,735,217	2,735,217	0.12%	16
-	-	-	3,392,119	3,392,119	0.15%	20
-	-	-	3,820,669	3,820,669	0.18%	22
-	-	-	396,175	396,175	0.02%	2

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

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Total Assessed Property Value	\$ 2,094,248,564	\$ 2,165,579,321	\$ 2,107,604,628	\$ 2,101,252,966
<b><u>Overall Direct Debt Limitation:</u></b>				
Bond Debt Limit (a)	188,482,371	194,902,139	189,684,417	189,112,767
Net Bond Indebtedness	<u>(215,650,299)</u>	<u>(221,501,895)</u>	<u>(226,214,258)</u>	<u>(230,102,845)</u>
Overall Debt Margin (b)	<u>(27,167,928)</u>	<u>(26,599,756)</u>	<u>(36,529,841)</u>	<u>(40,990,078)</u>
<i>Total net bonded debt applicable to the limit as a percentage of overall direct debt limitation</i>	<i>114.41%</i>	<i>113.65%</i>	<i>119.26%</i>	<i>121.67%</i>
<b><u>Unvoted Direct Debt Limitation:</u></b>				
Unvoted Debt Limit (a)	2,094,249	2,165,579	2,107,605	2,101,253
Unvoted Debt Outstanding	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unvoted Debt Margin	<u>2,094,249</u>	<u>2,165,579</u>	<u>2,107,605</u>	<u>2,101,253</u>
<i>Total unvoted debt applicable to the limit as a percentage of unvoted direct debt limitation</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>

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

**Notes:**

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

<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
\$ 2,161,303,456	\$ 1,933,832,835	\$ 1,920,845,394	\$ 1,914,751,484	\$ 1,786,249,596	\$ 1,779,709,192
194,517,311	174,044,955	172,876,085	172,327,634	160,762,464	160,173,827
(142,314,994)	-	-	-	-	-
<u>52,202,317</u>	<u>174,044,955</u>	<u>172,876,085</u>	<u>172,327,634</u>	<u>160,762,464</u>	<u>160,173,827</u>
73.16%	0.00%	0.00%	0.00%	0.00%	0.00%
2,161,303	1,933,833	1,920,845	1,914,751	1,786,250	1,779,709
-	-	-	-	-	-
<u>2,161,303</u>	<u>1,933,833</u>	<u>1,920,845</u>	<u>1,914,751</u>	<u>1,786,250</u>	<u>1,779,709</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2007

<u>Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Amount Applicable to School District</u>
Montgomery County	\$ 46,399,375	19.54%	\$ 9,066,438
City of Dayton	41,949,793	95.32%	39,986,543
City of Riverside	1,938,767	13.96%	270,652
City of Trotwood	15,510,000	2.54%	393,954
Miami Valley Regional Transit Authority	7,230,000	19.54%	<u>1,412,742</u>
Subtotal, Overlapping Debt			51,130,328
School District Direct Debt			<u>215,650,299</u>
Total Direct and Overlapping Debt			<u>\$ 266,780,627</u>

Source: Ohio Municipal Advisory Council

**Notes:**

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

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

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

Year	Revenue	Tax Anticipation Notes (a)		Coverage
		Principal	Interest	
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 pledge-revenue debt.
- (a) - These bonds are backed by the tax revenues collected on one-half of one mill permanent improvement levy approved by voters in calendar year 2002.

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

Year	City of Dayton Population (1)	Personal Income (2)	Per Capita Personal Income	Unemployment Rate (3)
2006	158,873	\$ 1,944,310,234	\$ 12,238	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%
2000	166,179	2,272,727,732	13,676	6.0%
1999	167,475	2,225,433,093	13,288	4.0%
1998	172,947	2,160,118,095	12,490	6.6%
1997	172,947	2,053,710,904	11,875	6.9%

- 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 NINE YEARS AGO**

<u>Employer</u>	<u>Fiscal Year 2007</u>			<u>Fiscal Year 1998</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	21,000	1	5.14%			
Honda of America Manufacturing, Inc.	13,000	2	3.18%			
Permier Health 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%	4,750	2	1.11%
Montgomery County	4,000	8	0.98%			
General Motors Corporation	4,000	9	0.98%	5,505	1	1.28%
Miami University	3,500	10	0.86%			
NCR Corporation				4,410	3	1.03%
Miami Valley Hospital				4,200	4	0.98%
Dayton City School District				3,750	5	0.87%
City of Dayton				3,220	6	0.75%
Franciscan Medical Center				2,580	7	0.60%
Good Samaritan Hospital				2,700	8	0.63%
University of Dayton				2,600	9	0.61%
Emery, a CF Company				1,830	10	0.43%
<b>Total</b>	<b>76,925</b>		<b>18.84%</b>	<b>35,545</b>		<b>8.28%</b>

Source: City of Dayton

**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.
- (2) Data is presented for the Dayton Metropolitan Area which does not have the same boundaries as Dayton City School District, however, this was the only data available.
- (a) Amount reported is employee headcount which differs from the "Full Time Equivalent" numbers reported elsewhere in this section.

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

OPERATING STATISTICS  
LAST TEN FISCAL YEARS

Year	Average Daily Membership	Operating Expenditures (a)	Cost per Pupil	Percentage Change
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%
2001	21,078	201,761,987	9,572	12.13%
2000	22,590	192,846,082	8,537	-5.14%
1999	24,590	221,286,436	8,999	8.95%
1998	25,971	214,517,712	8,260	5.30%

**Notes:**

- (1) The School District implemented GASB Statement No. 34 in fiscal year 2002, therefore the amounts for fiscal years 1998 through 2001 includes general, special revenue, capital projects and expendable trust funds.
- (a) Operating expenditures are total governmental fund expenditures less capital outlay, debt service and intergovernmental expenditures 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.



<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>
\$ 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%
N/A	N/A	N/A	1,590	13.26	69.71%
N/A	N/A	N/A	1,898	11.90	62.28%
N/A	N/A	N/A	1,898	12.96	72.00%
N/A	N/A	N/A	1,894	13.71	75.00%

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

FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST TWO FISCAL YEARS

	<u>2007</u>	<u>2006</u>
<b>Supervisory</b>		
Administrators/Supervisors	95	99
Principals	36	33
Assistant Principals	<u>22</u>	<u>22</u>
Total supervisory	<u>153</u>	<u>154</u>
<b>Instruction</b>		
Elementary Classroom Teachers	723	738
Secondary Classroom Teachers	367	388
Special Education Teachers	263	241
Vocational Teachers	10	12
Other Teachers (adult)	28	30
Instructional Professionals	21	23
Classroom Aides	<u>283</u>	<u>297</u>
Total instruction	<u>1,695</u>	<u>1,729</u>
<b>Student Services</b>		
Guidance Counselors	19	18
Social Workers	1	2
School Nurses	33	32
Psychologists	18	18
Librarians	<u>11</u>	<u>12</u>
Total student services	<u>82</u>	<u>82</u>
<b>Support and Administration</b>		
Clerical and Secretarial	143	150
Food Service	145	145
Transportation	212	221
Custodial	162	162
Maintenance	<u>39</u>	<u>39</u>
Total support and administration	<u>701</u>	<u>717</u>
<b>Total</b>	<u><u>2,631</u></u>	<u><u>2,682</u></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.

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

TEACHER EDUCATION AND EXPERIENCE  
JUNE 30, 2007

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	463	32.95%
Bachelor's + 18 Semester Hours of Graduate Credit	178	12.67%
Master's Degree	616	43.84%
Master's Degree + 30 Semester Hours of Graduate Credit	143	10.18%
Doctorate Degree	<u>5</u>	<u>0.36%</u>
Total	<u><u>1,405</u></u>	<u><u>100.00%</u></u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 4	168	11.96%
5 - 9	274	19.50%
10 - 14	323	22.99%
15 - 19	200	14.23%
20 - 29	436	31.03%
30 and over	<u>4</u>	<u>0.28%</u>
Total	<u><u>1,405</u></u>	<u><u>100.00%</u></u>

Source: Dayton City School District Human Resources Records

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

**CAPITAL ASSET INFORMATION  
LAST TWO FISCAL YEARS**

	<u>2007</u>	<u>2006</u>
<b><u>School Buildings:</u></b>		
<b>Elementary</b>		
Buildings	25	26
Square Feet	1,626,710	1,552,428
Capacity	12,319	12,105
Enrollment	10,243	9,704
<b>Middle (b)</b>		
Buildings	3	5
Square Feet	456,644	403,681
Capacity	2,912	2,361
Enrollment	1,781	2,543
<b>High</b>		
Buildings	5	5
Square Feet	1,024,461	1,175,881
Capacity	5,756	7,054
Enrollment	4,409	4,829
<b>Other</b>		
Buildings	3	2
Square Feet	197,391	281,616
Capacity	1,666	1,892
Enrollment	(a)	(a)
<b><u>Administrative Building:</u></b>		
Buildings	2	2
Square Feet	220,500	220,500
<b><u>Service Buildings:</u></b>		
Buildings	5	4
Square Feet	143,964	120,564
<b><u>Transportation:</u></b>		
Garages	1	1
Buses	231	231
<b><u>Athletics:</u></b>		
Facility	1	1
Football Fields	10	11
Soccer Fields	3	6
Running Tracks	6	7
Baseball/Softball Fields	10	14
Swimming Pools	1	1
Playgrounds	41	48
Tennis Courts	7	0

**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) These buildings represent combination and alternative center. Enrollment for these buildings are included in the appropriate level above.
- (b) Includes building information for one school that spans both middle and high school grades.



**Mary Taylor, CPA**  
Auditor of State

**DAYTON CITY SCHOOL DISTRICT**

**MONTGOMERY COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
APRIL 29, 2008**