



Dave Yost • Auditor of State



**CITY OF DOVER  
TUSCARAWAS COUNTY**

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# Dave Yost • Auditor of State

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

City of Dover  
Tuscarawas County  
122 East Third Street  
Dover, Ohio 44622

To the Honorable Mayor and City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, Tuscarawas County, (the City) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 26, 2013.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

***Compliance and Other Matters***

As part of reasonably assuring whether the City'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, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as item 2012-001.

***Entity's Response to Findings***

The City's response to the finding identified in our audit is described in the accompanying Schedule of Findings. We did not audit the City's response and, accordingly, we express no opinion on it.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

June 26, 2013

CITY OF DOVER  
TUSCARAWAS COUNTY

SCHEDULE OF FINDINGS  
DECEMBER 31, 2012

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

1. Ohio Rev. Code Section 5705.41(D)

<i>Finding Number</i>	2012-001
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NONCOMPLIANCE

**Ohio Rev. Code Section 5705.41(D)** requires that no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. This certificate need be signed only by the subdivision's fiscal officer. Every contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon.

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

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

Amounts of less than \$3,000 (\$1,000 prior to April 7, 2003) may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the City.

**2. Blanket Certificate** – Fiscal officers may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. (Prior to September 26, 2003, blanket certificates were limited to \$5,000 and three months.) The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

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

During 2012, 21 out of 52 (40%) of the expenditures tested were not certified by the City Auditor prior to incurring the obligation. It was also found that neither of the two exceptions above were utilized for the items found to be in noncompliance. The City should certify the availability of funds for expenditure and also implement the use of Then and Now Certificates as further means to certify funds pursuant to Ohio Rev. Code Section 5705.41(D).

In addition, the City had one out of two super blankets that were not properly closed at year end. One of these super blankets was for expenses that are not recurring or a reasonably predictable operating expense. Also, the City had one blanket certificate issued for \$30,000 that exceeded the threshold limit of \$25,000 set by City ordinance.

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursement and to help reduce the possibility of the City's funds exceeding budgetary spending limitations, we recommend the City Auditor certify the funds are or will be available prior to obligation by the City. When prior certification is not possible, "then and now" certification should be used.

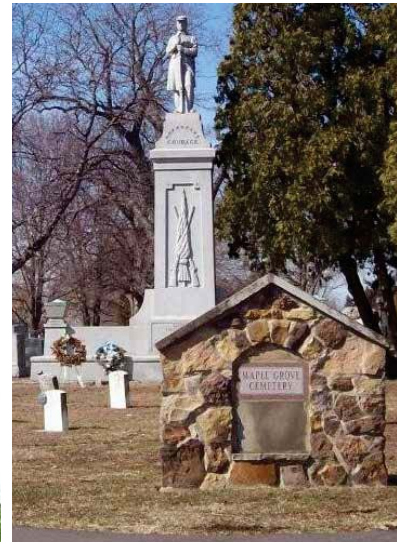
The City should also implement procedures to ensure blanket certificates are closed by fiscal year end in order to comply with Ohio Revised Code Section 5705.41(D). In addition, the City should comply with the established City Ordinance relating to the blanket certification dollar threshold.

**Official's Response:** In response to the comment in the City of Dover's audit report. As you know, ORC 5705.41 (D) is very difficult to comply with and there will always be purchases made prior to the purchase order being encumbered. We have implemented the use of blanket, super blanket, multi-vendor purchase orders and the then and now certification to help alleviate the issue.

In the 2012 audit you reported 23 out of 52 purchase orders pulled were not certified prior to the purchase being made. Examining the 23 purchase orders, I have found 21 of the 23 purchases were over the \$3,000 limit for then and now certification. The 2 found under the \$3,000 were both signed with a then and now certification and should not have been included. Of the remainder of the purchases, there were items pulled in January of 2012. These were paid without a blanket purchase order, but a blanket purchase order was issued and encumbered on January 17<sup>th</sup> for the year. Many were monthly and yearly expenditures certified and approved by the Board of Control. Five of the purchases were for emergency work done at the light plant which was approved by Ordinance No. 26-12.



DOVER  
O·H·I·O



THE CITY  
OF DOVER,  
OHIO

FOR THE  
YEAR  
ENDING  
DECEMBER 31, 2012

# Comprehensive Annual Financial Report



Today we stand in front of a beautiful new monument erected to honor those brave men and women who have served in our Armed Forces. Especially those who have been brave enough to fight and die for a people who don't always appreciate what they have done and are doing for them. This monument is for all those men and women, who have placed country before self, have had a deep sense of commitment and have served this great country and have been proud to do it.

This Monument is a small token of one community's admiration for all Veterans, past and present, who will hallow these grounds over the coming years.

Just as we have done in previous years we do so today. Adding this Monument to that of the current Memorial, just a few sections over, and the large World War I Monument at Maple Grove Cemetery is a fitting and visible way to honor those who honored us.

When the history is written about the year 2013, it will be said that the City of Dover did not erect this Monument for the sake of being politically correct, they erected it because it was fitting and proper.

May the great God of kindness Bless each and every one of us, may God Bless the City of Dover, and may God Bless America!

*Excerpt of the speech given at the dedication of the Memorial on May 27, 2013 by the Mayor of the City of Dover the Honorable Richard P. Homrighausen.*



**TREE CITY USA**

# Comprehensive Annual Financial Report



THE CITY OF **DOVER, OHIO**  
FOR THE YEAR ENDING **DECEMBER 31, 2012**



**Prepared by the City of Dover Auditor's Office**

Mary J. Fox - Dover City Auditor

Debra L. Edwards - Assistant Auditor

Kelly L. Elliott - Office Assistant

Photo credit: Scott Harmon, Cemetery Superintendent

Photo credit: Russ Volkert, Fire Chief

[www.doverohio.com](http://www.doverohio.com)



# Introductory *Section*



THE CITY OF **DOVER, OHIO**



[www.doverohio.com](http://www.doverohio.com)

**City of Dover, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2012*  
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## City Of Dover Auditor's Office

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June 26, 2013

Dear Members of Council and  
Residents of the City of Dover:

It is our privilege to present to you the City of Dover's (the City) Comprehensive Annual Financial Report (CAFR). This CAFR represents the official report of the City's operations and financial position for the year ended December 31, 2012, and details the status of City finances to residents, elected officials, investment bankers, underwriters, rating agencies and all other interested parties. This report enables the City to comply with Ohio Administrative Code Section 117-2-03(B), which requires reporting on a Generally Accepted Accounting Principles (GAAP) basis, and Ohio Revised Code Section 117.38 which requires cities reporting on a GAAP basis to file an annual report with the Auditor of State within 150 days of fiscal year end.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. 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 from any material misstatements.

The Auditor of the State of Ohio has issued an unmodified ("clean") opinion on the City of Dover's financial statements for the year ended December 31, 2012. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction to it.

### **City Profile**

Dover lies 80 miles south of Cleveland and Lake Erie and 100 miles west of Pittsburgh. Though originally called Dover, the prefix "canal" was added in 1807 by postal authorities to distinguish the City from the Village of Dover in Cuyahoga County. Canal Dover was an appropriate name at this particular time considering the town's first prosperity was stimulated by the construction of the Ohio and Erie Canal in the late 1820's. This "canal town" was incorporated as a village in 1842 and established as a city in early 1900's. By December 18, 1915, the City was officially changed to its original name of Dover.

Operating under the Mayor/Council form of government, the citizens of Dover elect a mayor, auditor, law director, treasurer and eight members of the council, including the president, three at-large council members and four ward council members. A safety director, service director, auditor, treasurer, and law director are responsible for various departments of City business. For financial reporting purposes, the City has considered all departments and organizations making up the City of Dover (the primary government).



TREE CITY USA



The City of Dover, as a governmental entity, is totally separate and distinct from the Dover City School District. Although the two entities share similar names, they are independent of each other in terms of governing bodies, financial resources and management. Because of the separate and independent nature of the school district, the school district's financial statements are not included in this report. The Community Improvement Corporation of Tuscarawas County, the Tuscarawas County Regional Planning Commission, and the Ohio Mid-Eastern Governments Association are reported as jointly governed organizations. The City is also associated with one joint venture, the Ohio Municipal Electric Generation Agency (JV2).

The City provides the full range of municipal services. These services include police, fire, health care, recreation programs (including parks), transportation programs (including streets), water treatment and distribution, water back flow prevention and cross connection control programs, electric and electric pollution discharge elimination and PCB elimination programs, sewer and sewer industrial pretreatment programs, planning and zoning, and general administrative services.

The City adopts a temporary appropriation budget on or before January 1 of each year for the period January 1 through March 31. An annual appropriation budget is passed by April 1 of each year for the period January 1 through December 31. All disbursements and transfers of cash between funds require appropriation authority. Budgetary control is maintained at the object level by the encumbrance of estimated purchase amounts coupled with the manual auditing of each purchase order prior to its release to a vendor or prior to payment to ensure that financial information generated is both accurate and reliable. Those purchase orders which exceed the available appropriation are returned to the department head.

### **Local Economy**

Dover is located in northeastern Ohio, south of Cleveland and Canton in Tuscarawas County and is accessible from I-77. Dover covers an area of 5.71 square miles. This popular and expanding residential community is noted for its older elegant homes built on quiet tree-lined streets and newly developed areas. Dover is a desirable City to live in Tuscarawas County, as property values have outpaced inflation. The underlying strength of Dover's growing economy comes from its diversity. Dover does not depend on one firm for local employment; seven of our ten principal employers had more than 200 employees, lending to the City's diversification.

Six banks (Huntington National, Chase, First National Bank of Dennison, Citizens Bank, PNC, First Federal Bank) are located in the City.

Residents of Dover receive information through various media. The New Philadelphia Times-Reporter, a daily morning newspaper, serves the City. In addition, the City is within the broadcast area of five television stations, and Time Warner Cable Company provides digital cable TV services. Three AM and two FM radio stations are located in the County.

Post-Secondary schooling is available through two-year and four-year colleges and universities, including the Kent State University, Tuscarawas Campus.

Two long standing Dover companies started major expansion projects in 2012. Allied Machine, one of Dover's largest companies broke ground in September with expansions. The first phase of two planned expansions is an 11 million dollar, 60,000 square foot addition to the Deeds Drive facility, which is expected to provide 30 jobs and the generation of more than 1 million dollars in additional payroll in three years. The second phase consists of a 30,000 square foot expansion at the West Third Street facility. The location will house research and development space, training areas, office and cafeteria space at an estimated cost of \$6.2 million dollars.

Allied Machine is a global manufacturer of replaceable tip drilling systems established in Dover in 1941. Their specialty is systems comprised of carbide and coated high-speed steel holders and inserts to metal cutting industries. The local family owned company employed 437 in 2012.

Dover Hydraulics, another locally owned company, located in Dover since 1982 has completed its largest single expansion in company history and has increased work capacity by 50 percent. The 14,000 square foot addition houses machining, welding and grinding equipment. The company specializes in hydraulic repair, including cylinders, testing and parts availability.

Country Inn and Suites had its grand opening on July 1<sup>st</sup> of 2012. The three story 75 room hotel opened to near capacity bookings exceeding the owner's expectations. The three story hotel employs 30 employees. Standard rooms are in the \$100-\$130 range, with suites and peak times costing more.

In 2010, the City hosted a ceremony at the opening of the new Exit 85. The interchange which had been a project of Dover and the Ohio Department of Transportation for many years, provides access to north Dover. It is there at the new interchange that Campbell Oil, a Massillon Ohio based company decided to open a new Marathon BellStore convenience store and gas station which opened in late summer. The store employs 10 employees between the store and the Subway restaurant located inside.

Carter Lumber, an 80 year old company with a location in Dover for over 50 years, celebrated a "Great Store Make Over" in July of 2012. In 1961, Carter Lumber purchased the former Bruce Lumber renaming the store Cashway Lumber, later renaming it again to Carter Lumber. For many years two stores operated on the site, one showroom for lumber, building materials and hardware. The second showroom sold plumbing, electrical, heating, kitchen and bathroom construction projects. The remodel combined the two showrooms into one in a 6,400 square foot space. The company is privately owned and has grown to 160 stores in ten states.

Tremcar USA, established a branch of their operation in October of 2011, located at 317 E. Broadway in the Reeves Mill Business Park of the Tuscarawas County Port Authority. Tremcar plans to hire 145 employees between its Dover and Strasburg locations, with most of them being employed at the Dover plant. The business expansion has been attributed to the recent natural gas and oil boom in Ohio and Pennsylvania.

Union Hospital is a great asset to the City of Dover. Not only is it our City's largest employer, it is a nationally ranked and award winning hospital. In 2012, Union Hospital was recognized for more clinical quality achievements than ever before. The hospital received the HealthGrades top "Five Star" rating for Orthopedic services, the treatment of heart failure, and GI bleeds. Excellence awards were presented for the Critical Care, Emergency Medicine, Pulmonary Care and Patient Safety by HealthGrades in 2012. To have a local hospital that is ranked among America's 100 BEST in any area of care is a real accomplishment and Union Hospital has that distinction.

## **Major Initiatives**

### ***For the Year***

On September 17, 2012, Dover City Council passed an Ordinance to impose a 3 percent lodging tax for establishments offering sleeping accommodations to guests and in which there are five or more rooms, starting on January 1, 2013. Currently this tax affects three local motels. The tax revenue will be deposited into the general fund. Issues concerning the use of this revenue were debated and it was decided to not place any restrictions on its use.

In 2012 the City started construction of a new sewage pump station near State Route 39 and 516 with a force main extending under the Sugar Creek and Interstate 77 to a manhole on Commercial Parkway at a cost of \$503,952. Tuscon, Inc performed the general construction and installation. The new pump station will accommodate the new Country Inn and Suites, the Comfort Inn and allow for future expansion in the area. The pump station has two pumps currently rated at 175 GPM each with a future capacity of 200 GPM driven by two 10 horsepower motors. The 6 inch plastic force main is 1,403 feet long.

The City of Dover's electric generating plant is one of four its size in Ohio. The construction of the electric plant was a hard fought battle by the City's administration more than 100 years ago. The plant was completed and opened its doors in 1910. The City's Mayor, Richard Homrighausen, is very active in all aspects of the plant, serving as president of the Ohio Municipal Electric Association for many years. The organization advocates the needs of the small generating plants in Ohio. He testifies before the United States Senate Sub Committee often to provide our legislators with the voice of the communities affected by pending legislation.

Our City light plant is an immeasurable asset to the City. Our electric system supplies reliable, affordable power to the entire City with the emphasis on reliable. In the past, when the weather has knocked out power to the area, our City's electric field division is on the streets restoring power as soon as safely possible. We are fortunate to have our power restored efficiently while others are waiting. Reliable power is an advantage to every business in the City, as well as, every power customer. Affordability is a direct result of a diversified power portfolio and our ability to generate power ourselves. The City is always looking for ways to save the citizens and be responsible in our choices.

2012 was a year for maintenance and upgrades to the City's largest asset. The Dover Light Plant continues to supply efficient and affordable electric to its residents and businesses for over 100 years. During the annual shut down much of the work is done to the plant. This year was no exception, the boiler, the turbine, our coal handling equipment, and various other equipment received its yearly inspection, maintenance and upgrades. The plant itself was renovated by replacing the damaged concrete floor on the mezzanine level. Two new garage doors and two emergency heating system boilers were purchased and new LED security and street lights were installed around the plant.

The City's Electric Field Division sees that the power is supplied to our consumers reliably and efficiently. Deflecto, located at the Tuscarawas County Port Authority Complex dramatically increased its need for power which the electric field division accommodated them with allowing the company to double orders in 2012. Three phase power was extended to Marlite, completing an expansion project with a 1200 amp 277/480 service. Work began at the Allied Machine expansion adding a total of five 2000 KVA transformers at project end. Residentially 102 poles were replaced and maintenance on the existing lines was done throughout the City, making the system more reliable.

### ***Department Information***

During the snow season of 2012, the first snow salting began on December 17, 2011, and we had periodic salting until March 5, 2012. The entire salting season required 748 tons of salt.

Mowing of the City's right of ways is done by the general services division. There are 50 plus locations throughout the City that are maintained by mowing and weed eating. Mowing is done weekly, bi-weekly, and monthly as required. Mowing started March 27, 2012 and went until October 15, 2012.

The leaf season started on the 29th of October, lasting 30 working days and finished on the 12th of December. Leaves were picked up using our leaf machine and two truck mounted collection boxes. Due to the wet fall, we used more of the loader and dump trucks to complete the removal. For the entire process, we used 944 gallons of diesel fuel and 936 man-hours.

The City of Dover's mini dump was used primarily as a collection area again this year for the brush, construction materials and cement that we collected from the 1,356 brush slips received throughout the year. A vacant lot near our City's Light Plant was utilized as drop off area for Earth and Woods of North Canton. At no charge to the City the company recycled the debris to make mulch. Construction materials were disposed of at Kimble's Landfill at a cost of \$9,772.

The street sweeper logged 127 days in 2012, the majority of the sweeping was done on Sunday nights. The painting program consisted of 30 plus miles of streets along with 530 parking stalls, 98 crosswalks,

31 turnbays, 18 railroad crossings emblems and 5 delineators. The total supplies for the program consisted of 285 gallons of yellow paint, 145 gallons of white paint and 2,680 lbs of glass reflective beads.

The general services division also maintains traffic control devices. There are 29 traffic light systems, 12 four way flasher/warning flashers, and 8 school speed limit light systems in the City of Dover. Signs are also a big part of our program with 119 new signs and 25 new posts being installed in 2012. The majority of these signs are installed to replace old worn signs and stolen or damaged ones, while others are to keep in compliance with the Ohio Uniform Traffic Code. Electric Field transferred a bucket truck for use in the street department and 48 traffic light bulbs were replaced this year.

Dover City Parks Department continues to be a great asset to the City. The department offers recreational men's, women's and co-ed leagues for softball, bocce, volleyball and basketball. Summer activities include a youth basketball camp, tennis, golf, and swimming lessons. Summer youth baseball and softball continues to be very popular along with the pool and our disc golf course. In 2012, the parks department hosted the City's annual end of summer celebration which featured a day of music, car/motorcycle show and food. The evening was topped off by an impressive fireworks display, sponsored by two local businesses, Kimble Recycling and Disposal and Gales Recycle-it

The City park is always a busy place in the summer. The department operates two concession stands and is home to a state of the art playground donated in part to the City from a host of sponsors. Our picnic shelters had 51 reservations and the pool was rented 58 times. Memorial Hall which consists of a dining hall, meeting rooms and a gym received \$72,701 in rental fees throughout 2012.

The parks department also is responsible for the shade tree program. In 2012, 159 trees were maintained and 48 trees were removed. The City is proud to be a Tree City USA recipient for 31 consecutive years and hosted the annual Tree City USA awards ceremony in 2012.

The parks department also completed various projects throughout the year. The tennis courts were resealed and repainted US Open blue, the pool room was renovated and two lift chairs were installed at the City pool along with the yearly maintenance.

The Dover Police Department was kept busy in 2012. The department received 8,721 calls, investigated 351 traffic accidents, 44 of those involving injuries and with no fatalities. The department investigates all infractions of State law and City Ordinances.

The Police Department continued to provide services such as escorts for bank deposits, funeral escorts, and unlocking citizens' car doors and checking citizens' homes while they are away for an extended period. The department provides security for the festivals held in Dover and for traffic control for parades and the various runs that take place throughout the year. Investigation into private property vehicle accidents is also provided. The Department maintains 6 marked cruisers, 2 unmarked vehicles and a specially equipped Special Response Team van. The team consists of five officers specially trained to handle difficult situations.

The Police Department continued to support the residents of Dover with their yearly participation in community service programs such as the Fourth Grade Bicycle Safety Program, National Child Safety Program for grades K – 5, and Halloween Safety program for grades 1 – 6. The Department also participated in programs sponsored by the Tuscarawas Safe Kids Coalition, such as the TEEN Rodeo at the Tuscarawas County Fairgrounds involving students from all of the County's school districts. The Department is also involved with the Safe Kids/Healthy Kids day in May of 2012. All of the programs consist of officers working with others to provide information to the Dover school children promoting safety and good choices.

The City's Electric Field division received two awards from AMP in 2012. The first being a safety award for no time lost in 2011. The City continually offers safety training and supplies the employees with fire retardant arc flash related gear. The second award was for energy conservation; this award was achieved by replacing existing street lights with more energy efficient lighting. The electric field employees also provide year-long community service by installing banners and temporary wiring for all of the downtown events. The employees are responsible for decorating the downtown for the Christmas season and without their attention to detail, the City would never be able to light the downtown and surrounding areas all at once on the evening of our Christmas holiday parade.

Dover's Water/Wastewater Departments are working year-long to maintain and improve our systems. In 2012 seven water main valves were installed, repairs were made on 23 water service leaks and twenty six new water services were installed. In order to ensure fire protection for the City, the department replaced six fire hydrants and rebuilt six more.

The Water department annually prepares a Consumer Confidence Report which provides users with information about their drinking water. This report is available on the City web site.

In 2012, the City of Dover Wastewater department worked on lift stations for 65 days, cleaned sewer lines on 126 occasions, conducted 29 sewer inspections and responded to 46 sewer calls. Sewer lift station operations are checked upon daily by department employees.

We are very proud of the services provided to our City's residents and applaud the efforts of our departments in maintaining a progressive approach to management and continually upgrading their education and licenses as well as implementing new ideas to make the City services they provide to its citizens the best they can be.

***For the Future*** Dover continues to strive to improve upon its desirability as a place to reside, worship and conduct business in Tuscarawas County. Short term and long term goals are set yearly and every effort is made to realize each goal. It is a primary focus of the City's administration to prioritize and achieve these goals for the betterment of the citizens of the City of Dover.

The future for most municipalities like the City of Dover is one of economic uncertainty, however, the City of Dover will continue to use every asset and every economic tool available to maintain existing businesses and entice new business to the area.

A goal every year is to provide the citizens of Dover with the same or a better level of service than that of the previous year. We would like the Citizens of Dover to have a City to be proud of and that cares for their changing needs while maintaining a fiscally sound base.

***Department Focus*** Each year we choose a department to highlight. This year we would like to put our focus on the Cemetery Department.

The City of Dover owns and operates three cemeteries, the largest one being the Dover Burial Park. The department keeps busy year round by consistently maintaining and improving the properties. In 2012, removal of old juniper plantings at the entrance to the burial park throughout the older sections, created 11 additional burial spaces for future sales. Another project was the Fourth Street cemetery's wrought iron fencing, the fence was in need of repair or replacement. The repairs were done with aluminum posts and U-bolts. The fence was painted flat black to replicate its past color. The last project is the development of a Veterans section at the Dover Burial Park. 140 burial spaces were reserved and in the middle of the section, department employees with help from our building inspector installed a 5' by 75' colored walkway that has a stamped flagstone look that was freehanded by department employees. The walkway leads up to a new granite Veterans Memorial which is featured on the cover of this report. In 2012, 79 ground spaces were sold, 4 mausoleum crypts, 5 cremation niches and 11 scattering rights. There were 124 interments, 74 ground burials, 46 cremations, and 6 cremation scatterings.



The Cemetery land has been leased for many years and has a small producing gas well. In 2012, the City leased with Lake Region Oil for five years and received a bonus payment of \$245,455. It was decided by City Council to place 25 percent of all proceeds from the well into the cemetery fund and the remaining 75 percent were receipted into the master capital fund. The logic behind the decision was based on the master capital fund money is used for the purchase of land, improvements and equipment for all governmental funds including the cemetery fund.

We are very proud of our cemeteries, they are well-kept, beautifully landscaped properties providing Dover's citizens with a picturesque final resting place. The cemeteries provide choices and respectfully accommodate families during a most difficult time. We commend the work done by the department.

### **Long Term Financial Planning**

The City ensures there are funding sources for all projects it undertakes. A portion of the City's income tax is allocated to the master capital fund to help provide considerable pay-as-you-go financing of governmental capital projects and capital assets. Traditionally, the City has funded projects for our enterprise funds by issuing mortgage revenue bonds and bond anticipation notes as necessary. In 2011, the City issued a general obligation bond to pay off all of its outstanding bond anticipation notes. The City does not plan to issue any debt in the near future, we plan to scrutinize every project and use the means available to us to complete any necessary improvements. Our Wastewater treatment plant is funded by a low interest loan through the Ohio Water Development Authority (OWDA). The City also has secured a loan for our portion of the Tuscarawas Avenue Bridge project through the State Infrastructure Bank. A no interest loan was obtained through the Ohio Department of Development to be used as part of the financing for the Wills Avenue storm sewer project.

One project that continues to be a long term goal is the construction of a New City Hall. This project will take years to plan, design and build. The City is taking the necessary steps to secure the financing by informally setting aside income tax money for a down payment. The City leaders realize a New City Hall requires careful planning before embarking on such a major undertaking. The commitment to the project is sincere as is the commitment to doing whatever it takes to keep the City in good financial standing for many years to come.

### **Relevant Financial Planning**

The financial planning for the City is based many times upon need. For example, in compliance with Ohio law, the City of Dover collects a kilowatt per hour tax; this tax revenue is to be receipted in the general fund in an effort to offset the general fund's loss of other revenues related to electric. The City has passed legislation that allows the transfer back to the the electric fund based on need. Yearly, it is decided upon, by the administration and the finance committee of City Council, which fund will be the recipient of all or part of this revenue.

The split of our City's income tax revenue has been addressed elsewhere in the report; however, the practice of allocating 40 percent of our income tax revenue to the master capital fund continues to be a most valuable tool. In the time of financial downturn the percentage can be lowered to allow for additional yearly revenue for operating expense, but otherwise, 40 percent of income tax revenue is used to maintain and grow our City, providing infrastructure and enhancements to serve our citizens. In 2012, only 25 percent of income tax was allocated to the master capital fund, as operating funds benefited from the additional revenue.

The financial condition of the City is reviewed by the finance committee of City Council through reports from both the Auditor and Mayor. Recommendations are submitted and either acted upon by the committee or taken under advisement for the future.

The City of Dover's present operations, current financial condition, and the future are reviewed, executed and planned as a cooperative effort of dedicated elected officials and administrative staff with a single goal in mind, to make Dover citizens proud to call this City home.

**Awards**

**GFOA Certificate of Achievement** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dover for its Comprehensive Annual Financial Report for the year ended December 31, 2011.

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

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

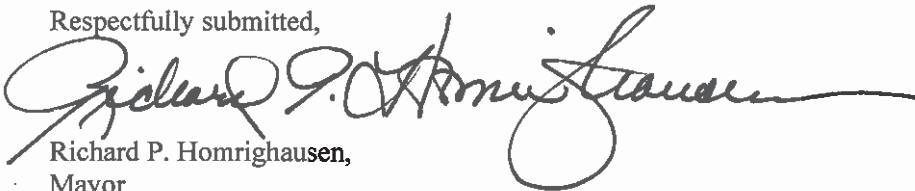
**Tree City USA** The City received its thirty-first Tree City USA Award for the year ended December 31, 2012. These prestigious awards recognize the City for its annual program of planting new trees and maintaining and removing old trees. Dover has been the second longest recipient of this award at the City level.

**Acknowledgments**

The preparation of the Comprehensive Annual Financial Report requires a major effort. We would like to thank everyone who has been involved in this report either directly or indirectly. The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the City Auditor's office and the supervisors of other City departments, and both the Audit and the Local Government Services sections of the Auditor of State Dave Yost's office.

We are happy to report that the City's financial policies and management have enabled Dover to continue to provide a sound financial condition. Each year we renew our commitment to implement responsible and progressive changes in order to improve our responsiveness to the citizenry and to insure the financial stability of the community. We extend our appreciation to City Council for its support and commitment to responsible fiscal reporting.

Respectfully submitted,



Richard P. Homrighausen,  
Mayor



Mary J. Fox  
Auditor

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Dover  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2011

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.



*Christopher P. Movill*

President

*Jeffrey R. Enos*

Executive Director



**City of Dover, Ohio**  
*Principal Officials*  
*December 31, 2012*

Mayor..... Richard P. Homrighausen  
President of Council..... Timothy W. Tarulli  
Councilman – Ward I..... Gregory M. Bair  
Councilman – Ward II ..... Shane Gunnoe  
Councilman – Ward III ..... Sandra K. Moss  
Councilman – Ward IV ..... Robert A. Mueller  
Council-at-Large ..... Tony Korn  
Council-at-Large ..... Joseph A. Parolini  
Council-at-Large ..... Donald H. Maurer  
Clerk of Council..... Julie L. Leggett  
Law Director ..... Douglas J. O’Meara  
Building Inspector..... Jeffrey C. Beitzel  
Civil Service..... Mildred Frum

Finance Department

Auditor ..... Mary J. Fox  
Treasurer ..... Nicole L. Stoldt  
Income Tax Administrator ..... Cheryl J. Saylor

Safety Department

Safety Director ..... Tweed Vorhees  
Fire Chief ..... Russell R. Volkert  
Police Chief..... Joseph M. Ball

Service Department

Service Director ..... David F. Douglas  
Cemetery ..... Scott Harmon  
Electric Distribution..... Thomas M. Johnson  
Electric Plant ..... David A. Filippi  
General Services ..... Rick D. Young\*  
Parks and Recreation..... Scott A. Jerles  
Utilities Office ..... Susan Solvey\*\*  
Water and Sewer ..... Mark R. Keyser

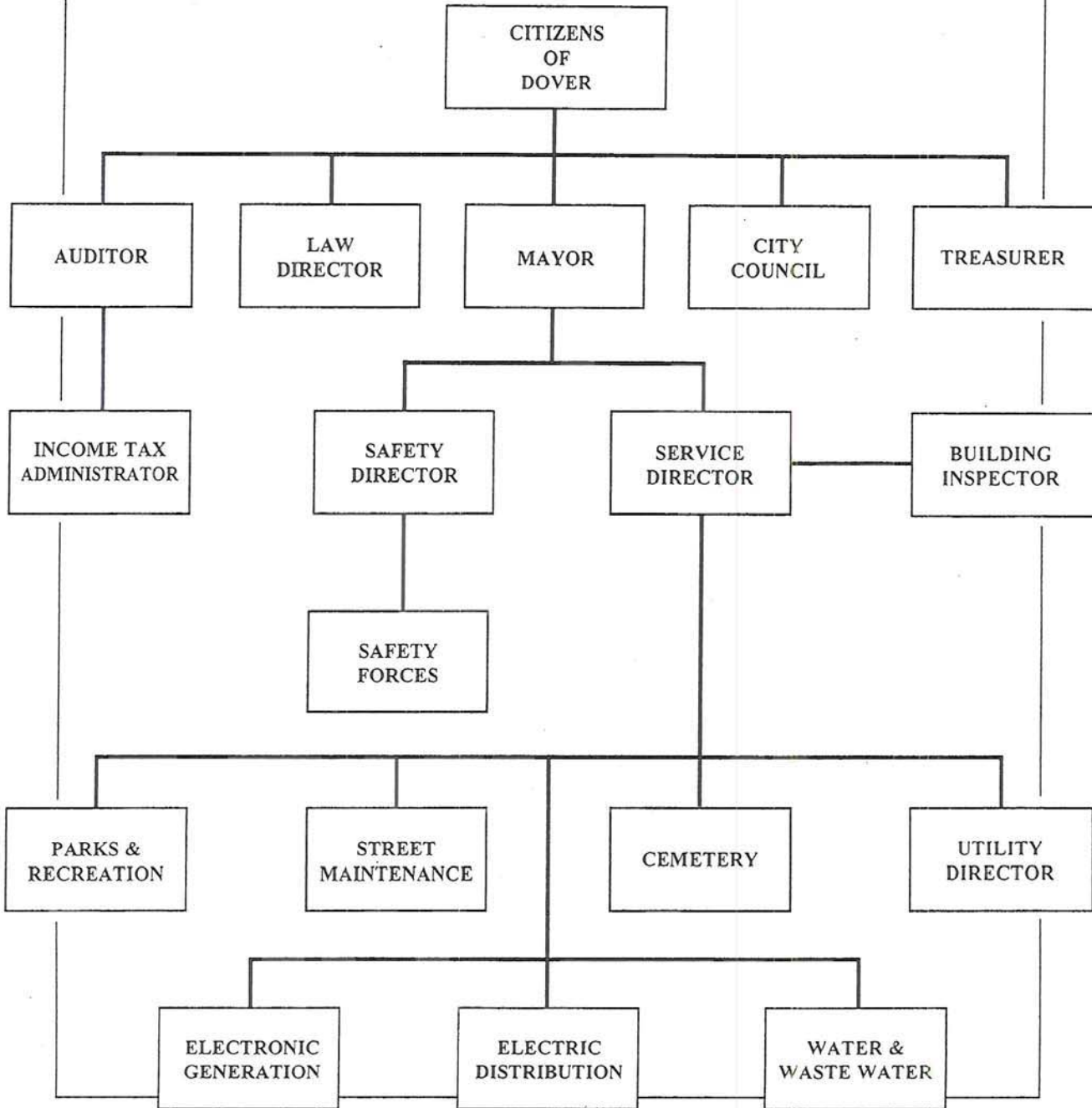
\*As of January 1, 2013, this position is held by Kenny Young.

\*\* As of January 1, 2013, this position is held by Beth Jones.



# CITY OF DOVER, OHIO

Organization Chart



# Financial Section



THE CITY OF **DOVER, OHIO**



[www.doverohio.com](http://www.doverohio.com)

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

City of Dover  
Tuscarawas County  
122 East Third Street  
Dover, Ohio 44622

To the Honorable Mayor and City Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, Tuscarawas County, Ohio (the City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, Tuscarawas County, Ohio, as of December 31, 2012, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, and *required budgetary comparison schedules* as listed in the Table of Contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

#### *Supplementary and Other Information*

Our audit was conducted to opine on the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. 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 statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2013, on our consideration of the City'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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

Columbus, Ohio

June 26, 2013

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**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2012*  
*Unaudited*

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The discussion and analysis for the City of Dover's financial statements provides an overall review of the financial activity of the City for the twelve months ended December 31, 2012. The intent of this discussion is to provide a narrative that describes the City's performance as a whole. To obtain a more detailed understanding, one should also review the transmittal letter and the basic financial statements.

**Financial Highlights**

Financial highlights for 2012 are as follows:

2012 was a year of planning for the future. Loans and bonds have been secured for all of the City debt. Knowing what the payments will be for several years allows the City to make some long range plans for capital purchases and expansion. A new city hall and north end fire station have been a goal of the City for a very long time. In 2012 the City started setting aside monies for that purpose. Each year we will continue the practice and will pay cash for as much of the costs of construction that we can.

The practice of putting aside money for future purposes is not new to the City. We have been accumulating money each year to purchase a pumper with aerial stream capability for the Fire Department. Our Fire Chief found an opportunity to purchase a 2004 KME/Snozzle 2000 gallon per minute pumper with a 55 foot articulated master stream device from Berwick Pennsylvania Eagle #2 Fire Company. The truck was advertised for bids, and the City of Dover was the highest bidder. The truck was purchased for \$300,000. The acquisition of this vehicle puts the Fire Department's vehicle replacement program well ahead of schedule.

As State funding is being cut at many levels, the City has found it necessary to change our practice of placing 40 percent of our income tax revenue into master capital fund. In 2012, we placed 25 percent of income tax collections into the fund for projects, leaving the additional 15 percent to be used for operating expenses.

In September of 2012, the City passed an ordinance effective January 1, 2013, to enact a three percent lodging tax for any establishment which 5 rooms are provided for the accommodation of guests. The monies are to be deposited into the general fund and there is no specific use attached to the additional income. The tax was passed in an effort to help offset revenue losses as a result of budget cuts and changes passed by the State of Ohio.

**Using this Annual Financial Report**

This report is designed to allow the reader to look at the financial activities of the City of Dover as a whole and is intended to allow the reader to obtain a summary view or a more detailed view of the City operations, as they prefer.

The Statement of Net Position and the Statement of Changes in Net Position provide information from a summary perspective showing the effects of the operations for the year 2012 and how they affected the operations of the City as a whole.

***Reporting the City of Dover as a Whole***

*Statement of Net Position and Statement of Activities*

The Statement of Net Position and the Statement of Activities provide summary information concerning the financial position and operations of the City as an entity. They provide a good resource for an overall

**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2012*  
*Unaudited*

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evaluation of the City's financial performance "on one page." These statements include all non-fiduciary assets and liabilities using the accrual basis of accounting. This method takes into account all revenues when they are earned and all expenses when they are incurred. These transactions are booked when they occur and not when the actual cash is received for revenues or when invoices are paid for expenses.

These two statements report the City's net position and changes in that position. The change in net position is important since it is an indication of whether the financial position of the City is improving or declining. However, to properly evaluate the operation of the City, certain non-financial items should be taken into consideration. These items would include the current economic situation as a whole, the current tax base for the City and the age and condition of the City's buildings and infrastructure.

In the Statement of Net Position and the Statement of Activities, the City is divided into two major activities:

- **Governmental Activities** - Most of the City's programs and services are reported here, including general government, security of persons and property, transportation, public health services, community environment, basic utility services, and leisure time activities.
- **Business-Type Activities** - These services are provided on a fee basis to recover all of the expenses of the goods or services provided. The City's business-type activities are sewer, electric and water.

***Reporting on the Most Significant Funds of the City of Dover***

***Fund Financial Statements***

The analysis of the City's major funds begins on page 9. The fund financial reports give a detailed report of the activities within the funds. The City currently has nineteen funds. These funds are in existence to provide a multitude of services to the citizens of Dover. Each fund is in some ways an entity unto itself. Each fund has a designed revenue stream and restricted uses for the monies within the fund.

In this report, the focus is on five major funds, the general fund, the master capital fund, the sewer fund, the electric fund, and the water fund. For purposes of this report, the sewer revenue and wastewater reserve are reported as the "sewer fund." Likewise, the electric revenue, guarantee deposit, electric replacement and improvement, electric system construction, electric system capital reserve, electric surplus, and the municipal electric improvement are all reported under the "electric fund" and the water revenue, water surplus, water construction and the water replacement and improvement are reported as the "water fund."

***Governmental Funds*** All of the City's major activities (excluding the Water, Sewer and Electric funds) are reported in the governmental funds. This report shows how monies flow into and out of these funds and also shows what balances are available for future expenditures. The accounting method used to report this activity is the modified accrual method. This method reports cash and like-cash items that can be converted into cash. This shows what level of financial resources is available or will be available to provide the services that the general government provides in the near future. These services include police and fire protection, as well as improving and maintaining the City's streets, parks, cemeteries, and City Hall. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and the government funds is reconciled in the financial statements.

***Proprietary Funds*** Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match, except for the internal service fund allocations.

**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2012*  
*Unaudited*

**The City of Dover as a Whole**

The Statement of Net Position provides an overall view of the City. Table 1 shows a summary of the City's net position for 2012 as they compare to 2011.

**Table 1**  
*Net Position*

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
<b>Assets</b>						
Current and Other Assets	\$9,239,385	\$9,410,637	\$17,647,168	\$17,699,777	\$26,886,553	\$27,110,414
Capital Assets, Net	17,376,043	17,515,193	49,874,139	51,278,409	67,250,182	68,793,602
<b>Total Assets</b>	<b>26,615,428</b>	<b>26,925,830</b>	<b>67,521,307</b>	<b>68,978,186</b>	<b>94,136,735</b>	<b>95,904,016</b>
<b>Deferred Outflows of Resources</b>	<b>0</b>	<b>0</b>	<b>88,275</b>	<b>98,533</b>	<b>88,275</b>	<b>98,533</b>
<b>Liabilities</b>						
Current Liabilities	1,140,066	1,068,005	3,991,744	2,609,424	5,131,810	3,677,429
Long-Term Liabilities						
Due Within One Year	412,407	316,129	1,484,444	1,381,220	1,896,851	1,697,349
Due in More Than One Year	4,498,770	4,774,030	26,954,222	29,063,569	31,452,992	33,837,599
<b>Total Liabilities</b>	<b>6,051,243</b>	<b>6,158,164</b>	<b>32,430,410</b>	<b>33,054,213</b>	<b>38,481,653</b>	<b>39,212,377</b>
<b>Deferred Inflows of Resources</b>	<b>855,320</b>	<b>850,093</b>	<b>0</b>	<b>0</b>	<b>855,320</b>	<b>850,093</b>
<b>Net Position</b>						
Net Investment in Capital Assets	14,711,043	14,781,422	22,222,982	22,166,479	36,934,025	36,947,901
Restricted for:						
Cemetery	761,140	697,975	0	0	761,140	697,975
Street Maintenance and Repair	365,516	365,841	0	0	365,516	365,841
Revolving Loan Program	472,259	529,605	0	0	472,259	529,605
Law Enforcement and Education	40,207	39,141	0	0	40,207	39,141
Debt Service	0	0	1,411,713	1,485,064	1,411,713	1,485,064
Capital Projects	52,257	104,782	0	0	52,257	104,782
Replacement and Improvement	0	0	2,723,960	2,517,111	2,723,960	2,517,111
Unrestricted (Deficit)	3,306,443	3,398,807	8,820,517	9,853,852	12,126,960	13,252,659
<b>Total Net Position</b>	<b>\$19,708,865</b>	<b>\$19,917,573</b>	<b>\$35,179,172</b>	<b>\$36,022,506</b>	<b>\$54,888,037</b>	<b>\$55,940,079</b>

In total the City's net position showed increases for the year with the retirement of long-term debt being a significant factor in the increase.

The City of Dover makes a conscious effort to grow and maintain the City's services and assets while paying down debt and maintaining fund balances to help meet current needs.

**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2012*  
*Unaudited*

Table 2 shows the changes in net position for 2012 for both governmental and business-type activities.

**Table 2**  
*Change in Net Position*

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
<b>Revenues</b>						
Program Revenues						
Charges for Services and Sales	\$1,369,396	\$1,663,639	\$26,768,905	\$25,173,175	\$28,138,301	\$26,836,814
Operating Grants and Contributions	662,201	696,723	0	0	662,201	696,723
Capital Grants and Contributions	421,632	1,165,114	0	0	421,632	1,165,114
<b>Total Program Revenues</b>	<b>2,453,229</b>	<b>3,525,476</b>	<b>26,768,905</b>	<b>25,173,175</b>	<b>29,222,134</b>	<b>28,698,651</b>
General Revenues						
Property Taxes	883,442	899,497	0	0	883,442	899,497
Income Taxes	6,179,041	6,577,617	0	0	6,179,041	6,577,617
Grants and Entitlements	1,406,047	1,868,255	0	0	1,406,047	1,868,255
Investments	29,144	61,496	913	975	30,057	62,471
Miscellaneous	549,004	267,158	904,590	633,331	1,453,594	900,489
<b>Total General Revenues</b>	<b>9,046,678</b>	<b>9,674,023</b>	<b>905,503</b>	<b>634,306</b>	<b>9,952,181</b>	<b>10,308,329</b>
<b>Total Revenues</b>	<b>11,499,907</b>	<b>13,199,499</b>	<b>27,674,408</b>	<b>25,807,481</b>	<b>39,174,315</b>	<b>39,006,980</b>
<b>Program Expenses</b>						
General Government	1,809,857	1,284,689	0	0	1,809,857	1,284,689
Security of Persons and Property	5,094,116	4,647,659	0	0	5,094,116	4,647,659
Transportation	1,879,829	2,186,664	0	0	1,879,829	2,186,664
Public Health Services	808,220	788,705	0	0	808,220	788,705
Community Environment	188,273	115,729	0	0	188,273	115,729
Basic Utility Services	629,555	570,453	0	0	629,555	570,453
Leisure Time Activities	1,134,362	1,007,014	0	0	1,134,362	1,007,014
Interest and Fiscal Charges	164,403	40,903	0	0	164,403	40,903
Enterprise Operations:						
Sewer	0	0	3,670,590	3,518,361	3,670,590	3,518,361
Electric	0	0	22,992,501	20,818,346	22,992,501	20,818,346
Water	0	0	1,854,651	1,931,539	1,854,651	1,931,539
<b>Total Program Expenses</b>	<b>11,708,615</b>	<b>10,641,816</b>	<b>28,517,742</b>	<b>26,268,246</b>	<b>40,226,357</b>	<b>36,910,062</b>
Increase (Decrease) in Net Position	(208,708)	2,557,683	(843,334)	(460,765)	(1,052,042)	2,096,918
Net Position Beginning of Year	19,917,573	17,359,890	36,022,506	36,483,271	55,940,079	53,843,161
<b>Net Position End of Year</b>	<b>\$19,708,865</b>	<b>\$19,917,573</b>	<b>\$35,179,172</b>	<b>\$36,022,506</b>	<b>\$54,888,037</b>	<b>\$55,940,079</b>

**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2012*  
*Unaudited*

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***Governmental Activities***

The funding for the governmental activities comes from several different sources, the most significant being the municipal income tax. Other prominent sources are property taxes, grants and entitlements, charges for services, and investment interest.

The City's income tax was established by ordinance to be effective January 1, 1970 at a rate of 1 percent. In the November election of 2006, the voters voted to increase the income tax rate by ½ percent. There is no restriction on how the additional ½ percent is to be used. The income tax accounted for revenues of \$6,179,041 in 2012. By City ordinance, income tax proceeds, after income tax department expenditures, are credited to the following funds: 40 percent of the net income tax to the master capital, capital projects fund and the remaining balance divided between the cemetery special revenue fund, the street maintenance and repair special revenue fund, the police and fire pension special revenue fund and the general fund. In 2010, the City changed the practice of putting 40 percent of income tax revenue to 20 percent into the master capital fund which was increased to 25 percent in 2012. This practice continues to be an excellent tool in making capital improvements, maintaining City streets and purchasing equipment. The City has had to reduce the percentage to the master capital fund before to cover the expenses outpacing revenue in the operating funds. It is the plan to review this practice on a yearly basis in an effort to ensure good operating balances along with ample dollars for capital improvements.

Security of persons and property represent the largest expense of the governmental activities and includes the police and fire departments. The yearly expense slightly increased as compared to 2011. This increase is a result of wage increases for employees and higher health care costs. Both of these departments are paid out of the general fund.

Our fire department employs 18 full time employees including the Chief. The City is committed to maintaining a very efficient department. Regular meetings, drills and training sessions are held. There is a strong emphasis on equipment with financial planning in place for replacement of worn equipment on a regular basis. The department's functions include firefighting, emergency medical service (including paramedic service), fire prevention education and investigation. The department also contracts with Dover Township to provide firefighting and emergency medical services. The revenues generated by this contract are reported under the charges for services area.

Our police department is a full-time, 24 hour a day, 365 days a year department with 22 officers, including a full time Chief.

Our street maintenance and repair and traffic department employs 15 full time employees who provide the City and its citizens many services that include public road salting, leaf and debris pickup, paint striping and alley profiling. Transportation expenses decreased from 2012. This decrease is primarily the result of the department working with fewer employees.

The City also maintains three cemeteries (public health services) and two parks (leisure time activities) within the City. Both of these expenses increased from 2011, due to wage increases for employees.

**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2012*  
*Unaudited*

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***Business-Type Activities***

The City also operates a Utility Department that consists of three utilities. The largest from an asset and revenue standpoint is the electric utility. This utility consists of a coal fired generation plant and distribution system that serves the City and surrounding area with reliable and competitively priced power. In 2012, the electric utility generated \$21,496,934 in charges for services revenue. In 2001, the City entered into a joint venture project with other municipalities and AMP (American Municipal Power) to ensure the availability and consistent pricing when purchasing peak power. The City is always looking for ways to generate and purchase the most affordable power to the Citizens of Dover. Our mayor remains involved on a daily basis with other electric communities partnering and exploring all avenues of the electric industry to continue to provide this unique high quality service to Dover.

The water utility serviced 5,609 consumers with a minimum daily pumpage of 1.24 million gallons and a maximum daily pumpage of 3.29 million gallons in 2012. The water plant was put into service in 1998. The raw water is supplied through four wells currently in service into the plant where the water is treated with chlorine and filtered through green sand filters and distributed throughout the City. The City has three water towers.

The sewer facility processed an average of 1,398,410 gallons per day during 2012 and serves 5,504 customers. The sewer plant expansion was a major project for the City. This \$13 million expansion broke ground in 2007. The City has paid for the engineering and design through the sewer fund and funded the remainder with a loan through the Ohio Water Development Authority for the construction phase of the project. The City began to repay the 20 year loan in June of 2009. The new sewer plant was being tested throughout 2009. The new 3 million gallon per day Membrane Bioreactor (MBR) Plant utilizes modern technology that requires trained and vigilant operators. The plant is manned 24 hours per day 7 days per week.

The revenues and expenses for all three of these utilities are reported under the business-type activities on Table 2. The majority of the City's revenues and expenses flow through the business-type activities. The revenues are generated primarily from charges for services. In 2012, charges for services accounted for approximately 96.7 percent of the revenues. The total expenses for the utilities increased from 2011 due to increases in purchased power and salaries but revenues increased as well, more than offsetting the expenses. The City had an increase in net position for the business-type activities.

***The City's Funds***

Information about the City's governmental funds begins on page 18. These funds are accounted for using the modified accrual method of accounting. The general fund had revenues of \$7,082,666 and expenditures of \$7,250,227, resulting in an excess of expenditures over revenues. An increase in all expenditure categories led to the overall decrease in fund balance as compared to 2011. The master capital fund had revenues of \$2,096,211 and expenditures of \$1,709,621, leaving an excess of revenues over expenditures. The income tax allocated to the master capital fund has always been the source of revenue for many projects such as the purchase of land and equipment and improvements to infrastructure. In 2012, the master capital fund received 25 percent of income tax collections, allowing many smaller projects to be funded and completed. It is a practice of the City to pay cash for items such as fire trucks. Sinking funds are only utilized when necessary. The City's funds are monitored consistently with adjustments made throughout the year in budgets to accommodate yearly revenues.



**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2012*  
*Unaudited*

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The one fund that consistently exceeds our expense expectations is our employee health insurance fund. Our medical/surgical and dental benefit plans have been self-funded since 1988. An ordinance was passed in 2012 to increase the premium by \$300 monthly and allow for an additional \$100 per employee per month to be contributed to the fund on an as-needed basis. We are consistently negotiating with all our unions for plan modifications and increased employee contributions to help control plan costs.

Information about the proprietary funds starts on page 23. These funds are accounted for on an accrual basis. All three funds had revenues exceeding expenses in 2012, increasing the net position of the funds. The City consistently monitors these funds and takes the required actions to ensure strength in our enterprise funds. In 2008, the City found it necessary to pass along a 25 percent water rate increase effective in January of 2009. In an effort to avoid large percentage increases in the future, a 3 percent increase will be effective in January of every year to come. This increase will allow the City to properly maintain and grow the water system for the future.

***Budgeting Highlights***

The City's budget is prepared according to the laws of the State of Ohio and is based on accounting for certain transactions on a cash basis for receipts, expenditures, and encumbrances. The City of Dover is somewhat different than many other Ohio cities its size in that the general fund is not our most significant fund. Our budget is adopted at the object level within each department. Any budgetary modifications at that level may only be made by Council action.

For 2012, general fund appropriations were modified by Council several times. Final budgeted revenues and final appropriations were both higher than their respective original amounts due to revised estimates in several revenue categories and all expenditure categories. Actual revenues were higher than the final budgeted revenues due to higher income tax collections, intergovernmental revenues, and charges for services. Actual expenditures were lower than the final appropriations due to conservative budgeting.

All recommendations for appropriation changes come to Council from the City Auditor. The Finance Committee of Council reviews them, and they make their recommendation to the Council as a whole.

Strong emphasis is placed on fund balances. The City Auditor reviews fund balances on a daily basis. Special attention is paid to the operating funds, which are the general, street maintenance and repair, cemetery, electric, sewer, and water funds. Council also receives a monthly report showing beginning fund balance for all funds at the beginning of the year, the change in the balance thus far year to date, and the current fund balance.

Line item reports are reviewed regularly by the City Auditor to ensure spending is within the legal level. The managers and superintendents, as well as the Utility and Safety Service Directors, also monitor their appropriations and fund balances to ensure the entire operation of the City operates within the appropriations.

**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2012*  
*Unaudited*

**Capital Assets**

(Table 3)  
 Capital Assets at December 31  
 (Net of Accumulated Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land	\$1,317,313	\$1,305,813	\$435,066	\$435,066	\$1,752,379	\$1,740,879
Construction in Progress	0	1,699	184,245	198,808	184,245	200,507
Buildings	2,027,712	2,046,163	21,296,087	21,894,847	23,323,799	23,941,010
Improvements other than Buildings	1,011,550	1,033,218	1,595,809	1,739,997	2,607,359	2,773,215
Equipment and Machinery	1,422,742	1,479,050	8,440,997	9,079,705	9,863,739	10,558,755
Furniture and Fixtures	10,115	5,794	47,475	54,486	57,590	60,280
Vehicles	982,909	697,459	349,904	419,556	1,332,813	1,117,015
Infrastructure	10,603,702	10,945,997	17,524,556	17,455,944	28,128,258	28,401,941
<b>Total Capital Assets</b>	<b>\$17,376,043</b>	<b>\$17,515,193</b>	<b>\$49,874,139</b>	<b>\$51,278,409</b>	<b>\$67,250,182</b>	<b>\$68,793,602</b>

Total capital assets for the City of Dover for the year ended December 31, 2012, decreased as compared to 2011. This decrease is due to annual depreciation outpacing the 2012 additions to capital assets. Capital asset activity for 2012 is provided in Note 11.

**Debt**

The outstanding debt for the City of Dover as of December 31, 2012, was as follows:

(Table 4)  
 Outstanding Long-term Obligations at Year End

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Police and Fire Pension	\$259,750	\$266,551	\$0	\$0	\$259,750	\$266,551
General Obligation Bonds	2,604,102	2,705,897	6,796,726	7,087,343	9,400,828	9,793,240
Revenue Bonds	0	0	9,666,534	10,658,220	9,666,534	10,658,220
State Infrastructure						
Bank Loan	762,898	859,474	0	0	762,898	859,474
OPWC Loan	95,000	100,000	0	0	95,000	100,000
OWDA Loan	0	0	11,206,348	11,753,270	11,206,348	11,753,270
Notes Payable	0	0	0	0	0	0
<b>Total</b>	<b>\$3,721,750</b>	<b>\$3,931,922</b>	<b>\$27,669,608</b>	<b>\$29,498,833</b>	<b>\$31,391,358</b>	<b>\$33,430,755</b>

This balance reflected a decrease from the previous year's balance. Debts were reduced as principal payments were made.

The utility department carries the vast majority of the debt, the largest debt being that of the electric utility. Utility debt includes revenue bonds, OWDA loan and general obligation bonds that were issued for major upgrades to the power plant.



**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2012*  
*Unaudited*

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In 2004, the water utility refunded their 1994 waterworks system revenue bond. The new issue is scheduled to be paid off in 2022. In 2005, the electric utility refunded their 1995 municipal electric system revenue bonds, the 2005 bonds are scheduled for payoff in 2019. In 2009, the City began repayment of a 20 year loan from the Ohio Water Development Authority for the construction of the wastewater treatment plant.

Additional information on the City's long-term debt can be found in Note 15 of this report.

**Current Financial Issues**

Because Dover was able to take advantage of the competitive bond market last year, the City is able to forecast debt payments more accurately. Knowing what we will be paying allows us to budget more effectively with the goal of accumulating money to complete capital projects in all funds.

We have been actively purchasing new equipment and vehicles, paving our streets, expanding and maintaining water and sewer lines, and making the necessary improvements to our electric system, without issuing any debt. For now the City is not planning any additional debt issuances.

A few large projects of the year involved the Sewer fund. A new lift station was installed to accommodate the new Country Inn and Suites located on the east side of Interstate 77 next to Comfort Inn Place. A sewer lining project was ongoing throughout the year and will continue into the next few years helping with infiltration problems and our aging infrastructure.

Two sources of funding continue to offer the City flexibility in controlling revenues to the general fund. One is the KWH tax collected by the electric fund. This tax was imposed by the State as part of the legislation passed for electric deregulation. The tax collected from power sold within City limits is to be receipted in the general fund. Legislation was passed by City Council to allow the tax to be returned to the electric fund. In an effort to keep rates low, it is the City's intent to use a portion of the money in the electric fund each year unless there are significant revenue shortfalls in the general fund. In 2012, it was decided to keep one half of the revenue in the general fund balance in an effort to build the year end fund balance. The other flexible source of funding is the split of the income tax. The standard practice is for 40 percent of tax collections to be allocated to the master capital fund for capital projects; however, in 2011 that amount was reduced to 20 percent and in 2012 to 25 percent. The percentage can be adjusted yearly by City Council to aid in keeping adequate operating balances.

In 2006, the citizens of Dover passed a ½ percent tax increase which was greatly needed; however, it wasn't long before the economic downturn affected the area leaving revenue estimates falling short. In 2012, the State of Ohio's biennial budget made significant cuts to the Local Government Fund subsidies to the City along with an accelerated phase out of the personal property tax reimbursement from the State. These measures reduced 2012 revenue expectations, which were only offset by an increase in income tax collections. The City continues to work short of the prior year's staffing levels in many departments in an effort to control costs.

With a fiber optic network already in place, allowing time for an extension to their location, businesses can be offered a reliable, affordable and efficient fiber connection through the City of Dover's network. The City has been testing the system with a few business customers, and providing a connection to the local schools, hospital and the City facilities.

The City of Dover prides itself on providing reliable, affordable utility services to all its residents and reviews each project with that mission as the top priority. An economic development electric rate as a tool to attract new business to the City is being used by a few qualifying customers. This discounted rate

**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2012*  
*Unaudited*

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allows the business time to become financially stable and is conditionally offered to any business looking to locate within the City. The City continues to be involved with AMP (American Municipal Power) projects. The City along with AMP continues to research alternative methods of power generation, such as hydropower. The City's goal is to diversify our power sources, through purchased power and our own generation, to provide the most reliable power at the lowest cost to our citizens.

The strength of Dover continues to be the number of small businesses who provide the City of Dover diversity in its tax base. No one employer has more than 1,000 employees, the closest in number is 881 at Union Hospital, which continues to expand its facilities and provide new services.

The plans for the future are always made keeping a careful watch on the financial condition of the City. The City of Dover has a firm commitment to its citizens and has continued to provide a high level of services in 2013. Our goal remains to grow and meet the needs of the future while maintaining fiscal soundness. City departments are adequately staffed and the City continues to replace equipment by necessity. We are proceeding with our yearly paving program, and extending our streets and utilities to new areas based on need.

The Council and the Administration work very hard to keep the City growing and providing our Citizens with consistent service and meeting their needs. We watch our funds closely and make sure monies are budgeted to provide for proper maintenance of our equipment and facilities. Our administration and department superintendents are all involved in our budget process. Our budget is developed from the bottom up with the emphasis on good stewardship of our ratepayers and taxpayers money.

**Contacting the City's Finance Department**

This report is intended to provide our citizens and anyone interested in the financial aspects of the City of Dover a general overview of our financial operation. If there are questions, please contact Auditor, Mary J. Fox, City of Dover, 122 East Third Street, Dover, Ohio 44622, by telephone 330-343-6395 by website at [www.doverohio.com](http://www.doverohio.com) or by e-mail [mary.fox@doverohio.com](mailto:mary.fox@doverohio.com).

**City of Dover, Ohio**  
*Statement of Net Position*  
December 31, 2012

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$4,987,068	\$9,077,109	\$14,064,177
Cash and Cash Equivalents:			
Held by Trustee	0	1,446,600	1,446,600
With Fiscal Agents	4,377	49,778	54,155
Materials and Supplies Inventory	186,093	1,099,484	1,285,577
Accounts Receivable	618,983	4,550,657	5,169,640
Internal Balances	201,445	(201,445)	0
Intergovernmental Receivable	630,803	4,086	634,889
Prepaid Items	76,390	253,944	330,334
Income Tax Receivable	1,494,998	0	1,494,998
Property Taxes Receivable	886,382	0	886,382
Loans Receivable	152,846	0	152,846
Investment in Joint Venture	0	1,366,955	1,366,955
Nondepreciable Capital Assets	1,317,313	619,311	1,936,624
Depreciable Capital Assets, Net	16,058,730	49,254,828	65,313,558
<i>Total Assets</i>	<u>26,615,428</u>	<u>67,521,307</u>	<u>94,136,735</u>
<b>Deferred Outflows of Resources</b>			
Deferred Charge on Refunding	0	88,275	88,275
<b>Liabilities</b>			
Accounts Payable	150,292	227,599	377,891
Accrued Wages	144,871	126,921	271,792
Contracts Payable	92,944	3,053,168	3,146,112
Intergovernmental Payable	348,601	190,616	539,217
Matured Interest Payable	1,735	3,204	4,939
Accrued Interest Payable	7,640	54,775	62,415
Vacation Benefits Payable	278,432	201,095	479,527
Retainage Payable	2,642	46,574	49,216
Customer Deposits	0	87,792	87,792
Claims Payable	112,909	0	112,909
Long-Term Liabilities:			
Due Within One Year	412,407	1,484,444	1,896,851
Due In More Than One Year	4,498,770	26,954,222	31,452,992
<i>Total Liabilities</i>	<u>6,051,243</u>	<u>32,430,410</u>	<u>38,481,653</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes not Levied to Finance Current Year Operations	855,320	0	855,320
<b>Net Position</b>			
Net Investment in Capital Assets	14,711,043	22,222,982	36,934,025
Restricted for:			
Cemetery	761,140	0	761,140
Street Maintenance and Repair	365,516	0	365,516
Revolving Loan Program	472,259	0	472,259
Law Enforcement and Education	40,207	0	40,207
Debt Service	0	1,411,713	1,411,713
Capital Projects	52,257	0	52,257
Electric Replacement and Improvement	0	2,036,785	2,036,785
Water Replacement and Improvement	0	687,175	687,175
Unrestricted	3,306,443	8,820,517	12,126,960
<i>Total Net Position</i>	<u>\$19,708,865</u>	<u>\$35,179,172</u>	<u>\$54,888,037</u>

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2012

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$1,809,857	\$0	\$0	\$0
Security of Persons and Property	5,094,116	60,609	8,357	0
Transportation	1,879,829	0	605,844	207,769
Public Health Services	808,220	467,755	0	0
Community Environment	188,273	0	48,000	213,863
Basic Utility Services	629,555	841,032	0	0
Leisure Time Activities	1,134,362	0	0	0
Interest and Fiscal Charges	164,403	0	0	0
<i>Total Governmental Activities</i>	<u>11,708,615</u>	<u>1,369,396</u>	<u>662,201</u>	<u>421,632</u>
<b>Business-Type Activities:</b>				
Sewer	3,670,590	3,147,970	0	0
Electric	22,992,501	21,496,934	0	0
Water	1,854,651	2,124,001	0	0
<i>Total Business-Type Activities</i>	<u>28,517,742</u>	<u>26,768,905</u>	<u>0</u>	<u>0</u>
<i>Total - Primary Government</i>	<u>\$40,226,357</u>	<u>\$28,138,301</u>	<u>\$662,201</u>	<u>\$421,632</u>

**General Revenues**

Property Taxes Levied for:  
General Purposes  
Police and Fire Pension  
Income Tax Levied for:  
General Purposes  
Street Maintenance and Repair  
Cemetery  
Police and Fire Pension  
Capital Outlay  
Grants and Entitlements not Restricted to Specific Programs  
Investment Earnings  
Miscellaneous

*Total General Revenues*

Change in Net Position

*Net Position Beginning of Year*

*Net Position End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$1,809,857)	\$0	(\$1,809,857)
(5,025,150)	0	(5,025,150)
(1,066,216)	0	(1,066,216)
(340,465)	0	(340,465)
73,590	0	73,590
211,477	0	211,477
(1,134,362)	0	(1,134,362)
(164,403)	0	(164,403)
<u>(9,255,386)</u>	<u>0</u>	<u>(9,255,386)</u>
0	(522,620)	(522,620)
0	(1,495,567)	(1,495,567)
0	269,350	269,350
<u>0</u>	<u>(1,748,837)</u>	<u>(1,748,837)</u>
<u>(9,255,386)</u>	<u>(1,748,837)</u>	<u>(11,004,223)</u>
748,044	0	748,044
135,398	0	135,398
3,377,249	0	3,377,249
469,110	0	469,110
316,019	0	316,019
409,554	0	409,554
1,607,109	0	1,607,109
1,406,047	0	1,406,047
29,144	913	30,057
549,004	904,590	1,453,594
<u>9,046,678</u>	<u>905,503</u>	<u>9,952,181</u>
(208,708)	(843,334)	(1,052,042)
<u>19,917,573</u>	<u>36,022,506</u>	<u>55,940,079</u>
<u>\$19,708,865</u>	<u>\$35,179,172</u>	<u>\$54,888,037</u>

**City of Dover, Ohio**

*Balance Sheet*

*Governmental Funds*

*December 31, 2012*

	General	Master Capital	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,664,972	\$1,703,179	\$1,579,588	\$4,947,739
Cash and Cash Equivalents				
With Fiscal Agents	0	2,642	1,735	4,377
Materials and Supplies Inventory	40,992	0	145,101	186,093
Accounts Receivable	109,163	0	507,420	616,583
Intergovernmental Receivable	335,854	0	294,949	630,803
Prepaid Items	57,013	0	19,377	76,390
Income Taxes Receivable	839,360	364,447	291,191	1,494,998
Property Taxes Receivable	761,053	0	125,329	886,382
Loans Receivable	0	0	152,846	152,846
<i>Total Assets</i>	<u>\$3,808,407</u>	<u>\$2,070,268</u>	<u>\$3,117,536</u>	<u>\$8,996,211</u>
<b>Liabilities</b>				
Accounts Payable	\$30,118	\$94,590	\$25,584	\$150,292
Accrued Wages	101,256	0	43,615	144,871
Contracts Payable	588	64,092	28,264	92,944
Intergovernmental Payable	160,981	0	187,620	348,601
Matured Interest Payable	0	0	1,735	1,735
Retainage Payable	0	2,642	0	2,642
<i>Total Liabilities</i>	<u>292,943</u>	<u>161,324</u>	<u>286,818</u>	<u>741,085</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	734,086	0	121,234	855,320
Unavailable Revenue	843,393	227,210	951,245	2,021,848
<i>Total Deferred Inflows of Resources</i>	<u>1,577,479</u>	<u>227,210</u>	<u>1,072,479</u>	<u>2,877,168</u>
<b>Fund Balances</b>				
Nonspendable	103,704	0	164,478	268,182
Restricted	0	0	1,444,346	1,444,346
Committed	0	1,681,734	225,200	1,906,934
Assigned	1,042,593	0	0	1,042,593
Unassigned (Deficit)	791,688	0	(75,785)	715,903
<i>Total Fund Balances</i>	<u>1,937,985</u>	<u>1,681,734</u>	<u>1,758,239</u>	<u>5,377,958</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$3,808,407</u>	<u>\$2,070,268</u>	<u>\$3,117,536</u>	<u>\$8,996,211</u>

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 December 31, 2012*

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<b>Total Governmental Fund Balances</b>	<b>\$5,377,958</b>
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*Amounts reported for governmental activities in the  
 statement of net position are different because*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	17,376,043
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Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds:

Delinquent Property Taxes	31,062		
Income Tax	928,207		
Grants	555,159		
Charges for Services	507,420		
Total			2,021,848

An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental-type activities in the statement of net assets.	(71,180)
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An internal balance is recorded in governmental activities to reflect underpayments to the internal service fund by the business-type activities.	201,445
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Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.	(7,640)
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Vacation benefits payable is a contractually required benefit not expected to be paid with expendable available financial resources and therefore not reported in the funds.	(278,432)
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

Police and Fire Pension	(259,750)		
General Obligation Bonds	(2,604,102)		
State Infrastructure Bank Loan	(762,898)		
OPWC Loan	(95,000)		
Compensated Absences	(1,189,427)		
Total			(4,911,177)

<i>Net Position of Governmental Activities</i>	<u><u>\$19,708,865</u></u>
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See accompanying notes to the basic financial statements



**City of Dover, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2012*

	General	Master Capital	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property Taxes	\$753,883	\$0	\$136,385	\$890,268
Income Taxes	3,694,776	1,609,622	1,305,000	6,609,398
Intergovernmental	1,640,490	207,769	874,496	2,722,755
Interest	17,057	0	12,087	29,144
Fines, Licenses and Permits	59,543	0	1,066	60,609
Charges for Services	841,032	0	420,771	1,261,803
Other	75,885	278,820	117,856	472,561
<i>Total Revenues</i>	<u>7,082,666</u>	<u>2,096,211</u>	<u>2,867,661</u>	<u>12,046,538</u>
<b>Expenditures</b>				
Current:				
General Government	1,717,237	0	0	1,717,237
Security of Persons and Property	3,856,878	0	539,442	4,396,320
Transportation	0	64,092	1,092,986	1,157,078
Public Health Services	9,016	0	742,919	751,935
Community Environment	124,415	0	65,901	190,316
Basic Utility Services	629,555	0	0	629,555
Leisure Time Activities	913,126	0	0	913,126
Capital Outlay	0	1,325,393	314,412	1,639,805
Debt Service:				
Principal Retirement	0	201,576	6,801	208,377
Interest and Fiscal Charges	0	118,560	11,244	129,804
<i>Total Expenditures</i>	<u>7,250,227</u>	<u>1,709,621</u>	<u>2,773,705</u>	<u>11,733,553</u>
<i>Net Change in Fund Balances</i>	(167,561)	386,590	93,956	312,985
<i>Fund Balances Beginning of Year</i>	<u>2,105,546</u>	<u>1,295,144</u>	<u>1,664,283</u>	<u>5,064,973</u>
<i>Fund Balances End of Year</i>	<u>\$1,937,985</u>	<u>\$1,681,734</u>	<u>\$1,758,239</u>	<u>\$5,377,958</u>

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2012*

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**Net Change in Fund Balances - Total Governmental Funds** \$312,985

*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 is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

Capital Asset Additions:

Capital Outlay	1,075,723	
Current Year Depreciation	<u>(1,180,886)</u>	
Total		(105,163)

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

(33,987)

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

Property Taxes	(6,826)	
Income Tax	(430,357)	
Grants	(232,875)	
Charges for Services	<u>46,984</u>	
Total		(623,074)

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

208,377

In the statement of activities, interest is accrued on outstanding notes, whereas in governmental funds, an interest expenditure is reported when due.

(34,599)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Compensated Absences	(31,190)	
Vacation Benefits Payable	<u>5,547</u>	
Total		(25,643)

The internal service funds used by management are not reported in the City-wide statement of activities. Governmental fund expenditures and related internal service fund revenue are eliminated. The net revenue (expense) of the internal service funds is allocated among the governmental activities.

Change in Net Assets	106,552	
Change in Internal Balance	<u>(14,156)</u>	
Total		<u>92,396</u>

*Change in Net Position of Governmental Activities* (\$208,708)

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property Taxes	\$760,000	\$760,000	\$753,883	(\$6,117)
Income Taxes	3,714,560	3,718,525	3,790,507	71,982
Intergovernmental	1,320,291	1,321,700	1,655,304	333,604
Interest	39,957	40,000	17,057	(22,943)
Fines, Licenses and Permits	76,468	76,550	58,797	(17,753)
Charges for Services	752,572	753,375	833,281	79,906
Other	186,238	186,436	75,885	(110,551)
<i>Total Revenues</i>	<u>6,850,086</u>	<u>6,856,586</u>	<u>7,184,714</u>	<u>328,128</u>
<b>Expenditures</b>				
Current:				
General Government	1,971,746	2,184,968	1,731,917	453,051
Security of Persons and Property	4,028,695	4,208,681	3,870,368	338,313
Public Health Services	10,000	13,293	9,016	4,277
Community Environment	125,499	136,227	124,314	11,913
Basic Utility Services	618,612	631,134	629,555	1,579
Leisure Time Activities	897,562	964,561	923,267	41,294
<i>Total Expenditures</i>	<u>7,652,114</u>	<u>8,138,864</u>	<u>7,288,437</u>	<u>850,427</u>
<i>Net Change in Fund Balance</i>	(802,028)	(1,282,278)	(103,723)	1,178,555
<i>Fund Balance Beginning of Year</i>	1,624,170	1,624,170	1,624,170	0
Prior Year Encumbrances Appropriated	<u>93,188</u>	<u>93,188</u>	<u>93,188</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$915,330</u></u>	<u><u>\$435,080</u></u>	<u><u>\$1,613,635</u></u>	<u><u>\$1,178,555</u></u>

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Funds*  
*December 31, 2012*

	Business-Type Activities				Governmental Activities - Internal Service Fund
	Sewer	Electric	Water	Total	
<b>Assets</b>					
<i>Current Assets:</i>					
Equity in Pooled Cash and Cash Equivalents	\$3,366,219	\$2,182,197	\$661,328	\$6,209,744	\$39,329
Cash and Cash Equivalents					
With Fiscal Agents	24,895	22,606	2,277	49,778	0
<i>Restricted Assets:</i>					
Equity in Pooled Cash and Cash Equivalents	0	811,081	341,667	1,152,748	0
<i>Receivables:</i>					
Accounts	506,996	3,625,199	418,462	4,550,657	2,400
Intergovernmental	4,086	0	0	4,086	0
Materials and Supplies Inventory	8,507	946,337	144,640	1,099,484	0
Prepaid Items	48,379	182,475	23,090	253,944	0
<i>Total Current Assets</i>	<u>3,959,082</u>	<u>7,769,895</u>	<u>1,591,464</u>	<u>13,320,441</u>	<u>41,729</u>
<i>Non-Current Assets:</i>					
<i>Restricted Assets:</i>					
Equity in Pooled Cash and Cash Equivalents	0	1,322,896	391,721	1,714,617	0
Cash Equivalents Held by Trustee	0	937,073	509,527	1,446,600	0
Investment in Joint Venture	0	1,366,955	0	1,366,955	0
Land and Construction in Progress	277,439	276,266	65,606	619,311	0
Depreciable Capital Assets, Net	21,471,700	19,348,900	8,434,228	49,254,828	0
<i>Total Non-Current Assets</i>	<u>21,749,139</u>	<u>23,252,090</u>	<u>9,401,082</u>	<u>54,402,311</u>	<u>0</u>
<i>Total Assets</i>	<u>25,708,221</u>	<u>31,021,985</u>	<u>10,992,546</u>	<u>67,722,752</u>	<u>41,729</u>
<b>Deferred Outflows of Resources</b>					
Deferred Charge on Refunding	0	33,381	54,894	88,275	0
<b>Liabilities</b>					
<i>Current Liabilities:</i>					
Accounts Payable	13,944	200,940	12,715	227,599	0
Accrued Wages	22,159	103,952	810	126,921	0
Contracts Payable	2,000	3,019,308	31,860	3,053,168	0
Intergovernmental Payable	41,421	128,105	21,090	190,616	0
Vacation Benefits Payable	55,765	109,305	36,025	201,095	0
Compensated Absences Payable	21,898	105,063	22,483	149,444	0
Matured Interest Payable	0	927	2,277	3,204	0
Accrued Interest Payable	0	43,108	11,667	54,775	0
Retainage Payable	24,895	21,679	0	46,574	0
Customer Deposits	0	87,792	0	87,792	0
General Obligation Bonds Payable	0	305,000	0	305,000	0
Revenue Bonds Payable	0	700,000	330,000	1,030,000	0
Claims Payable	0	0	0	0	112,909
<i>Total Current Liabilities</i>	<u>182,082</u>	<u>4,825,179</u>	<u>468,927</u>	<u>5,476,188</u>	<u>112,909</u>
<i>Long-Term Liabilities:</i>					
Compensated Absences Payable (net of current portion)	191,921	299,529	128,164	619,614	0
General Obligation Payable (net of current portion)	0	6,491,726	0	6,491,726	0
Revenue Bonds Payable (net of current portion)	0	4,994,087	3,642,447	8,636,534	0
OWDA Loans Payable (net of current portion)	11,206,348	0	0	11,206,348	0
<i>Total Long-Term Liabilities</i>	<u>11,398,269</u>	<u>11,785,342</u>	<u>3,770,611</u>	<u>26,954,222</u>	<u>0</u>
<i>Total Liabilities</i>	<u>11,580,351</u>	<u>16,610,521</u>	<u>4,239,538</u>	<u>32,430,410</u>	<u>112,909</u>
<b>Net Position</b>					
Net Investment in Capital Assets	10,542,791	7,207,698	4,472,493	22,222,982	0
<i>Restricted for:</i>					
Debt Service	0	913,853	497,860	1,411,713	0
Replacement and Improvement	0	2,036,785	687,175	2,723,960	0
Unrestricted (Deficit)	3,585,079	4,286,509	1,150,374	9,021,962	(71,180)
<i>Total Net Position (Deficit)</i>	<u>\$14,127,870</u>	<u>\$14,444,845</u>	<u>\$6,807,902</u>	<u>35,380,617</u>	<u>(\$71,180)</u>
Some amounts reported for business-type activities in the statement of net position are different because they include accumulated underpayments to the internal service fund.				(201,445)	
				Net position of business-type activities	<u>\$35,179,172</u>

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Statement of Revenues,  
Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended December 31, 2012*

	Business-Type	
	Sewer	Electric
<b>Operating Revenues</b>		
Charges for Services	\$3,147,970	\$21,496,934
Other	153,924	618,202
<i>Total Operating Revenues</i>	<u>3,301,894</u>	<u>22,115,136</u>
<b>Operating Expenses</b>		
Salaries and Wages	888,531	2,485,023
Fringe Benefits	563,065	1,323,518
Purchased Services	259,271	3,615,650
Materials and Supplies	348,636	3,955,811
Purchased Power	0	9,852,475
Depreciation	1,222,953	861,489
Claims	0	0
<i>Total Operating Expenses</i>	<u>3,282,456</u>	<u>22,093,966</u>
<i>Operating Income</i>	<u>19,438</u>	<u>21,170</u>
<b>Non-Operating Revenues (Expenses)</b>		
Interest	0	774
Loss on Investment in Joint Venture	0	(157,226)
Interest and Fiscal Charges	(391,567)	(749,444)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(391,567)</u>	<u>(905,896)</u>
<i>Change in Net Position</i>	(372,129)	(884,726)
<i>Net Position (Deficit) Beginning of Year</i>	<u>14,499,999</u>	<u>15,329,571</u>
<i>Net Position (Deficit) End of Year</i>	<u>\$14,127,870</u>	<u>\$14,444,845</u>

Some amounts reported for business-type activities in the statement of activities are different because a portion of the net expense of the internal service fund is reported with business-type activities.

Change in net position of business-type activities

See accompanying notes to the basic financial statements

Activities		Governmental Activities - Internal Service Fund
Water	Total	
\$2,124,001	\$26,768,905	\$2,433,008
132,464	904,590	76,443
<u>2,256,465</u>	<u>27,673,495</u>	<u>2,509,451</u>
630,469	4,004,023	0
338,959	2,225,542	0
158,416	4,033,337	253,016
98,176	4,402,623	0
0	9,852,475	0
508,958	2,593,400	0
0	0	2,149,883
<u>1,734,978</u>	<u>27,111,400</u>	<u>2,402,899</u>
<u>521,487</u>	<u>562,095</u>	<u>106,552</u>
139	913	0
0	(157,226)	0
(122,261)	(1,263,272)	0
<u>(122,122)</u>	<u>(1,419,585)</u>	<u>0</u>
399,365	(857,490)	106,552
<u>6,408,537</u>		<u>(177,732)</u>
<u>\$6,807,902</u>		<u>(\$71,180)</u>
	<u>14,156</u>	
	<u>(\$843,334)</u>	

**City of Dover, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2012

	Business-Type Activities				Governmental Activities - Internal Service Fund
	Sewer	Electric	Water	Total	
<b>Increase (Decrease) in Cash and Cash Equivalents</b>					
<b>Cash Flows from Operating Activities</b>					
Cash Received from Customers	\$3,139,875	\$21,083,052	\$2,084,099	\$26,307,026	\$0
Cash Received from Transactions with Other Funds	0	0	0	0	2,433,008
Other Cash Receipts	153,924	618,202	132,464	904,590	76,778
Electric Deposits Received	0	10,332	0	10,332	0
Cash Payments to Employees for Services	(1,435,274)	(3,772,044)	(956,503)	(6,163,821)	0
Cash Payments for Purchased Power	0	(9,727,333)	0	(9,727,333)	0
Cash Payments for Goods and Services	(579,567)	(6,497,472)	(282,441)	(7,359,480)	(253,016)
Cash Payments for Claims	0	0	0	0	(2,286,199)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>1,278,958</u>	<u>1,714,737</u>	<u>977,619</u>	<u>3,971,314</u>	<u>(29,429)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Principal Paid on Loans	(546,922)	0	0	(546,922)	0
Interest Paid on Loans	(391,567)	0	0	(391,567)	0
Principal Paid on Bonds	0	(940,000)	(320,000)	(1,260,000)	0
Interest Paid on Bonds	0	(573,512)	(137,226)	(710,738)	0
Disposal of Capital Assets	7,046	6,538	952	14,536	0
Payments for Capital Acquisitions	(660,212)	(443,981)	(99,473)	(1,203,666)	0
<i>Net Cash Used in Capital and Related Financing Activities</i>	<u>(1,591,655)</u>	<u>(1,950,955)</u>	<u>(555,747)</u>	<u>(4,098,357)</u>	<u>0</u>
<b>Cash Flows from Investing Activities</b>					
Interest on Investments	0	599	119	718	0
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	<u>(312,697)</u>	<u>(235,619)</u>	<u>421,991</u>	<u>(126,325)</u>	<u>(29,429)</u>
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>3,703,811</u>	<u>5,511,472</u>	<u>1,484,529</u>	<u>10,699,812</u>	<u>68,758</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$3,391,114</u>	<u>\$5,275,853</u>	<u>\$1,906,520</u>	<u>\$10,573,487</u>	<u>\$39,329</u>

(continued)



**City of Dover, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
For the Year Ended December 31, 2012

	Business-Type Activities				Governmental Activities - Internal Service Fund
	Sewer	Electric	Water	Total	
<b>Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities</b>					
Operating Income	\$19,438	\$21,170	\$521,487	\$562,095	\$106,552
Adjustments:					
Depreciation	1,222,953	861,489	508,958	2,593,400	0
(Increase) Decrease in Assets:					
Accounts Receivable	(8,099)	(413,882)	(39,902)	(461,883)	335
Intergovernmental Receivable	4	0	0	4	0
Materials and Supplies Inventory	(1,229)	(108,436)	(5,471)	(115,136)	0
Prepaid Items	37,198	(52,020)	1,959	(12,863)	0
Increase (Decrease) in Liabilities:					
Accounts Payable	(141)	114,122	1,417	115,398	0
Contracts Payable	(24,133)	1,243,425	7,212	1,226,504	0
Retainage Payable	22,824	15,563	0	38,387	0
Accrued Wages	5,209	58,519	(10,568)	53,160	0
Vacation Benefits Payable	5,466	(36,825)	(3,295)	(34,654)	0
Compensated Absences Payable	5,607	10,610	3,951	20,168	0
Intergovernmental Payable	(6,139)	(9,330)	(8,129)	(23,598)	0
Customer Deposits	0	10,332	0	10,332	0
Claims Payable	0	0	0	0	(136,316)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$1,278,958</u>	<u>\$1,714,737</u>	<u>\$977,619</u>	<u>\$3,971,314</u>	<u>(\$29,429)</u>

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Statement of Fiduciary Net Position*  
*Fiduciary Fund*  
*December 31, 2012*

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	Private Purpose Trust
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$222,410
<b>Net Position</b>	
Held in Trust for Cemetery	\$222,410

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Statement of Changes in Fiduciary Net Position*  
*Fiduciary Fund*  
*For the Year Ended December 31, 2012*

	Private-Purpose Trust
<b>Additions</b>	
Deposits for Burial Expenses	\$12,690
Interest	135
	12,825
<i>Total Additions</i>	12,825
<b>Deductions</b>	
Burial Expense	17,450
	(4,625)
<i>Change in Net Position</i>	(4,625)
<i>Net Position Beginning of Year</i>	227,035
	222,410
<i>Net Position End of Year</i>	\$222,410

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*

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**Note 1 - Description of the City and Reporting Entity**

The City of Dover (the "City") is a municipal corporation established and operated under the laws of the State of Ohio. Originally called Dover, the prefix "Canal" was added in 1807 by postal authorities to distinguish it from the Village of Dover in Cuyahoga County. Canal Dover was an appropriate name at this particular time due to the significance of the canal to the City's economic growth. This "canal town" was incorporated in 1842 and established as a city in 1901. By 1915, the City was officially referred to by its original name of "Dover."

The City is organized as a Mayor/Council form of government. The Mayor, Council, Auditor, Treasurer and Law Director are elected.

***Reporting Entity***

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. The primary government provides the following services to its citizens: police and fire protection, parks and recreation, building inspection, street maintenance and repairs, cemetery maintenance, emergency medical services, water, electric, sewer and refuse collection. Council has direct responsibility for these activities.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board; and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. There are no component units included as part of this report.

The City participates in the Community Improvement Corporation of Tuscarawas County, Tuscarawas County Regional Planning Commission and Ohio Mid-Eastern Governments Association (OMEGA) as jointly governed organizations and the Ohio Municipal Electric Generation Agency (JV2) joint venture. These organizations are presented in Notes 14 and 17 of the Basic Financial Statements.

The City's management believes these financial statements present all activities for which the City is financially accountable.

**Note 2 - Summary of Significant Accounting Policies**

The financial statements of the City of Dover have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The more significant of the City's accounting policies are described below.

***Basis of Presentation***

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

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*

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**Government-wide Financial Statements** The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City’s governmental activities and for the business-type activities of the City. 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, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

**Fund Financial Statements** During the year, the City segregates transactions related to certain City 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 City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

**Fund Accounting**

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

**Governmental Funds** Governmental funds are those through which most governmental functions are financed. Governmental fund reporting focuses 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 deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The following are the City's major governmental funds:

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

**Master Capital Fund** The master capital fund accounts for and reports that portion of municipal income tax committed by Council for the purpose of improving, constructing, maintaining, and purchasing those items necessary to enhance the operation of the City.

The other governmental funds of the City account for and report grants and other resources whose use is restricted, committed, or assigned to a particular purpose.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
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**Proprietary Funds** Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

**Enterprise Funds** Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

**Sewer Fund** The sewer fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

**Electric Fund** The electric fund accounts for the provision of electric power service to the residents and commercial users located within the City.

**Water Fund** The water fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the City.

**Internal Service Fund** Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service fund reports on a self-insurance program for employee medical benefits.

**Fiduciary Funds** Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's only trust fund is a private-purpose trust fund established to account for money held for individuals for their future burial costs.

**Measurement Focus**

**Government-wide Financial Statements** The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net Position. The Statement of Activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

**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 funds 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 Fund Net Position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Private purpose trust funds are reported using the economic resources measurement focus.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*

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***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; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources and in the presentation of expenses versus expenditures.

***Revenues - Exchange and Nonexchange Transactions*** Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, the resources must also be available before they can be recorded as revenue. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within thirty-one days of year-end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the 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 year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the 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 year-end: income tax, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), fines, interest, grants and rentals.

***Deferred Outflows/Inflows of Resources*** In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include a deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2012, but which were levied to finance 2013 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City unavailable revenue includes delinquent property taxes, income taxes, charges for services, and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.



**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*

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***Expenses/Expenditures*** On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

***Cash and Cash Equivalents***

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through City records. Interest in the pool is presented as "equity in pooled cash and cash equivalents".

During 2012, investments were limited to STAROhio, Huntington Treasury Money Market II Mutual Fund and First American Funds Government Obligations Mutual Fund.

Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost. The fair value of the mutual funds is determined by the fund's December 31, 2012, share price. Any increase or decrease in fair value is reported as a component of interest income.

The City of Dover has invested in the State Treasury Asset Reserve of Ohio (STAROhio) during 2012. STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's net asset value per share which is the price the investment could be sold at December 31, 2012.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest is distributed to the general fund, street maintenance and repair, cemetery and revolving loan special revenue funds, the cemetery interment private-purpose trust fund and the electric and water enterprise funds. Interest revenue credited to the general fund during 2012 amounted to \$17,057 which includes \$10,452 assigned from other City funds.

The City utilizes a financial institution to service bonded debt as principal and interest payments come due. The balances in these accounts are presented on the financial statements as, "cash equivalents held by trustee." The City also uses a fiscal agent to hold retainage on construction contracts and matured interest on bonds. The balances in these accounts are presented on the financial statements as "cash and cash equivalents with fiscal agents" and represent deposits or short-term investments in certificates of deposit. See Note 6.

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents.

***Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2012, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expenditure/expense in the year in which the services are consumed.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
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***Inventory***

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies held for consumption.

***Restricted Assets***

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Restricted assets in the water enterprise fund and the electric enterprise fund include cash and cash equivalents set aside to satisfy bond indenture requirements for construction, current and future debt payments and the replacement of capital assets originally acquired with bond proceeds. Electric customer deposits have also been restricted because the deposit remains the property of the customer. The restricted asset account is balanced by a customer deposits payable liability account.

***Capital Assets***

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of capital assets by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of one thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

All capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings	50 years	50 years
Improvements other than Buildings	20 years	20-50 years
Equipment and Machinery	20 years	10-15 years
Furniture and Fixtures	20 years	20 years
Vehicles	6 years	6 years
Infrastructure	30-65 years	30-65 years

The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, and water and sewer lines and includes infrastructure acquired prior to December 31, 1980.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*

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***Interfund Balances***

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “interfund receivables/payables.” Interfund loans which do not represent available expendable resources are offset by a fund balance reserve account. Interfund balance amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

***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 employer will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service. Since the City's policy limits the accrual of vacation time to the amount accrued in one year, the outstanding liability is recorded as “vacation benefits payable” on the statement of net position rather than as a long-term liability.

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

The entire compensated absences liability is reported on the government-wide financial statements.

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

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and 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 during the current year. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due.

***Fund Balance***

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

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*

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

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party—such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

**Committed** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by the highest level formal action (ordinance or resolution, as both are equally binding) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance or resolution, as both are equally binding) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**Assigned** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by City Council. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute. State statute authorizes the City Auditor to assign fund balance for purchases on order, provided such amounts have been lawfully appropriated. City Council assigned fund balance to cover a gap between estimated revenue and appropriations in the 2013 appropriated budget.

**Unassigned** Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit fund balance.

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

***Net Position***

Net position represents the difference between all other elements in the statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*

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constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

***Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for electric, waste water treatment, water services and self-insurance programs. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

***Bond Premiums and Discounts***

On the government-wide financial statements, bond premiums are deferred and amortized for the term of the bonds using the straight-line method. Bond premiums are presented as an increase of the face amount of the bonds payable. On governmental fund statements, bond premiums are received in the year the bonds are issued. On the government-wide financial statements, bond discounts are presented as a decrease of the face amount of the general obligation bonds payable. On governmental fund statements, bond discounts are expended in the year the bonds are issued.

***Deferred Charge on Refunding***

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on the refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old or new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows of resources on the statement of net position.

***Estimates***

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

***Budgetary Process***

All funds are legally required to be budgeted and appropriated. There was no budget adopted for the nonmajor law enforcement block grant special revenue fund and the nonmajor debt service fund in 2012 as there was no budgetary activity for 2012. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations 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 Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the object level within each department. Any budgetary modifications at this level may only be made by resolution of City Council.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
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The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the City Auditor. The amounts reported as the original and final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time original and final appropriations were passed by Council.

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

### **Note 3 – Change in Accounting Principles**

For 2012, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements," Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements," Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position," Statement No. 64, "Derivative Instruments: Application of Hedge Accounting Termination Provisions – an amendment of GASB Statement No. 53," Statement No. 65, "Items Previously Reported as Assets and Liabilities," and Statement No. 66, "Technical Corrections-2012-an amendment of GASB Statements No. 10 and No. 62."

GASB Statement No. 60 improves financial reporting by addressing issues related to service concession arrangements, which are a type of public-private or public-public partnership. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 62 incorporates into GASB's authoritative literature certain FASB and AICPA pronouncements issued on or before November 30, 1989. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related note disclosures. These changes were incorporated in the City's 2012 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 65 properly classifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues). These changes were incorporated in the City's 2012 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. The implementation of this statement did not result in any change in the City's financial statements.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*

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**Note 4 – Accountability and Compliance**

***Accountability***

At December 31, 2012, the police and fire pension special revenue fund had a deficit fund balance of \$75,785. The deficit in this fund is caused by the application of generally accepted accounting principles to this fund. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

At December 31, 2012, the employee health insurance internal service fund had deficit net position in the amount of \$71,180. Management is currently analyzing the operations of this fund to determine appropriate action to alleviate the deficit.

***Compliance***

Contrary to Ohio Revised Code 5705.39, the master capital fund had original appropriations of \$3,470,207, and original revenues plus carryover balances of \$2,950,775, leaving an excess of \$519,432. Management has indicated that appropriations will be closely monitored to ensure no further violations.

**Note 5 - Budgetary Basis of Accounting**

While the City is reporting financial position, results of operations and changes in fund balance 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 presented for the 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) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Unrecorded cash represents amounts received but not reported by the City on the operating statements (budget), but which is reported on the GAAP basis operating statements.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

Net Change in Fund Balance	
GAAP Basis	(\$167,561)
Net Adjustment for Revenue Accruals	105,153
Unrecorded Cash	(3,105)
Net Adjustment for Expenditure Accruals	10,022
Encumbrances	(48,232)
Budget Basis	<u><u>(\$103,723)</u></u>



**City of Dover, Ohio**  
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*For the Year Ended December 31, 2012*

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**Note 6 - Deposits and Investments**

State statutes classify monies held by the City into three categories.

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

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

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

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

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement exceeds the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligation of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations;
7. The State Treasurer's investment pool (STAROhio); and

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
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8. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for investment at any one time.

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and
3. Obligations of the City.

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

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

### **Deposits**

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, the carrying amount of the City's deposits was \$8,201,985 and the bank balance was \$9,503,775. Of the bank balance \$4,577,814 was covered by Federal depository insurance or was collateralized with pledged securities and \$4,925,961 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institutions' trust department or agent, but not in the City's name.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

**City of Dover, Ohio**  
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**Investments**

Investments are reported at fair value. As of December 31, 2012, the City had the following investments:

	Fair Value	Maturity
Investment in State		
Treasurer's Investment Pool	\$4,975,738	55 day average
Huntington Treasury Money		
Market II Mutual Fund	509,527	34 day average
First American Funds Government		
Obligations Mutual Fund	937,073	50 day average
Total Investments	\$6,422,338	

**Interest Rate Risk** The City has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the City, and that an investment must be purchased with the expectation that it will be held to maturity.

**Credit Risk** STAROhio, Huntington Treasury Money Market II and First American Funds Government Obligations mutual funds carry a rating of AAAM by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The City has no investment policy that would further limit its investment choices.

**Concentration of Credit Risk** The City places no limit on the amount it may invest in any one issuer. The following is the City's allocation as of December 31, 2012:

	Percentage of Investments
Huntington Treasury Money	
Market II Mutual Fund	7.93 %
First American Funds Government	
Obligations Mutual Fund	14.59

**Note 7 - Receivables**

Receivables at December 31, 2012, consisted primarily of municipal income taxes, property taxes, intergovernmental receivables arising from entitlements and shared revenues, accrued interest on investments and accounts (billings for utility service). Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. All allowances for uncollectibles represent estimates of uncollectible receivables in the accounts receivable classification.

	Accounts Receivable	Allowance for Uncollectibles	Net Accounts Receivable
Governmental Type Activities	\$618,983	\$0	\$618,983
Business Type Activities	4,762,649	211,992	4,550,657

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
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The community development block grant monies loaned to local businesses are reported as loans receivable and are also considered collectible in full. \$81,935 of the \$152,846 loans receivable are not scheduled to be collected within one year.

***Property Taxes***

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2012 for real and public utility property taxes represents collections of the 2011 taxes.

2012 real property taxes are levied after October 1, 2012, on the assessed value as of January 1, 2012, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2012 real property taxes are collected in and intended to finance 2013.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2012 public utility property taxes which became a lien December 31, 2011, are levied after October 1, 2012, and are collected in 2013 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2012, was \$6.60 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2012 property tax receipts were based are as follows:

Real Property	\$233,289,620
Public Utility Property	<u>611,350</u>
Total	<u><u>\$233,900,970</u></u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Dover. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which are measurable as of December 31, 2012 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2012 operations is offset to deferred inflows of resources — property taxes. On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on modified accrual basis the revenue has been reported as deferred inflows of resources — unavailable revenue.

***Income Taxes***

For 2012, the City levied a municipal income tax of 1.5 percent on substantially all earned income arising from employment, residency or business activities within the City. The City allows a credit of 100 percent for the income tax paid to another municipality, not to exceed one and a half percent of taxable income, to a maximum of the total amount assessed.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, income tax proceeds, after income tax department expenditures, are credited to the following funds: Twenty-five percent to the master capital capital projects fund and the remaining balance divided between the cemetery special revenue

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
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fund, the street maintenance and repair special revenue fund, the police and fire pension special revenue fund and the general fund.

***Intergovernmental Receivables***

A summary of intergovernmental receivables follows:

	Amount
<b>Governmental Activities</b>	
Gasoline Tax	\$180,079
Local Government	145,899
Estate Tax	137,638
Motor Vehicle Tax	106,095
Homestead and Rollback	57,609
Grants	1,794
Municipal Court Fines	1,245
Hotel/Motel Tax	444
<i>Total Governmental Activities</i>	\$630,803
<b>Business-Type Activities</b>	
Sewer	\$4,086

**Note 8 - Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2012, the City contracted with The Travelers Company for boiler and machinery insurance. EMC covers the general liability and property insurance. Ohio Casualty covers electronic data processing, while police and professional liability are protected by Westfield/Scottsdale/Merchants Mutual with a \$1,000,000 limit and a \$10,000 deductible. An umbrella policy with Merchants Mutual covers a \$5,000,000 excess law enforcement liability. The City has a cyber insurance policy with Axis Insurance.

Boiler and machinery deductible levels vary by object. Vehicles are covered by Westfield Companies Insurance Company and hold a \$1,000 deductible for comprehensive and collision. Automobile liability has a \$1,000,000 combined single limit of liability.

There has not been a significant reduction in coverage from the prior year. Settled claims have not exceeded this commercial coverage in any of the past three years.

The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. The rate is calculated based on accident history and administrative costs.

The City has elected to provide employee medical/surgical benefits through a self-insured program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. A third-party administrator, Aultcare, Inc. located in Canton, Ohio, reviews all claims which are then paid by the City. An excess coverage insurance policy covers claims in excess of \$150,000 per employee and an aggregate of \$2,439,737 per year. The City pays into the self-insurance internal service fund \$1,000 family coverage or \$500 individual coverage per employee per month which represents the

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
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entire premium required. This premium is paid by the fund that pays the salary of the employee and is based on historic cost information. In 2007, a resolution was adopted which allows an additional \$100 premium to be paid for each employee monthly on an as needed basis.

The claims liability of \$112,909 reported in the fund at December 31, 2012, was estimated by a third-party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expense and does not include allocated or unallocated claims adjustment expenses. Changes in the fund's claims liability amount in 2011 and 2012 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2011	\$184,097	\$2,187,689	\$2,122,561	\$249,225
2012	249,225	2,149,883	2,286,199	112,909

**Note 9 – Other Employee Benefits**

*Compensated Absences*

Vacation and sick leave benefits are derived from negotiated agreements and State laws. Employees earn five to thirty days of vacation per year, depending upon length of service and bargaining unit agreement or City policy. Vacation accumulation is limited to the amount earned in one year. All accumulated unused vacation time is paid upon termination of employment. Outstanding unused vacation is reflected as vacation benefits payable on the statement of net position.

Employees earn sick leave at different rates depending upon type of employment. Sick leave accrual is continuous, without limit. Upon retirement or death, an employee can be paid a maximum of 960 hours of accumulated, unused sick leave, except fire department employees, who can receive a maximum of 1542 hours.

*Life Insurance*

The City provides life insurance and accidental death and dismemberment insurance to its employees through Standard Insurance.

**Note 10 - Contingent Liabilities**

*Litigation*

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

**City of Dover, Ohio**  
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***Federal and State Grants***

The City participates in several federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. As of December 31, 2012, the audits of certain of these programs have not been completed. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

**Note 11 - Capital Assets**

Capital asset activity for the year ended December 31, 2012, was as follows:

	<u>Balance</u> 12/31/11	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> 12/31/12
<b>Governmental Activities</b>				
Capital Assets, not being depreciated:				
Land	\$1,305,813	\$11,500	\$0	\$1,317,313
Construction in Progress	1,699	0	(1,699)	0
Total Capital Assets, not being Depreciated	<u>1,307,512</u>	<u>11,500</u>	<u>(1,699)</u>	<u>1,317,313</u>
Capital Assets, being Depreciated				
Buildings	3,027,740	59,271	(8,689)	3,078,322
Improvements Other Than Buildings	1,813,609	64,848	0	1,878,457
Equipment and Machinery	3,065,479	140,087	(223,893)	2,981,673
Furniture and Fixtures	54,716	6,528	(4,032)	57,212
Vehicles	3,021,425	707,599	(85,976)	3,643,048
Infrastructure	22,909,376	87,589	0	22,996,965
Total Capital Assets, being Depreciated	<u>33,892,345</u>	<u>1,065,922</u>	<u>(322,590)</u>	<u>34,635,677</u>
Less Accumulated Depreciation:				
Buildings	(981,577)	(69,033)	0	(1,050,610)
Improvements Other Than Buildings	(780,391)	(87,595)	1,079	(866,907)
Equipment and Machinery	(1,586,429)	(183,113)	210,611	(1,558,931)
Furniture and Fixtures	(48,922)	(1,387)	3,212	(47,097)
Vehicles	(2,323,966)	(409,874)	73,701	(2,660,139)
Infrastructure	(11,963,379)	(429,884)	0	(12,393,263)
Total Accumulated Depreciation	<u>(17,684,664)</u>	<u>(1,180,886) *</u>	<u>288,603</u>	<u>(18,576,947)</u>
Total Capital Assets, being Depreciated, net	<u>16,207,681</u>	<u>(114,964)</u>	<u>(33,987)</u>	<u>16,058,730</u>
Governmental Activities Capital Assets, Net	<u>\$17,515,193</u>	<u>(\$103,464)</u>	<u>(\$35,686)</u>	<u>\$17,376,043</u>

\* Depreciation expense was charged to the governmental activities as follows:

General Government	\$42,486
Security of Persons and Property	374,651
Transportation	566,985
Public Health Services	29,108
Leisure Time Activities	<u>167,656</u>
Total Governmental Depreciation Expense	<u>\$1,180,886</u>

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2012

	Balance 12/31/11	Additions	Deductions	Balance 12/31/12
<b>Business-Type Activities</b>				
Capital Assets, not being depreciated:				
Land	\$435,066	\$0	\$0	\$435,066
Construction in Progress	198,808	687,843	(702,406)	184,245
Total Capital Assets, not being Depreciated	<u>633,874</u>	<u>687,843</u>	<u>(702,406)</u>	<u>619,311</u>
Capital Assets, being Depreciated				
Buildings	29,566,803	0	0	29,566,803
Improvements Other Than Buildings	2,876,270	0	0	2,876,270
Equipment and Machinery	24,343,447	463,941	(83,432)	24,723,956
Furniture and Fixtures	151,155	1,486	(2,704)	149,937
Vehicles	1,729,647	50,602	(109,652)	1,670,597
Infrastructure	31,932,336	702,200	(14,429)	32,620,107
Total Capital Assets, being Depreciated	<u>90,599,658</u>	<u>1,218,229</u>	<u>(210,217)</u>	<u>91,607,670</u>
Less Accumulated Depreciation:				
Buildings	(7,671,956)	(598,760)	0	(8,270,716)
Improvements Other Than Buildings	(1,136,273)	(144,188)	0	(1,280,461)
Equipment and Machinery	(15,263,742)	(1,095,434)	76,217	(16,282,959)
Furniture and Fixtures	(96,669)	(5,793)	0	(102,462)
Vehicles	(1,310,091)	(116,092)	105,490	(1,320,693)
Infrastructure	(14,476,392)	(633,133)	13,974	(15,095,551)
Total Accumulated Depreciation	<u>(39,955,123)</u>	<u>(2,593,400)</u>	<u>195,681</u>	<u>(42,352,842)</u>
Total Capital Assets, being Depreciated, net	<u>50,644,535</u>	<u>(1,375,171)</u>	<u>(14,536)</u>	<u>49,254,828</u>
Business-Type Activities Capital Assets, Net	<u>\$51,278,409</u>	<u>(\$687,328)</u>	<u>(\$716,942)</u>	<u>\$49,874,139</u>

**Note 12 – Defined Benefit Pension Plans**

*Ohio Public Employees Retirement System*

Plan Description – The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.



**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
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Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for State and local employer units. Member contribution rates, as set in the Ohio Revised Code, are not to exceed 10 percent. For the year ended December 31, 2012, members in state and local classifications contributed 10 percent of covered payroll. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. For 2012, member and employer contribution rates were consistent across all three plans.

The City's 2012 contribution rate was 14 percent. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 4 percent for 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2012. Employer contribution rates are actuarially determined.

The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2012, 2011, and 2010 were \$610,838, \$592,228, and \$576,795, respectively. For 2012, 89.32 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010. There were no contributions to the member-directed plan for 2012.

***Ohio Police and Fire Pension Fund***

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code requires plan members to contribute 10.0 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers and 24.0 percent for firefighters.

The OP&F Pension Fund is authorized by the Ohio Revised Code to allocate a portion of the employer contributions to retiree health care benefits. The portion of employer contributions used to fund pension benefits was 12.75 percent of covered payroll for police officers and 17.25 percent of covered payroll for firefighters. The City's contributions to OP&F for police and firefighters pension were \$158,636 and \$208,191 for the year ended December 31, 2012, \$157,821 and \$214,258 for the year ended December 31, 2011, and \$160,776 and \$214,047 for the year ended December 31, 2010, respectively. For 2012, 76.04 percent has been contributed for police and 75.92 percent has been contributed for firefighters with the balance for both police and firefighters being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

In addition to current contributions, the City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2012, the unfunded liability of the City was \$259,750, payable in semi-annual payments through the year of 2035. This is an accounting liability of the City which will not vary.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
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**Note 13 – Postemployment Benefits**

***Ohio Public Employees Retirement System***

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost sharing, multiple employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. The plan includes a medical plan, prescription drug program and Medicare Part B premium reimbursement.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.or/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside for the funding of post-retirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2012, State and local employers contributed at a rate of 14.0 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for State and local employer units.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0 percent for 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2012. Effective January 1, 2013, the portion of the employer contributions allocated to healthcare was lowered to 1 percent for both plans, as recommended by the OPERS Actuary.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
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The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2012, 2011, and 2010 were \$244,335, \$236,891, and \$328,489, respectively. For 2012, 89.32 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

***Ohio Police and Fire Pension Fund***

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined post-employment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long-term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F's website at [www.op-f.org](http://www.op-f.org).

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required by Ohio Revised Code to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24.0 percent of covered payroll for police and fire employers, respectively. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2012, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

**City of Dover, Ohio**  
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The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$83,984 and \$81,466 for the year ended December 31, 2012, \$83,552 and \$83,840 for the year ended December 31, 2011, and \$85,117 and \$83,757 for the year ended December 31, 2010. For 2012, 76.04 percent has been contributed for police and 75.92 percent has been contributed for firefighters with the balance for both police and firefighters being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

**Note 14 – Jointly Governed Organizations**

***Community Improvement Corporation of Tuscarawas County***

The City is associated with the Community Improvement Corporation of Tuscarawas County as a Jointly Governed Organization. The Corporation advances, encourages and promotes the industrial, economic, commercial, and civic development of all Tuscarawas County. The Corporation is operated by Tuscarawas County, New Philadelphia, Dover, Uhrichsville, Dennison, Strasburg, Sugarcreek and Gnadenhutten. It is controlled by fifty trustees consisting of the three County Commissioners, the mayor of each participating city and forty elected trustees. The board exercises total control over the operation of the corporation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the board. In 2012, the City contributed \$9,540.

***Tuscarawas County Regional Planning Commission***

The City is associated with the Tuscarawas County Regional Planning Commission as a Jointly Governed Organization. The Commission is a statutorily created political subdivision of the State. The commission is jointly governed among Tuscarawas County, municipalities and townships. Of the 61 members, the City appoints three. Each member's control over the operation of the Commission is limited to its representation on the board. The Commission makes studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economic and governmental characteristics, functions and services of the county. In 2012, the City contributed \$1,924 which represents 2.39 percent of total contributions.

***Ohio Mid-Eastern Governments Association (OMEGA)***

The City is associated with the Ohio Mid-Eastern Governments Association (OMEGA), which is a ten county regional council of governments comprised of Belmont, Carroll, Coshocton, Columbiana, Guernsey, Harrison, Holmes, Jefferson, Muskingum and Tuscarawas counties. OMEGA was formed to aid and assist the participating counties and political subdivisions within the counties in the application for Appalachian Regional Commission and Economic Development grant monies. OMEGA is governed by a seventeen member executive board comprised of members appointed from each participating county and cities within each county. City membership is voluntary. The mayor of the City of Dover serves as the City's representative on the board. The board has total control over budgeting, personnel and financial matters. Each member currently pays a per capita membership fee based on the most recent United States census. During 2012, OMEGA received \$1,924 from the City of Dover for an annual fee. OMEGA has no outstanding debt.

**City of Dover, Ohio**  
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**Note 15 - Long-Term Debt**

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
<b>Governmental Activities</b>			
Various Purpose General Obligation Bonds - 2011	2.0-3.625 %	\$2,670,000	December 1, 2031
State Infrastructure Bank Loan	3.00	859,474	September 22, 2019
OPWC Loan	0.00	100,000	December 31, 2021
<b>Business-Type Activities</b>			
Waterworks System Refunding Revenue Bonds - 2004	2.0-4.5	5,785,000	December 1, 2022
Municipal Electric System Refunding Revenue Bonds - 2005	3.7-5.0	9,670,000	December 1, 2019
Waterworks System Improvement Revenue Bonds - 2003	2.0-4.5	805,000	December 1, 2022
Various Purpose General Obligation Bonds	2.0-3.25	6,975,000	December 1, 2026

A schedule of changes in bonds and other long-term obligations of the City during 2012 follows:

	Amount Outstanding 12/31/11	Additions	Deletions	Amount Outstanding 12/31/12	Amounts Due in One Year
<b>Governmental Activities</b>					
Police and Fire Pension	\$266,551	\$0	\$6,801	\$259,750	\$7,093
Various Purpose General Obligation Bonds	2,670,000	0	100,000	2,570,000	105,000
Premium on Various Purpose Bonds	35,897	0	1,795	34,102	0
State Infrastructure Bank Loan	859,474	0	96,576	762,898	99,495
OPWC Loan	100,000	0	5,000	95,000	10,000
Compensated Absences	1,158,237	82,309	51,119	1,189,427	190,819
Total Governmental Activities	<u>\$5,090,159</u>	<u>\$82,309</u>	<u>\$261,291</u>	<u>\$4,911,177</u>	<u>\$412,407</u>
<b>Business-Type Activities</b>					
<u>Revenue Bonds</u>					
Waterworks System Refunding	\$3,783,513	\$0	\$280,910	\$3,502,603	\$289,689
Discount	(19,308)	0	(1,755)	(17,553)	0
Municipal Electric System Refunding	6,220,000	0	655,000	5,565,000	700,000
Premium	147,528	0	18,441	129,087	0
Waterworks System Improvement	526,487	0	39,090	487,397	40,311
Total Revenue Bonds	10,658,220	0	991,686	9,666,534	1,030,000
Various Purpose General Obligation Bonds	6,975,000	0	285,000	6,690,000	305,000
Premium on Various Purpose Bonds	112,343	0	5,617	106,726	0
OWDA Loan Payable	11,753,270	0	546,922	11,206,348	0
Compensated Absences	748,890	42,581	22,413	769,058	149,444
Total Business-Type Activities	<u>\$30,247,723</u>	<u>\$42,581</u>	<u>\$1,851,638</u>	<u>\$28,438,666</u>	<u>\$1,484,444</u>

The police and fire pension liability will be paid from taxes received in the police and fire pension special revenue fund. The governmental various purpose general obligation bonds and OPWC loan will be paid from taxes received in the master capital capital projects fund.

The revenue bonds and the enterprise general obligation bonds will be paid from charges for services revenue in the enterprise funds.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*

Compensated absences will be paid from the general fund, the street maintenance and repair special revenue fund, and the sewer, electric and water enterprise funds.

**Revenue Bonds**

In 2004, the City issued \$5,785,000 in Waterworks System Refunding Revenue Bonds with interest rates varying from 2.0 percent to 4.5 percent. Proceeds were used to current refund the \$5,215,000 current outstanding waterworks system revenue bonds and take advantage of lower interest rates. The refunded bonds were callable at 102 percent. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2012, \$3,095,000 of the defeased bonds are still outstanding.

The revenue bonds are serial bonds. The bonds maturing on or after December 1, 2014 are subject to early redemption, at the sole option of the City, either in whole on any date or in part on any interest payment date, on or after December 1, 2013, in multiples of \$5,000, at the following redemption prices plus accrued interest:

Redemption Dates	Redemption Prices
December 1, 2013 and thereafter	100 percent

Restricted assets relating to the water revenue bonds at December 31, 2012, were as follows:

Restricted Assets Held by City	
Replacement and Improvement	\$687,175
Restricted Assets Held by the Trustee	
Revenue Bond Current Debt Service	\$497,860

In 2003, the City issued \$805,000 in Waterworks System Improvement Revenue Bonds with interest rates varying from 2.0 percent to 4.5 percent. Proceeds were used to improve the municipal water system. The revenue bonds are serial bonds. The bonds maturing on or after December 1, 2014 are subject to early redemption, at the sole option of the City, either in whole on any date or in part on any interest payment date, on or after December 1, 2013, in multiples of \$5,000, at the following redemption prices plus accrued interest:

Redemption Dates	Redemption Prices
December 1, 2013 and thereafter	100 percent

The City has pledged future revenues to repay the Waterworks System Improvement Refunding Revenue and Revenue Bonds. The bonds are payable solely from net revenues and are payable through 2022. Net revenues include all revenues received by the water utility less all operating expenses other than depreciation expense. The total principal and interest remaining to be paid on the bonds is \$4,967,952. Principal and interest paid for the current year were \$457,183, net revenues were \$1,030,584 and total revenues were \$2,256,604.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*

In 2006, the City issued \$9,670,000 in Municipal Electric System Refunding Revenue Bonds with interest rates varying from 3.7 percent to 5.0 percent. Proceeds were used to refund the \$7,190,000 current outstanding waterworks system revenue bonds and \$2,200,000 in bond anticipation notes to take advantage of lower interest rates. The refunded bonds were callable at 101 percent. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2012, \$4,310,000 of the defeased bonds are still outstanding.

The revenue bonds are serial bonds. The bonds maturing on or after December 1, 2016 are subject to early redemption, at the sole option of the City, either in whole on any date or in part on any interest payment date, on or after December 1, 2015, in multiples of \$5,000, at the following redemption prices plus accrued interest:

Redemption Dates	Redemption Prices
December 1, 2016 and thereafter	100 percent

Restricted assets relating to the electric revenue bonds at December 31, 2012, were as follows:

Restricted Assets Held by City	
Replacement and Improvement	\$2,036,785
Restricted Assets Held by the Trustee	
Revenue Bond Current Debt Service	\$913,853

The City has pledged future revenues to repay the Municipal Electric System Refunding Revenue Bonds. The bonds are payable solely from net revenues and are payable through 2019. Net revenues include all revenues received by the water utility less all operating expenses other than depreciation expense. The total principal and interest remaining to be paid on the bonds is \$6,513,914. Principal and interest paid for the current year were \$924,647, net revenues were \$883,433 and total revenues were \$22,115,910.

The City has entered into a contractual agreement for a line of credit in the amount of \$13,722,732 from the Ohio Water Development Authority for improvements to the wastewater treatment plant. Since the loan repayment schedule has not yet been finalized, a repayment schedule is not included in the schedule of debt service requirements. Until a final repayment schedule is available, the City is paying this loan based on estimates.

As of December 31, 2012, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$14,441,704 and the unvoted legal debt margin was \$2,746,655. Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2012 are as follows:

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2012

Year Ending December 31	Waterworks System		Municipal Electric System		Electric	
	Revenue Bonds		Revenue Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	\$330,000	\$165,594	\$700,000	\$236,897	\$305,000	\$210,139
2014	345,000	150,744	730,000	201,899	305,000	201,580
2015	355,000	137,978	760,000	165,398	315,000	197,139
2016	375,000	124,489	790,000	137,278	320,000	191,614
2017	400,000	109,489	825,000	103,702	325,000	180,656
2018-2022	2,185,000	289,658	1,760,000	103,740	1,755,000	725,596
2023-2027	0	0	0	0	1,935,000	452,436
2028-2031	0	0	0	0	1,430,000	129,058
<b>Total</b>	<b>\$3,990,000</b>	<b>\$977,952</b>	<b>\$5,565,000</b>	<b>\$948,914</b>	<b>\$6,690,000</b>	<b>\$2,288,218</b>

Year Ending December 31	Various Purpose		State Infrastructure		OPWC Loan	Police and	
	General Obligation Bond		Bank Loan			Fire Pension	
	Principal	Interest	Principal	Interest		Principal	Interest
2013	\$105,000	\$72,343	\$99,495	\$22,146	\$10,000	\$7,093	\$10,952
2014	110,000	72,701	102,501	19,139	10,000	7,398	10,647
2015	110,000	68,842	105,601	16,041	10,000	7,715	10,330
2016	110,000	65,867	108,792	12,849	10,000	8,047	9,998
2017	115,000	63,925	112,081	9,561	10,000	8,392	9,653
2018-2022	610,000	252,029	234,428	8,856	45,000	47,688	42,537
2023-2027	725,000	167,702	0	0	0	58,849	31,376
2028-2032	685,000	61,948	0	0	0	72,618	17,607
2033-2035	0	0	0	0	0	41,950	2,659
<b>Total</b>	<b>\$2,570,000</b>	<b>\$825,357</b>	<b>\$762,898</b>	<b>\$88,592</b>	<b>\$95,000</b>	<b>\$259,750</b>	<b>\$145,759</b>

***American Municipal Power Generating Station Project***

The City is a member of American Municipal Power (AMP) and is a participant in the AMP Generating Station (AMPGS) Project. This project intended to develop a pulverized coal power plant in Meigs County, Ohio. The City's share was 21,000 kilowatts, the project's total kilowatts was 771,281 giving the City a 2.72 percent share. This plant was estimated to be a \$3 billion project, but the project's targeted capital costs increased by 37 percent and the engineer, procure and construct (EPC) contractor could not guarantee the costs would not continue to escalate. In November 2009, the participants voted to terminate the AMPGS Project due to these escalating costs. The AMPGS Project participants signed "take or pay" contracts with AMP. As such, the participants of the project are obligated to pay any costs incurred for the project. In November 2011, the City was notified by AMP their estimated share of the stranded costs was \$3,401,865. The City received a credit of \$1,151,658 related to their participation in the AMP Fremont Energy Center (AFEC) Project, leaving a net stranded cost estimate of \$2,250,207. Based on advice from the City's Law Director, the City is not viewing this notification as a demand for payment.

The net estimated stranded costs include the cost of land and associated permits which could be sold or otherwise utilized. On February 11, 2011, AMP filed a complaint stemming from the cancellation of the proposed AMPGS Project. The resolution of the land and the litigation may reduce the City's share of the stranded costs. The City's Utility Director believes that AMP will pursue these other sources of recovery before any demand for payment will be made. The City's Law Director advises the City has a legally enforceable claim to their pro rata share of any recoveries made by AMP. The City is viewing this potential



**City of Dover, Ohio**  
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obligation as a contingency. Although it is probable that a liability has been incurred, the amount of loss cannot be reasonably estimated until the other recovery options have been exhausted. The amount the City will ultimately pay is not known. Thus, no liability has been recorded.

The City elected to wait until all other sources of recovery had been exhausted before making any payments. If the City ultimately has an obligation to AMP they will either pay from accumulated earnings without adjusting rates or they will issue debt.

**Note 16 – Fund Balances**

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

Fund Balances	General	Master Capital	Other Governmental Funds	Total
<u>Nonspendable:</u>				
Inventory	\$40,992	\$0	\$145,101	\$186,093
Prepays	57,013	0	19,377	76,390
Unclaimed Monies	5,699	0	0	5,699
<i>Total Nonspendable</i>	<u>103,704</u>	<u>0</u>	<u>164,478</u>	<u>268,182</u>
<u>Restricted for:</u>				
Street Maintenance and Repair	0	0	92,686	92,686
Cemetery	0	0	786,937	786,937
Law Enforcement and Education	0	0	40,207	40,207
Revolving Loan Program	0	0	472,259	472,259
Capital Projects	0	0	52,257	52,257
<i>Total Restricted</i>	<u>0</u>	<u>0</u>	<u>1,444,346</u>	<u>1,444,346</u>
<u>Committed to:</u>				
Ambulance	0	0	222,463	222,463
Shade Tree	0	0	2,737	2,737
Capital Improvements	0	1,681,734	0	1,681,734
<i>Total Committed</i>	<u>0</u>	<u>1,681,734</u>	<u>225,200</u>	<u>1,906,934</u>
<u>Assigned to:</u>				
Purchases on Order	31,307	0	0	31,307
2013 Appropriations	1,011,286	0	0	1,011,286
<i>Total Assigned</i>	<u>1,042,593</u>	<u>0</u>	<u>0</u>	<u>1,042,593</u>
Unassigned (Deficit)	791,688	0	(75,785)	715,903
<b>Total Fund Balances</b>	<u><u>\$1,937,985</u></u>	<u><u>\$1,681,734</u></u>	<u><u>\$1,758,239</u></u>	<u><u>\$5,377,958</u></u>

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*

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**Note 17 – Joint Venture**

***Ohio Municipal Electric Generation Agency (JV2)***

The City of Dover is a Non-Financing Participant and an Owner Participant with an ownership percentage of 5.22 percent and shares participation with thirty-five other subdivisions within the State of Ohio in the Ohio Municipal Electric Generation Agency (OMEGA JV2). Owner Participants own undivided interests, as tenants in common, in the OMEGA JV2 Project in the amount of their respective Project Shares. Purchaser Participants agree to purchase the output associated with their respective Project shares, ownership of which is held in trust for such Purchaser Participants.

Pursuant to the OMEGA JV2 Agreement, the participants jointly undertook as either Financing Participants or Non-Financing Participants and as either Owner Participants or Purchaser Participants, the acquisition, construction, and equipping of OMEGA JV2, including such portions of OMEGA JV2 as have been acquired, constructed or equipped by AMP and to pay or incur the costs of the same in accordance with the JV2 Agreement.

OMEGA JV2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economic status of the participants' respective municipal electric utility system. The Project consists of 138.65 MW of distributed generation of which 134.081 MW is the participants' entitlement and 4.569 MW are held in reserve. On dissolution of OMEGA JV2, the net position will be shared by the participants on a percentage of ownership basis. OMEGA JV2 is managed by AMP, which acts as the joint venture's agent. During 2001, AMP issued \$50,260,000 of 20 year fixed rate bonds on behalf of the Financing Participants of OMEGA JV2. The net proceeds of the bond issue of \$45,904,712 were contributed to OMEGA JV2. On January 3, 2011, AMP redeemed all of the \$31,110,000 OMEGA JV2 Project Distributive Generation Bonds then outstanding by borrowing on AMP's revolving credit facility. As such, the remaining outstanding bond principal of the OMEGA JV2 indebtedness was reduced to zero, with the remaining principal balance now residing on the AMP credit facility. As of December 31, 2012, the outstanding debt was \$20,030,648. The City's net investment and its share of operating results of OMEGA JV2 are reported in the City's electric fund (an enterprise fund). The City's net investment in OMEGA JV2 was \$1,366,955 at December 31, 2012. Complete financial statements for OMEGA JV2 may be obtained from AMP or from the State Auditor's website at [www.ohioauditor.gov](http://www.ohioauditor.gov).

**Note 18 – Significant Commitments**

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General	\$48,232
Master Capital	887,354
Sewer	611,158
Electric	1,054,329
Water	59,379
Nonmajor Funds	83,170
Totals	<u>\$2,743,622</u>

**Combining and Individual Fund  
Statements and Schedules**

## Fund Descriptions – Nonmajor Governmental Funds

### *Nonmajor Special Revenue Funds*

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

***Street Maintenance and Repair Fund*** - Required by the Ohio Revised Code to account for and report State gasoline tax and motor vehicle registration fees that are restricted for maintenance of streets within the City.

***State Highway Fund*** - Required by the Ohio Revised Code to account for and report State gasoline tax and motor vehicle registration fees that are restricted for maintenance of State highways within the City.

***Police and Fire Pension Fund*** - To account for and report property taxes levied and restricted for the payment of the current and accrued liability for police and firemen's disability and pension benefits.

***Ambulance Fund*** - To account for and report monies collected from the use of the ambulance by the citizens of Dover and Dover Township, which are committed to expenditures related to ambulance service.

***Cemetery Fund*** - To account for and report revenue from the sale of plots and interest restricted for the care and upkeep of the cemetery.

***Revolving Loan Fund*** - To account for and report initial loans made by the City to local businesses and subsequent repayment of these loans, which is restricted for future loans.

***Drug Law Enforcement Fund*** - To account for and report monies from mandatory fines for trafficking offenses restricted for the investigation and prosecution of drug cases.

***Law Enforcement Block Grant Fund*** - To account for and report grant monies restricted for upgrades to police computer systems. This fund has no budgetary activity for 2012.

***Enforcement and Education Fund*** - To account for and report monies received from convictions of alcohol related cases restricted for the education of the community at large.

***Shade Tree Fund*** – To account for and report donations from individuals or organizations committed for the purpose of planting trees.

(continued)

## **Fund Descriptions – Nonmajor Governmental Funds (continued)**

### ***Nonmajor Debt Service Fund***

Debt service funds are used to account and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

***Debt Service Fund*** - To account for and report matured interest payable on past bond coupons held by a fiscal agent and restricted for debt payments. This fund has no budgetary activity for 2012.

### ***Nonmajor Capital Projects Fund***

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

***Small Cities Block Grant Fund*** - To account for and report monies received from the State government, distributed by the County, under the Community Development Block Grant program restricted for street repairs and replacements.

***Community Housing Improvement Program (CHIP) Fund*** - To account for and report monies received from the Ohio Regional Development restricted for low income renovations and down payments.

**City of Dover, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2012*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,527,331	\$0	\$52,257	\$1,579,588
Cash and Cash Equivalents With Fiscal Agents	0	1,735	0	1,735
Materials and Supplies Inventory	145,101	0	0	145,101
Accounts Receivable	507,420	0	0	507,420
Intergovernmental Receivable	294,949	0	0	294,949
Prepaid Items	19,377	0	0	19,377
Income Tax Receivable	291,191	0	0	291,191
Property Taxes Receivable	125,329	0	0	125,329
Loans Receivable	152,846	0	0	152,846
<i>Total Assets</i>	<u>\$3,063,544</u>	<u>\$1,735</u>	<u>\$52,257</u>	<u>\$3,117,536</u>
<b>Liabilities</b>				
Accounts Payable	\$25,584	\$0	\$0	\$25,584
Accrued Wages	43,615	0	0	43,615
Contracts Payable	28,264	0	0	28,264
Intergovernmental Payable	187,620	0	0	187,620
Matured Interest Payable	0	1,735	0	1,735
<i>Total Liabilities</i>	<u>285,083</u>	<u>1,735</u>	<u>0</u>	<u>286,818</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	121,234	0	0	121,234
Unavailable Revenue	951,245	0	0	951,245
<i>Total Deferred Inflows of Resources</i>	<u>1,072,479</u>	<u>0</u>	<u>0</u>	<u>1,072,479</u>
<b>Fund Balances</b>				
Nonspendable	164,478	0	0	164,478
Restricted	1,392,089	0	52,257	1,444,346
Committed	225,200	0	0	225,200
Unassigned (Deficit)	(75,785)	0	0	(75,785)
<i>Total Fund Balances</i>	<u>1,705,982</u>	<u>0</u>	<u>52,257</u>	<u>1,758,239</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$3,063,544</u>	<u>\$1,735</u>	<u>\$52,257</u>	<u>\$3,117,536</u>

**City of Dover, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2012*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Property Taxes	\$136,385	\$0	\$136,385
Income Taxes	1,305,000	0	1,305,000
Intergovernmental	612,633	261,863	874,496
Interest	12,063	24	12,087
Fines, Licenses and Permits	1,066	0	1,066
Charges for Services	420,771	0	420,771
Other	117,856	0	117,856
<i>Total Revenues</i>	<u>2,605,774</u>	<u>261,887</u>	<u>2,867,661</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property	539,442	0	539,442
Transportation	1,092,986	0	1,092,986
Public Health Services	742,919	0	742,919
Community Environment	65,901	0	65,901
Capital Outlay	0	314,412	314,412
Debt Service:			
Principal Retirement	6,801	0	6,801
Interest and Fiscal Charges	11,244	0	11,244
<i>Total Expenditures</i>	<u>2,459,293</u>	<u>314,412</u>	<u>2,773,705</u>
<i>Net Change in Fund Balances</i>	146,481	(52,525)	93,956
<i>Fund Balances Beginning of Year</i>	<u>1,559,501</u>	<u>104,782</u>	<u>1,664,283</u>
<i>Fund Balances End of Year</i>	<u><u>\$1,705,982</u></u>	<u><u>\$52,257</u></u>	<u><u>\$1,758,239</u></u>

**City of Dover, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2012*

	Street Maintenance and Repair	State Highway	Police and Fire Pension	Ambulance	Cemetery
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$93,099	\$48,114	\$15,545	\$225,683	\$782,575
Materials and Supplies Inventory	145,101	0	0	0	0
Accounts Receivable	0	0	0	507,420	0
Intergovernmental Receivable	263,064	23,110	8,733	0	0
Prepaid Items	10,178	0	0	5,186	4,013
Income Tax Receivable	116,255	0	97,433	0	77,503
Property Taxes Receivable	0	0	125,329	0	0
Loans Receivable	0	0	0	0	0
<i>Total Assets</i>	<u>\$627,697</u>	<u>\$71,224</u>	<u>\$247,040</u>	<u>\$738,289</u>	<u>\$864,091</u>
<b>Liabilities</b>					
Accounts Payable	\$18,312	\$3,389	\$0	\$3,220	\$663
Accrued Wages	37,346	0	0	0	6,269
Contracts Payable	0	28,264	0	0	0
Intergovernmental Payable	32,584	0	141,330	0	13,706
<i>Total Liabilities</i>	<u>88,242</u>	<u>31,653</u>	<u>141,330</u>	<u>3,220</u>	<u>20,638</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes	0	0	121,234	0	0
Unavailable Revenue	311,240	19,821	60,261	507,420	52,503
<i>Total Deferred Inflows of Resources</i>	<u>311,240</u>	<u>19,821</u>	<u>181,495</u>	<u>507,420</u>	<u>52,503</u>
<b>Fund Balances</b>					
Nonspendable	155,279	0	0	5,186	4,013
Restricted	72,936	19,750	0	0	786,937
Committed	0	0	0	222,463	0
Unassigned (Deficit)	0	0	(75,785)	0	0
<i>Total Fund Balances (Deficit)</i>	<u>228,215</u>	<u>19,750</u>	<u>(75,785)</u>	<u>227,649</u>	<u>790,950</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$627,697</u>	<u>\$71,224</u>	<u>\$247,040</u>	<u>\$738,289</u>	<u>\$864,091</u>



Revolving Loan	Drug Law Enforcement	Law Enforcement Block Grant	Enforcement and Education	Shade Tree	Total Nonmajor Special Revenue Funds
\$319,413	\$10,765	\$427	\$28,973	\$2,737	\$1,527,331
0	0	0	0	0	145,101
0	0	0	0	0	507,420
0	0	0	42	0	294,949
0	0	0	0	0	19,377
0	0	0	0	0	291,191
0	0	0	0	0	125,329
152,846	0	0	0	0	152,846
<u>\$472,259</u>	<u>\$10,765</u>	<u>\$427</u>	<u>\$29,015</u>	<u>\$2,737</u>	<u>\$3,063,544</u>
\$0	\$0	\$0	\$0	\$0	\$25,584
0	0	0	0	0	43,615
0	0	0	0	0	28,264
0	0	0	0	0	187,620
0	0	0	0	0	285,083
0	0	0	0	0	121,234
0	0	0	0	0	951,245
0	0	0	0	0	1,072,479
0	0	0	0	0	164,478
472,259	10,765	427	29,015	0	1,392,089
0	0	0	0	2,737	225,200
0	0	0	0	0	(75,785)
472,259	10,765	427	29,015	2,737	1,705,982
<u>\$472,259</u>	<u>\$10,765</u>	<u>\$427</u>	<u>\$29,015</u>	<u>\$2,737</u>	<u>\$3,063,544</u>

**City of Dover, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2012*

	Street Maintenance and Repair	State Highway	Police and Fire Pension	Ambulance
<b>Revenues</b>				
Property Taxes	\$0	\$0	\$136,385	\$0
Income Taxes	500,000	0	460,000	0
Intergovernmental	559,794	44,172	8,667	0
Interest	188	0	0	0
Fines, Licenses and Permits	0	0	0	0
Charges for Services	0	0	0	280,222
Other	16,327	44	0	38,833
<i>Total Revenues</i>	<u>1,076,309</u>	<u>44,216</u>	<u>605,052</u>	<u>319,055</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	0	0	539,442	0
Transportation	1,061,333	31,653	0	0
Public Health Services	0	0	0	287,479
Community Environment	0	0	0	0
Debt Service:				
Principal Retirement	0	0	6,801	0
Interest and Fiscal Charges	0	0	11,244	0
<i>Total Expenditures</i>	<u>1,061,333</u>	<u>31,653</u>	<u>557,487</u>	<u>287,479</u>
<i>Net Change in Fund Balances</i>	14,976	12,563	47,565	31,576
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>213,239</u>	<u>7,187</u>	<u>(123,350)</u>	<u>196,073</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$228,215</u>	<u>\$19,750</u>	<u>(\$75,785)</u>	<u>\$227,649</u>

Cemetery	Revolving Loan	Drug Law Enforcement	Law Enforcement Block Grant	Enforcement and Education	Shade Tree	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$136,385
345,000	0	0	0	0	0	1,305,000
0	0	0	0	0	0	612,633
3,320	8,555	0	0	0	0	12,063
0	0	0	0	1,066	0	1,066
140,549	0	0	0	0	0	420,771
62,652	0	0	0	0	0	117,856
551,521	8,555	0	0	1,066	0	2,605,774
0	0	0	0	0	0	539,442
0	0	0	0	0	0	1,092,986
455,440	0	0	0	0	0	742,919
0	65,901	0	0	0	0	65,901
0	0	0	0	0	0	6,801
0	0	0	0	0	0	11,244
455,440	65,901	0	0	0	0	2,459,293
96,081	(57,346)	0	0	1,066	0	146,481
694,869	529,605	10,765	427	27,949	2,737	1,559,501
\$790,950	\$472,259	\$10,765	\$427	\$29,015	\$2,737	\$1,705,982

**City of Dover, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2012*

	Small Cities Block Grant	CHIP	Total Nonmajor Capital Projects Funds
<b>Revenues</b>			
Intergovernmental	\$48,000	\$213,863	\$261,863
Other	0	24	24
<i>Total Revenues</i>	48,000	213,887	261,887
<b>Expenditures</b>			
Capital Outlay	48,000	266,412	314,412
<i>Net Change in Fund Balances</i>	0	(52,525)	(52,525)
<i>Fund Balances Beginning of Year</i>	0	104,782	104,782
<i>Fund Balances End of Year</i>	\$0	\$52,257	\$52,257

**Individual Fund Schedules of Revenues, Expenditures/Expenses  
and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual**

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2012*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$760,000	\$760,000	\$753,883	(\$6,117)
Income Taxes	3,714,560	3,718,525	3,790,507	71,982
Intergovernmental	1,320,291	1,321,700	1,655,304	333,604
Interest	39,957	40,000	17,057	(22,943)
Fines, Licenses and Permits	76,468	76,550	58,797	(17,753)
Charges for Services	752,572	753,375	833,281	79,906
Other	186,238	186,436	75,885	(110,551)
<i>Total Revenues</i>	<u>6,850,086</u>	<u>6,856,586</u>	<u>7,184,714</u>	<u>328,128</u>
<b>Expenditures</b>				
Current:				
General Government:				
Mayor:				
Salaries and Wages	123,994	123,994	121,988	2,006
Fringe Benefits	67,889	75,389	72,545	2,844
Purchased Services	15,780	14,972	7,840	7,132
Materials and Supplies	5,750	6,558	5,848	710
Total Mayor	<u>213,413</u>	<u>220,913</u>	<u>208,221</u>	<u>12,692</u>
Auditor:				
Salaries and Wages	147,670	147,670	113,408	34,262
Fringe Benefits	83,468	91,968	89,688	2,280
Purchased Services	19,576	30,626	27,406	3,220
Materials and Supplies	4,500	4,529	4,499	30
Total Auditor	<u>255,214</u>	<u>274,793</u>	<u>235,001</u>	<u>39,792</u>
Treasurer:				
Salaries and Wages	14,120	14,120	14,120	0
Fringe Benefits	4,820	4,820	4,641	179
Purchased Services	1,050	1,050	750	300
Materials and Supplies	50	50	0	50
Total Treasurer	<u>\$20,040</u>	<u>\$20,040</u>	<u>\$19,511</u>	<u>\$529</u>

(continued)

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2012*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Law Director:				
Salaries and Wages	\$69,941	\$69,941	\$69,941	\$0
Fringe Benefits	34,715	38,215	36,613	1,602
Purchased Services	98,277	114,777	89,953	24,824
Materials and Supplies	3,000	3,000	1,142	1,858
<b>Total Law Director</b>	<b>205,933</b>	<b>225,933</b>	<b>197,649</b>	<b>28,284</b>
Civil Service Commission:				
Salaries and Wages	3,000	3,000	3,000	0
Fringe Benefits	600	600	463	137
Purchased Services	5,850	5,850	2,961	2,889
Materials and Supplies	100	100	0	100
<b>Total Civil Service Commission</b>	<b>9,550</b>	<b>9,550</b>	<b>6,424</b>	<b>3,126</b>
Income Tax Department:				
Salaries and Wages	90,486	91,486	91,375	111
Fringe Benefits	55,115	58,615	58,158	457
Purchased Services	86,113	144,054	11,851	132,203
Materials and Supplies	7,000	10,088	6,652	3,436
<b>Total Income Tax Department</b>	<b>238,714</b>	<b>304,243</b>	<b>168,036</b>	<b>136,207</b>
Council:				
Salaries and Wages	48,000	48,150	47,769	381
Fringe Benefits	15,300	15,300	15,104	196
Purchased Services	26,042	25,892	24,232	1,660
Materials and Supplies	1,250	1,250	821	429
<b>Total Council</b>	<b>90,592</b>	<b>90,592</b>	<b>87,926</b>	<b>2,666</b>
Clerk of Council:				
Salaries and Wages	5,875	5,875	5,871	4
Fringe Benefits	2,680	2,680	2,568	112
Purchased Services	900	700	601	99
Materials and Supplies	250	450	404	46
<b>Total Clerk of Council</b>	<b>\$9,705</b>	<b>\$9,705</b>	<b>\$9,444</b>	<b>\$261</b>

(continued)

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2012*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Service Director:				
Salaries and Wages	\$106,374	\$106,374	\$15,656	\$90,718
Fringe Benefits	64,250	71,750	68,569	3,181
Purchased Services	9,227	8,921	4,419	4,502
Materials and Supplies	7,500	7,806	5,014	2,792
Total Service Director	187,351	194,851	93,658	101,193
Rubbish-Janitor-City Hall:				
Salaries and Wages	34,612	34,612	17,712	16,900
Fringe Benefits	13,250	20,000	12,375	7,625
Purchased Services	0	42,468	25,860	16,608
Materials and Supplies	750	750	422	328
Total Rubbish-Janitor-City Hall	48,612	97,830	56,369	41,461
Other:				
Purchased Services	240,042	233,016	194,026	38,990
Materials and Supplies	5,000	10,000	8,917	1,083
Capital Outlay	440,000	485,502	446,735	38,767
Other	7,580	8,000	0	8,000
Total Other	692,622	736,518	649,678	86,840
Total General Government	1,971,746	2,184,968	1,731,917	453,051
Security of Persons and Property:				
Police:				
Salaries and Wages	1,390,226	1,390,226	1,341,008	49,218
Fringe Benefits	397,854	494,456	456,838	37,618
Purchased Services	108,735	89,819	78,509	11,310
Materials and Supplies	81,250	98,560	68,070	30,490
Total Police	1,978,065	2,073,061	1,944,425	128,636
Traffic Safety:				
Salaries and Wages	141,000	141,000	132,519	8,481
Fringe Benefits	81,324	100,324	92,742	7,582
Purchased Services	39,241	37,179	32,416	4,763
Materials and Supplies	65,000	67,063	30,642	36,421
Total Traffic Safety	\$326,565	\$345,566	\$288,319	\$57,247

(continued)



**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2012*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fire Prevention:				
Salaries and Wages	\$1,142,726	\$1,142,726	\$1,074,427	\$68,299
Fringe Benefits	359,628	417,322	382,672	34,650
Purchased Services	112,171	103,273	73,844	29,429
Materials and Supplies	64,050	82,195	65,727	16,468
	1,678,575	1,745,516	1,596,670	148,846
Total Fire Prevention				
Director of Public Safety:				
Salaries and Wages	31,949	31,949	31,949	0
Fringe Benefits	8,675	8,675	8,621	54
Purchased Services	3,866	2,914	384	2,530
Materials and Supplies	1,000	1,000	0	1,000
	45,490	44,538	40,954	3,584
Total Director of Public Safety				
Total Security of Persons and Property	4,028,695	4,208,681	3,870,368	338,313
Public Health Services:				
County Health Services:				
Purchased Services	10,000	13,293	9,016	4,277
Community Environment:				
Demolition and Mowing:				
Purchased Services	25,000	27,228	20,005	7,223
Building Inspector:				
Salaries and Wages	58,926	58,926	58,926	0
Fringe Benefits	36,878	41,878	38,479	3,399
Purchased Services	3,195	6,000	5,507	493
Materials and Supplies	1,500	2,195	1,397	798
	100,499	108,999	104,309	4,690
Total Building Inspector				
Total Community Environment	\$125,499	\$136,227	\$124,314	\$11,913

(continued)

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2012*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Basic Utility Services:				
Refuse Collections and Disposals:				
Purchased Services	\$618,612	\$631,134	\$629,555	\$1,579
Leisure Time Activities:				
Parks and Recreation:				
Personal Services	476,533	486,533	483,956	2,577
Fringe Benefits	216,538	266,547	246,679	19,868
Purchased Services	109,491	107,080	95,561	11,519
Materials and Supplies	95,000	104,401	97,071	7,330
Total Leisure Time Activities	897,562	964,561	923,267	41,294
<i>Total Expenditures</i>	7,652,114	8,138,864	7,288,437	850,427
<i>Net Change in Fund Balance</i>	(802,028)	(1,282,278)	(103,723)	1,178,555
<i>Fund Balance Beginning of Year</i>	1,624,170	1,624,170	1,624,170	0
Prior Year Encumbrances Appropriated	93,188	93,188	93,188	0
<i>Fund Balance End of Year</i>	\$915,330	\$435,080	\$1,613,635	\$1,178,555

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Master Capital Fund*  
*For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Income Taxes	\$1,132,700	\$1,591,475	\$1,645,824	\$54,349
Intergovernmental	434,558	610,566	207,769	(402,797)
Other	222,742	312,959	288,201	(24,758)
<i>Total Revenues</i>	<u>1,790,000</u>	<u>2,515,000</u>	<u>2,141,794</u>	<u>(373,206)</u>
<b>Expenditures</b>				
Capital Outlay	<u>3,149,980</u>	<u>3,221,034</u>	<u>2,154,676</u>	<u>1,066,358</u>
Debt Service:				
Principal Retirement	201,576	201,576	201,576	0
Interest and Fiscal Charges	<u>118,651</u>	<u>118,651</u>	<u>118,560</u>	<u>91</u>
Total Debt Service	<u>320,227</u>	<u>320,227</u>	<u>320,136</u>	<u>91</u>
<i>Total Expenditures</i>	<u>3,470,207</u>	<u>3,541,261</u>	<u>2,474,812</u>	<u>1,066,449</u>
<i>Net Change in Fund Balance</i>	(1,680,207)	(1,026,261)	(333,018)	693,243
<i>Fund Balance Beginning of Year</i>	1,028,666	1,028,666	1,028,666	0
Prior Year Encumbrances Appropriated	<u>132,109</u>	<u>132,109</u>	<u>132,109</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$519,432)</u>	<u>\$134,514</u>	<u>\$827,757</u>	<u>\$693,243</u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Sewer Fund*  
*For the Year Ended December 31, 2012*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$3,417,696	\$3,094,400	\$3,140,273	\$45,873
Interest	4,970	4,500	0	(4,500)
Other	277,334	251,100	153,924	(97,176)
<i>Total Revenues</i>	<u>3,700,000</u>	<u>3,350,000</u>	<u>3,294,197</u>	<u>(55,803)</u>
<b>Expenses</b>				
Salaries and Wages:				
Sewer Office	56,179	85,619	75,855	9,764
Sewer Disposal Plant	801,153	801,153	796,394	4,759
Total Salaries and Wages	<u>857,332</u>	<u>886,772</u>	<u>872,249</u>	<u>14,523</u>
Fringe Benefits:				
Sewer Office	39,503	39,506	34,227	5,279
Sewer Disposal Plant	515,371	575,471	528,798	46,673
Total Fringe Benefits	<u>554,874</u>	<u>614,977</u>	<u>563,025</u>	<u>51,952</u>
Purchased Services:				
Sewer Office	110,500	84,389	40,060	44,329
Sewer Disposal Plant	341,150	377,316	214,600	162,716
Total Purchased Services	<u>451,650</u>	<u>461,705</u>	<u>254,660</u>	<u>207,045</u>
Materials and Supplies:				
Sewer Office	14,000	13,459	3,854	9,605
Sewer Disposal Plant	163,000	177,254	155,547	21,707
Total Materials and Supplies	<u>177,000</u>	<u>190,713</u>	<u>159,401</u>	<u>31,312</u>
Capital Outlay:				
Sewer Office	6,066	12,978	12,146	832
Sewer Disposal Plant	1,191,023	790,800	596,038	194,762
Wastewater Reserve	1,416,480	1,416,480	844,470	572,010
Total Capital Outlay	<u>2,613,569</u>	<u>2,220,258</u>	<u>1,452,654</u>	<u>767,604</u>
Debt Service:				
Principal Retirement	546,940	546,940	546,922	18
Interest and Fiscal Charges	392,550	392,550	391,567	983
Total Debt Service	<u>939,490</u>	<u>939,490</u>	<u>938,489</u>	<u>1,001</u>
<i>Total Expenses</i>	<u>\$5,593,915</u>	<u>\$5,313,915</u>	<u>\$4,240,478</u>	<u>\$1,073,437</u>

(continued)

**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Sewer Fund (continued)*  
*For the Year Ended December 31, 2012*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Net Change in Fund Equity</i>	(\$1,893,915)	(\$1,963,915)	(\$946,281)	\$1,017,634
<i>Fund Equity Beginning of Year</i>	3,216,506	3,216,506	3,216,506	0
<i>Prior Year Encumbrances Appropriated</i>	476,569	476,569	476,569	0
<i>Fund Equity End of Year</i>	\$1,799,160	\$1,729,160	\$2,746,794	\$1,017,634

**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Electric Fund*  
*For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$20,805,503	\$22,289,000	\$21,199,195	(\$1,089,805)
Electric Deposits Received	29,870	32,000	10,332	(21,668)
Interest	9,801	10,500	599	(9,901)
Other	219,826	235,500	618,202	382,702
<i>Total Revenues</i>	<u>21,065,000</u>	<u>22,567,000</u>	<u>21,828,328</u>	<u>(738,672)</u>
<b>Expenses</b>				
Salaries and Wages:				
Electric Office	108,934	148,734	143,657	5,077
Electric Distribution	1,061,789	984,789	949,737	35,052
Electric Plant	1,414,589	1,383,589	1,359,325	24,264
Total Salaries and Wages	<u>2,585,312</u>	<u>2,517,112</u>	<u>2,452,719</u>	<u>64,393</u>
Fringe Benefits:				
Electric Office	58,770	62,770	57,713	5,057
Electric Distribution	626,000	561,000	545,370	15,630
Electric Plant	705,122	719,949	718,821	1,128
Total Fringe Benefits	<u>1,389,892</u>	<u>1,343,719</u>	<u>1,321,904</u>	<u>21,815</u>
Purchased Services:				
Electric Office	97,912	58,262	52,566	5,696
Electric Distribution	539,487	557,826	380,250	177,576
Electric Plant	2,354,045	2,658,063	2,281,931	376,132
Total Purchased Services	<u>2,991,444</u>	<u>3,274,151</u>	<u>2,714,747</u>	<u>559,404</u>
Materials and Supplies:				
Electric Office	12,000	12,422	6,622	5,800
Electric Distribution	144,500	278,698	212,587	66,111
Electric Plant	4,676,000	3,029,176	2,976,477	52,699
Total Materials and Supplies	<u>4,832,500</u>	<u>3,320,296</u>	<u>3,195,686</u>	<u>124,610</u>
Purchased Power:				
Electric Plant	<u>\$8,000,000</u>	<u>\$10,480,000</u>	<u>\$9,727,333</u>	<u>\$752,667</u>

(continued)

**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Electric Fund (continued)*  
*For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Capital Outlay:				
Electric Construction	\$0	\$0	\$0	\$0
Electric Capital Reserve	100,000	100,000	0	100,000
Electric Surplus	250,000	250,000	0	250,000
Electric Office	17,000	24,426	23,215	1,211
Municipal Electric Improvement	9,272	9,272	0	9,272
Electric Distribution	620,000	616,983	374,310	242,673
Electric Plant	810,000	1,695,000	1,694,270	730
<b>Total Capital Outlay</b>	<u>1,806,272</u>	<u>2,695,681</u>	<u>2,091,795</u>	<u>603,886</u>
Debt Service:				
Principal Retirement	940,000	940,000	940,000	0
Interest and Fiscal Charges	549,715	503,126	496,633	6,493
<b>Total Debt Service</b>	<u>1,489,715</u>	<u>1,443,126</u>	<u>1,436,633</u>	<u>6,493</u>
Electric Deposits Returned:				
Refunds	108,725	108,275	0	108,275
<b>Total Expenses</b>	<u>23,203,860</u>	<u>25,182,360</u>	<u>22,940,817</u>	<u>2,241,543</u>
<b>Net Change in Fund Equity</b>	(2,138,860)	(2,615,360)	(1,112,489)	1,502,871
<b>Fund Equity Beginning of Year</b>	4,102,689	4,102,689	4,102,689	0
<b>Prior Year Encumbrances Appropriated</b>	<u>238,769</u>	<u>238,769</u>	<u>238,769</u>	<u>0</u>
<b>Fund Equity End of Year</b>	<u>\$2,202,598</u>	<u>\$1,726,098</u>	<u>\$3,228,969</u>	<u>\$1,502,871</u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Water Fund*  
*For the Year Ended December 31, 2012*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$2,094,085	\$1,994,400	\$2,083,270	\$88,870
Interest	578	550	119	(431)
Intergovernmental	0	0	0	0
Other	6,037	5,750	132,464	126,714
<i>Total Revenues</i>	<u>2,100,700</u>	<u>2,000,700</u>	<u>2,215,853</u>	<u>215,153</u>
<b>Expenses</b>				
Salaries and Wages:				
Water Office	50,929	82,369	81,982	387
Water Plant	636,000	586,000	538,119	47,881
Total Salaries and Wages	<u>686,929</u>	<u>668,369</u>	<u>620,101</u>	<u>48,268</u>
Fringe Benefits:				
Water Office	41,250	39,250	28,716	10,534
Water Plant	286,371	341,530	307,686	33,844
Total Fringe Benefits	<u>327,621</u>	<u>380,780</u>	<u>336,402</u>	<u>44,378</u>
Purchased Services:				
Water Office	91,000	64,631	42,270	22,361
Water Plant	119,500	152,205	126,812	25,393
Total Purchased Services	<u>210,500</u>	<u>216,836</u>	<u>169,082</u>	<u>47,754</u>
Materials and Supplies:				
Water Office	11,500	10,444	3,850	6,594
Water Plant	148,500	174,414	142,613	31,801
Total Materials and Supplies	<u>160,000</u>	<u>184,858</u>	<u>146,463</u>	<u>38,395</u>
Capital Outlay:				
Water Office	4,311	14,636	13,326	1,310
Water Plant	520,362	384,244	70,062	314,182
Water Surplus	300,000	300,000	0	300,000
Total Capital Outlay	<u>\$824,673</u>	<u>\$698,880</u>	<u>\$83,388</u>	<u>\$615,492</u>

(continued)



**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Water Fund (continued)*  
*For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Debt Service:				
Principal Retirement	\$320,000	\$346,679	\$346,666	\$13
Interest and Fiscal Charges	185,000	158,321	151,925	6,396
Total Debt Service	<u>505,000</u>	<u>505,000</u>	<u>498,591</u>	<u>6,409</u>
<i>Total Expenses</i>	<u>2,714,723</u>	<u>2,654,723</u>	<u>1,854,027</u>	<u>800,696</u>
<i>Net Change in Fund Equity</i>	(614,023)	(654,023)	361,826	1,015,849
<i>Fund Equity Beginning of Year</i>	913,781	913,781	913,781	0
Prior Year Encumbrances Appropriated	<u>53,673</u>	<u>53,673</u>	<u>53,673</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$353,431</u>	<u>\$313,431</u>	<u>\$1,329,280</u>	<u>\$1,015,849</u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Maintenance and Repair Fund*  
*For the Year Ended December 31, 2012*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Income Taxes	\$525,000	\$525,000	\$525,000	\$0
Intergovernmental	624,000	624,000	560,393	(63,607)
Interest	200	200	188	(12)
Fines, Licenses and Permits	50	50	0	(50)
Other	750	750	16,327	15,577
<i>Total Revenues</i>	<u>1,150,000</u>	<u>1,150,000</u>	<u>1,101,908</u>	<u>(48,092)</u>
<b>Expenditures</b>				
Current:				
Transportation:				
Street Construction and Reconstruction:				
Salaries and Wages	501,300	501,300	484,836	16,464
Fringe Benefits	374,674	374,674	344,047	30,627
Purchased Services	55,828	55,828	53,772	2,056
Materials and Supplies	203,645	203,645	159,200	44,445
Capital Outlay	4,000	4,000	3,242	758
<i>Total Expenditures</i>	<u>1,139,447</u>	<u>1,139,447</u>	<u>1,045,097</u>	<u>94,350</u>
<i>Net Change in Fund Balance</i>	10,553	10,553	56,811	46,258
<i>Fund Balance Beginning of Year</i>	860	860	860	0
Prior Year Encumbrances Appropriated	<u>10,423</u>	<u>10,423</u>	<u>10,423</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$21,836</u></u>	<u><u>\$21,836</u></u>	<u><u>\$68,094</u></u>	<u><u>\$46,258</u></u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Highway Fund*  
*For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$50,000	\$50,000	\$44,424	(\$5,576)
Other	0	0	44	44
<i>Total Revenues</i>	50,000	50,000	44,468	(5,532)
<b>Expenditures</b>				
Current:				
Transportation:				
Street Construction and Reconstruction:				
Materials and Supplies	50,000	50,000	41,450	8,550
<i>Net Change in Fund Balance</i>	0	0	3,018	3,018
<i>Fund Balance Beginning of Year</i>	3,646	3,646	3,646	0
<i>Fund Balance End of Year</i>	<u>\$3,646</u>	<u>\$3,646</u>	<u>\$6,664</u>	<u>\$3,018</u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police and Fire Pension Fund*  
*For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$136,800	\$150,400	\$136,385	(\$14,015)
Income Taxes	358,816	450,000	440,000	(10,000)
Intergovernmental	4,784	6,000	8,667	2,667
<i>Total Revenues</i>	<u>500,400</u>	<u>606,400</u>	<u>585,052</u>	<u>(21,348)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Disability and Pension:				
Fringe Benefits	265,000	264,548	261,529	3,019
Fire Disability and Pension:				
Fringe Benefits	246,169	313,621	313,621	0
<i>Total Expenditures</i>	<u>511,169</u>	<u>578,169</u>	<u>575,150</u>	<u>3,019</u>
<i>Net Change in Fund Balance</i>	(10,769)	28,231	9,902	(18,329)
<i>Fund Balance Beginning of Year</i>	<u>5,643</u>	<u>5,643</u>	<u>5,643</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$5,126)</u>	<u>\$33,874</u>	<u>\$15,545</u>	<u>(\$18,329)</u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Ambulance Fund*  
*For the Year Ended December 31, 2012*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for Services	\$225,000	\$225,000	\$280,222	\$55,222
Other	0	0	38,833	38,833
<i>Total Revenues</i>	<u>225,000</u>	<u>225,000</u>	<u>319,055</u>	<u>94,055</u>
<b>Expenditures</b>				
Current:				
Public Health Services:				
Ambulance:				
Salaries and Wages	129,240	150,000	134,775	15,225
Purchased Services	21,540	25,000	1,135	23,865
Materials and Supplies	129,369	150,149	142,276	7,873
<i>Total Expenditures</i>	<u>280,149</u>	<u>325,149</u>	<u>278,186</u>	<u>46,963</u>
<i>Net Change in Fund Balance</i>	(55,149)	(100,149)	40,869	141,018
<i>Fund Balance Beginning of Year</i>	167,104	167,104	167,104	0
Prior Year Encumbrances Appropriated	8,478	8,478	8,478	0
<i>Fund Balance End of Year</i>	<u>\$120,433</u>	<u>\$75,433</u>	<u>\$216,451</u>	<u>\$141,018</u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Cemetery Fund**  
*For the Year Ended December 31, 2012*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Income Taxes	\$350,000	\$350,000	\$350,000	\$0
Interest	175,000	175,000	3,320	(171,680)
Charges for Services	20,000	20,000	140,549	120,549
Other	0	0	62,652	62,652
<i>Total Revenues</i>	<u>545,000</u>	<u>545,000</u>	<u>556,521</u>	<u>11,521</u>
<b>Expenditures</b>				
Current:				
Public Health Services:				
Cemetery:				
Salaries and Wages	276,294	276,294	263,061	13,233
Fringe Benefits	155,353	173,353	160,058	13,295
Purchased Services	16,000	15,399	11,220	4,179
Materials and Supplies	23,600	28,597	23,708	4,889
Capital Outlay	3,537	4,200	1,838	2,362
Other	40,000	40,000	11,075	28,925
<i>Total Expenditures</i>	<u>514,784</u>	<u>537,843</u>	<u>470,960</u>	<u>66,883</u>
<i>Net Change in Fund Balance</i>	30,216	7,157	85,561	78,404
<i>Fund Balance Beginning of Year</i>	697,073	697,073	697,073	0
Prior Year Encumbrances Appropriated	<u>1,837</u>	<u>1,837</u>	<u>1,837</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$729,126</u></u>	<u><u>\$706,067</u></u>	<u><u>\$784,471</u></u>	<u><u>\$78,404</u></u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Revolving Loan Fund*  
*For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$76,500	\$76,500	\$76,446	(\$54)
Interest	<u>0</u>	<u>0</u>	<u>12</u>	<u>12</u>
<i>Total Revenues</i>	76,500	76,500	76,458	(42)
<b>Expenditures</b>				
Current:				
Community Environment:				
Other Community Environment:				
Purchased Services	<u>250,000</u>	<u>250,000</u>	<u>65,902</u>	<u>184,098</u>
<i>Net Change in Fund Balance</i>	(173,500)	(173,500)	10,556	184,056
<i>Fund Balance Beginning of Year</i>	<u>308,857</u>	<u>308,857</u>	<u>308,857</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$135,357</u></u>	<u><u>\$135,357</u></u>	<u><u>\$319,413</u></u>	<u><u>\$184,056</u></u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Drug Law Enforcement Fund*  
*For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Drug Law Enforcement:				
Materials and Supplies	<u>8,000</u>	<u>8,000</u>	<u>0</u>	<u>8,000</u>
<i>Net Change in Fund Balance</i>	(8,000)	(8,000)	0	8,000
<i>Fund Balance Beginning of Year</i>	<u>10,765</u>	<u>10,765</u>	<u>10,765</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,765</u></u>	<u><u>\$2,765</u></u>	<u><u>\$10,765</u></u>	<u><u>\$8,000</u></u>



**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Enforcement and Education Fund*  
*For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines, Licenses and Permits	\$3,500	\$3,500	\$1,037	(\$2,463)
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Enforcement and Education:				
Materials and Supplies	30,000	30,000	0	30,000
<i>Net Change in Fund Balance</i>	(26,500)	(26,500)	1,037	27,537
<i>Fund Balance Beginning of Year</i>	27,936	27,936	27,936	0
<i>Fund Balance End of Year</i>	<u>\$1,436</u>	<u>\$1,436</u>	<u>\$28,973</u>	<u>\$27,537</u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Shade Tree Fund*  
*For the Year Ended December 31, 2012*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
General Government:				
Land Development:				
Purchased Services	2,000	2,737	0	2,737
<i>Net Change in Fund Balance</i>	(2,000)	(2,737)	0	2,737
<i>Fund Balance Beginning of Year</i>	2,737	2,737	2,737	0
<i>Fund Balance End of Year</i>	\$737	\$0	\$2,737	\$2,737

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Small Cities Block Grant Fund*  
*For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$56,000	\$56,000	\$48,000	(\$8,000)
<b>Expenditures</b>				
Capital Outlay	48,000	48,000	48,000	0
<i>Net Change in Fund Balance</i>	8,000	8,000	0	(8,000)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$8,000</u>	<u>\$8,000</u>	<u>\$0</u>	<u>(\$8,000)</u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**CHIP Fund**  
*For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$300,000	\$300,000	\$213,863	(\$86,137)
Interest	0	0	24	24
<i>Total Revenues</i>	300,000	300,000	213,887	(86,113)
<b>Expenditures</b>				
Capital Outlay	400,000	400,000	271,162	128,838
<i>Net Change in Fund Balance</i>	(100,000)	(100,000)	(57,275)	42,725
<i>Fund Balance Beginning of Year</i>	104,782	104,782	104,782	0
<i>Fund Balance End of Year</i>	<u>\$4,782</u>	<u>\$4,782</u>	<u>\$47,507</u>	<u>\$42,725</u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Employee Health Insurance Fund*  
*For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$2,000,000	\$2,500,000	\$2,433,008	(\$66,992)
Other	<u>0</u>	<u>0</u>	<u>76,778</u>	<u>76,778</u>
<i>Total Revenues</i>	<u>2,000,000</u>	<u>2,500,000</u>	<u>2,509,786</u>	<u>9,786</u>
<b>Expenses</b>				
Purchased Services	198,830	255,000	253,016	1,984
Claims	<u>1,801,170</u>	<u>2,310,000</u>	<u>2,286,199</u>	<u>23,801</u>
<i>Total Expenses</i>	<u>2,000,000</u>	<u>2,565,000</u>	<u>2,539,215</u>	<u>25,785</u>
<i>Net Change in Fund Equity</i>	0	(65,000)	(29,429)	35,571
<i>Fund Equity Beginning of Year</i>	<u>68,758</u>	<u>68,758</u>	<u>68,758</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$68,758</u>	<u>\$3,758</u>	<u>\$39,329</u>	<u>\$35,571</u>

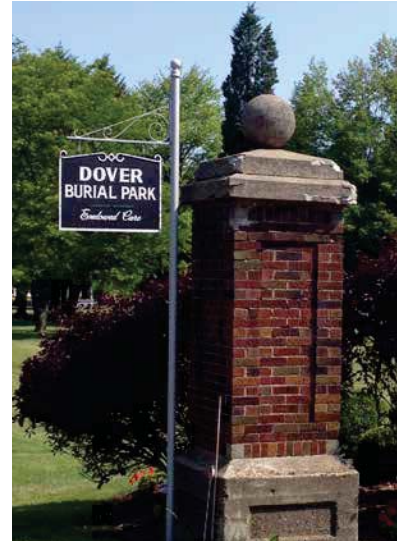
**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Cemetery Interment Fund*  
*For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Deposits for Burial Expenses	\$25,000	\$25,000	\$12,685	(\$12,315)
Interest	<u>0</u>	<u>0</u>	<u>135</u>	<u>135</u>
<i>Total Revenues</i>	25,000	25,000	12,820	(12,180)
<b>Expenses</b>				
Current:				
Public Health Services:				
Cemetery:				
Other	<u>40,000</u>	<u>40,000</u>	<u>27,716</u>	<u>12,284</u>
<i>Net Change in Fund Equity</i>	(15,000)	(15,000)	(14,896)	104
<i>Fund Equity Beginning of Year</i>	<u>227,035</u>	<u>227,035</u>	<u>227,035</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$212,035</u></u>	<u><u>\$212,035</u></u>	<u><u>\$212,139</u></u>	<u><u>\$104</u></u>

# Statistical *Section*



THE CITY OF **DOVER, OHIO**



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# City of Dover, Ohio

## Statistical Section

This part of the City of Dover's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplemental information says about the City's overall health.

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2-S13
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the City's ability to generate its income taxes and electric revenues.	S14-20
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S21-S27
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	S28-S29
<b>Operating Information</b> These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	S30-S37
<b>Sources:</b> Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.	

**City of Dover, Ohio**  
*Net Position By Component*  
*Last Ten Years*  
*(Accrual Basis of Accounting)*

	2012	2011	2010	2009
Governmental Activities				
Net Investment in Capital Assets	\$14,711,043	\$14,781,422	\$14,068,739	\$14,563,145
Restricted	1,691,379	1,737,344	2,230,639	3,060,273
Unrestricted (Deficit)	3,306,443	3,398,807	1,060,512	(528,355)
<i>Total Governmental Activities Net Assets</i>	<u>19,708,865</u>	<u>19,917,573</u>	<u>17,359,890</u>	<u>17,095,063</u>
Business Type - Activities				
Net Investment in Capital Assets	22,222,982	22,166,479	22,616,181	22,607,499
Restricted	4,135,673	4,002,175	3,941,464	3,960,033
Unrestricted	8,820,517	9,853,852	9,925,626	7,656,769
<i>Total Business-Type Activities Net Position</i>	<u>35,179,172</u>	<u>36,022,506</u>	<u>36,483,271</u>	<u>34,224,301</u>
Primary Government				
Net Investment in Capital Assets	36,934,025	36,947,901	36,684,920	37,170,644
Restricted	5,827,052	5,739,519	6,172,103	7,020,306
Unrestricted	12,126,960	13,252,659	10,986,138	7,128,414
<i>Total Primary Government Net Position</i>	<u>\$54,888,037</u>	<u>\$55,940,079</u>	<u>\$53,843,161</u>	<u>\$51,319,364</u>

2008	2007	2006	2005	2004	2003
\$14,733,397	\$13,272,279	\$13,573,055	\$13,189,789	\$13,192,577	\$12,422,701
3,852,663	3,946,056	2,311,499	2,689,957	2,290,983	3,074,163
170,354	281,189	12,369	199,864	227,630	352,507
18,756,414	17,499,524	15,896,923	16,079,610	15,711,190	15,849,371
20,850,882	17,417,960	19,479,944	15,227,727	14,177,927	16,313,496
4,024,091	4,188,957	3,967,516	3,812,435	4,137,860	4,718,108
8,125,965	8,802,130	7,476,271	9,078,102	8,818,043	6,473,109
33,000,938	30,409,047	30,923,731	28,118,264	27,133,830	27,504,713
35,584,279	30,690,239	33,052,999	28,417,516	27,370,504	28,736,197
7,876,754	8,135,013	6,279,015	6,502,392	6,428,843	7,792,271
8,296,319	9,083,319	7,488,640	9,277,966	9,045,673	6,825,616
<u>\$51,757,352</u>	<u>\$47,908,571</u>	<u>\$46,820,654</u>	<u>\$44,197,874</u>	<u>\$42,845,020</u>	<u>\$43,354,084</u>

**City of Dover, Ohio**  
*Changes in Net Position*  
*Last Ten Years*  
*(Accrual Basis of Accounting)*

	2012	2011	2010	2009
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$0	\$0	\$0	\$0
Security of Persons and Property	60,609	55,291	53,280	39,557
Transportation	0	195	12	132
Public Health Services	467,755	802,036	355,597	419,193
Community Environment	0	0	0	0
Basic Utility Services	841,032	806,117	813,825	785,970
Leisure Time Activities	0	0	0	0
Subtotal - Charges for Services	<u>1,369,396</u>	<u>1,663,639</u>	<u>1,222,714</u>	<u>1,244,852</u>
Operating Grants and Contributions:				
Security of Persons and Property	8,357	8,930	18,328	9,928
Transportation	605,844	593,393	681,292	548,731
Public Health Services	0	0	0	0
Community Environment	48,000	94,400	0	276,833
Subtotal - Operating Grants and Contributions	<u>662,201</u>	<u>696,723</u>	<u>699,620</u>	<u>835,492</u>
Capital Grants and Contributions:				
Transportation	207,769	850,056	32,174	0
Community Environment	213,863	315,058	305,251	0
Leisure Time Activities	0	0	0	0
Subtotal - Capital Grants and Contributions	<u>421,632</u>	<u>1,165,114</u>	<u>337,425</u>	<u>0</u>
<i>Total Governmental Activities Program Revenues</i>	<u>2,453,229</u>	<u>3,525,476</u>	<u>2,259,759</u>	<u>2,080,344</u>
Business-Type Activities:				
Charges for Services:				
Sewer	3,147,970	3,055,858	3,160,156	3,187,337
Electric	21,496,934	20,123,656	20,680,073	18,748,969
Water	2,124,001	1,993,661	2,021,476	1,962,129
Subtotal - Charges for Services	<u>26,768,905</u>	<u>25,173,175</u>	<u>25,861,705</u>	<u>23,898,435</u>
Capital Grants and Contributions				
Sewer	0	0	0	0
Water	0	0	0	0
Subtotal - Capital Grants and Contributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>26,768,905</u>	<u>25,173,175</u>	<u>25,861,705</u>	<u>23,898,435</u>
<i>Total Primary Government Program Revenues</i>	<u>\$29,222,134</u>	<u>\$28,698,651</u>	<u>\$28,121,464</u>	<u>\$25,978,779</u>

2008	2007	2006	2005	2004	2003
\$0	\$0	\$24,207	\$24,025	\$24,917	\$24,779
58,882	55,318	82,473	100,455	92,138	69,315
24	0	0	6	12	0
285,747	339,393	319,218	341,713	283,036	239,944
0	0	23,796	20,524	23,059	20,632
732,707	496,765	515,941	426,042	424,740	444,926
0	144,707	78,897	84,998	72,478	59,852
<u>1,077,360</u>	<u>1,036,183</u>	<u>1,044,532</u>	<u>997,763</u>	<u>920,380</u>	<u>859,448</u>
0	0	10,847	8,978	0	0
814,109	715,192	806,875	780,801	413,393	539,613
0	0	0	65,538	285,005	0
83,171	0	0	0	0	0
<u>897,280</u>	<u>715,192</u>	<u>817,722</u>	<u>855,317</u>	<u>698,398</u>	<u>539,613</u>
0	0	0	0	0	261,000
0	257,835	404,216	640,088	202,273	39,600
236,422	78,600	0	0	0	0
<u>236,422</u>	<u>336,435</u>	<u>404,216</u>	<u>640,088</u>	<u>202,273</u>	<u>300,600</u>
<u>2,211,062</u>	<u>2,087,810</u>	<u>2,266,470</u>	<u>2,493,168</u>	<u>1,821,051</u>	<u>1,699,661</u>
3,223,641	3,132,570	2,889,367	2,720,284	2,429,520	2,326,892
20,080,589	20,145,313	18,299,853	15,559,521	13,946,111	13,443,971
1,902,828	1,701,213	1,785,102	1,757,607	1,704,158	1,895,600
<u>25,207,058</u>	<u>24,979,096</u>	<u>22,974,322</u>	<u>20,037,412</u>	<u>18,079,789</u>	<u>17,666,463</u>
0	0	0	132,955	8,166	93,732
0	0	0	179,644	29,993	119,225
0	0	0	312,599	38,159	212,957
<u>25,207,058</u>	<u>24,979,096</u>	<u>22,974,322</u>	<u>20,350,011</u>	<u>18,117,948</u>	<u>17,879,420</u>
<u>\$27,418,120</u>	<u>\$27,066,906</u>	<u>\$25,240,792</u>	<u>\$22,843,179</u>	<u>\$19,938,999</u>	<u>\$19,579,081</u>

(continued)

**City of Dover, Ohio**  
*Changes in Net Position (continued)*  
*Last Ten Years*  
*(Accrual Basis of Accounting)*

	2012	2011	2010	2009
<b>Expenses</b>				
<i>Governmental Activities:</i>				
General Government	\$1,809,857	\$1,284,689	\$1,396,691	\$1,394,202
Security of Persons and Property	5,094,116	4,647,659	4,566,373	4,637,683
Transportation	1,879,829	2,186,664	842,745	3,666,602
Public Health Services	808,220	788,705	1,078,392	757,168
Community Environment	188,273	115,729	106,332	108,259
Basic Utility Services	629,555	570,453	610,467	532,610
Leisure Time Activities	1,134,362	1,007,014	2,474,704	1,010,371
Interest and Fiscal Charges	164,403	40,903	9,673	73,248
<i>Total Governmental Activities Expenses</i>	<u>11,708,615</u>	<u>10,641,816</u>	<u>11,085,377</u>	<u>12,180,143</u>
<i>Business-Type Activities</i>				
Sewer	3,670,590	3,518,361	2,886,179	2,839,223
Electric	22,992,501	20,818,346	19,311,806	18,429,586
Water	1,854,651	1,931,539	2,047,070	1,715,425
<i>Total Business-Type Activities Expenses</i>	<u>28,517,742</u>	<u>26,268,246</u>	<u>24,245,055</u>	<u>22,984,234</u>
<i>Total Primary Government Expenses</i>	<u>40,226,357</u>	<u>36,910,062</u>	<u>35,330,432</u>	<u>35,164,377</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(9,255,386)	(7,116,340)	(8,825,618)	(10,099,799)
Business-Type Activities	<u>(1,748,837)</u>	<u>(1,095,071)</u>	<u>1,616,650</u>	<u>914,201</u>
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$11,004,223)</u>	<u>(\$8,211,411)</u>	<u>(\$7,208,968)</u>	<u>(\$9,185,598)</u>

2008	2007	2006	2005	2004	2003
\$1,378,583	\$1,421,425	\$1,098,324	\$1,053,903	\$1,030,940	\$1,210,455
4,732,202	4,114,123	3,845,604	3,799,383	3,492,242	3,687,742
2,019,895	1,886,315	1,355,383	1,539,960	1,323,868	1,056,544
672,959	734,164	616,158	685,021	645,274	547,149
195,913	406,736	454,646	462,327	590,541	91,624
463,671	578,515	433,167	423,012	459,082	360,112
1,223,705	861,788	666,868	647,646	602,131	658,363
31,636	1,468	164,594	33,675	51,326	62,513
<u>10,718,564</u>	<u>10,004,534</u>	<u>8,634,744</u>	<u>8,644,927</u>	<u>8,195,404</u>	<u>7,674,502</u>
2,421,889	2,321,173	2,112,304	2,005,511	1,857,449	1,826,540
18,448,428	21,582,963	18,228,596	17,121,282	14,883,421	14,672,954
2,277,084	2,326,837	1,517,568	1,881,816	2,574,878	2,062,920
<u>23,147,401</u>	<u>26,230,973</u>	<u>21,858,468</u>	<u>21,008,609</u>	<u>19,315,748</u>	<u>18,562,414</u>
<u>33,865,965</u>	<u>36,235,507</u>	<u>30,493,212</u>	<u>29,653,536</u>	<u>27,511,152</u>	<u>26,236,916</u>
(8,507,502)	(7,916,724)	(6,368,274)	(6,151,759)	(6,374,353)	(5,974,841)
2,059,657	(1,251,877)	1,115,854	(658,598)	(1,197,800)	(682,994)
<u>(\$6,447,845)</u>	<u>(\$9,168,601)</u>	<u>(\$5,252,420)</u>	<u>(\$6,810,357)</u>	<u>(\$7,572,153)</u>	<u>(\$6,657,835)</u>

(continued)

**City of Dover, Ohio**  
*Changes in Net Position (continued)*  
*Last Ten Years*  
*(Accrual Basis of Accounting)*

	2012	2011	2010	2009
<b>General Revenues</b>				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$748,044	\$756,066	\$785,909	\$1,027,642
Police and Fire Pension	135,398	143,431	155,799	155,866
Income Taxes levied for:				
General Purposes	3,377,249	4,018,591	3,802,963	2,257,720
Street Maintenance and Repair	469,110	522,226	611,838	438,574
Cemetery	316,019	348,053	356,637	316,676
Police and Fire Pension	409,554	405,322	482,557	340,000
Capital Outlay	1,607,109	1,283,425	896,384	2,138,200
Grants and Entitlements not Restricted to				
Specific Programs	1,406,047	1,868,255	1,627,904	1,243,082
Investment Income	29,144	61,496	81,244	333,594
Miscellaneous	549,004	267,158	289,210	187,094
<i>Total Governmental Activities</i>	<u>9,046,678</u>	<u>9,674,023</u>	<u>9,090,445</u>	<u>8,438,448</u>
Business-Type Activities				
Investment Income	913	975	4,417	21,616
Miscellaneous	904,590	633,331	637,903	287,546
<i>Total Business-Type Activities</i>	<u>905,503</u>	<u>634,306</u>	<u>642,320</u>	<u>309,162</u>
<i>Total Primary Government General Revenues</i>	<u>9,952,181</u>	<u>10,308,329</u>	<u>9,732,765</u>	<u>8,747,610</u>
<b>Transfers</b>				
Governmental Activities	0	0	0	0
Business-Type Activities	0	0	0	0
<b>Change in Net Position</b>				
Governmental Activities	(208,708)	2,557,683	264,827	(1,661,351)
Business-Type Activities	(843,334)	(460,765)	2,258,970	1,223,363
<i>Total Primary Government Change in Net Position</i>	<u>(\$1,052,042)</u>	<u>\$2,096,918</u>	<u>\$2,523,797</u>	<u>(\$437,988)</u>



2008	2007	2006	2005	2004	2003
\$1,053,027	\$1,032,747	\$1,041,905	\$1,013,703	\$926,655	\$922,657
158,448	126,312	155,395	147,803	139,826	136,848
2,908,923	2,507,749	2,119,470	2,204,050	1,955,294	1,481,810
535,272	312,374	243,398	362,831	355,425	371,883
331,960	341,515	305,224	311,280	290,001	232,810
241,842	347,105	278,085	313,730	301,522	278,556
2,576,903	2,577,460	705,775	749,608	641,075	1,088,144
1,487,366	1,708,557	1,785,908	1,711,617	1,865,282	1,136,833
228,603	319,702	174,285	186,319	106,991	171,851
242,048	245,804	126,142	119,238	133,753	118,164
9,764,392	9,519,325	6,935,587	7,120,179	6,715,824	5,939,556
198,481	490,570	442,634	122,992	68,639	37,128
333,753	246,623	496,979	920,040	278,626	194,971
532,234	737,193	939,613	1,043,032	347,265	232,099
10,296,626	10,256,518	7,875,200	8,163,211	7,063,089	6,171,655
0	0	(650,000)	(600,000)	(579,652)	(520,385)
0	0	650,000	600,000	579,652	520,385
1,256,890	1,602,601	(82,687)	368,420	(238,181)	(555,670)
2,591,891	(514,684)	2,705,467	984,434	(270,883)	69,490
<u>\$3,848,781</u>	<u>\$1,087,917</u>	<u>\$2,622,780</u>	<u>\$1,352,854</u>	<u>(\$509,064)</u>	<u>(\$486,180)</u>

**City of Dover, Ohio**  
*Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2012	2011	2010	2009
<b>General Fund</b>				
Nonspendable	\$103,704	\$76,178	\$105,973	N/A
Assigned	1,042,593	103,666	90,960	N/A
Unassigned	791,688	1,925,702	963,133	N/A
Reserved	N/A	N/A	N/A	\$0
Unreserved	N/A	N/A	N/A	573,465
<b>Total General Fund</b>	<b>1,937,985</b>	<b>2,105,546</b>	<b>1,160,066</b>	<b>573,465</b>
<b>All Other Governmental Funds</b>				
Nonspendable	\$164,478	\$169,337	\$137,508	N/A
Restricted	1,444,346	1,439,977	1,262,129	N/A
Committed	1,906,934	1,473,463	1,039,249	N/A
Unassigned (Deficit)	(75,785)	(123,350)	(116,296)	N/A
Reserved	N/A	N/A	N/A	625,665
Unreserved, Undesignated, Reported in:				
Special Revenue funds	N/A	N/A	N/A	1,175,161
Capital Projects funds (Deficit)	N/A	N/A	N/A	846,252
<b>Total All Other Governmental Funds</b>	<b>3,439,973</b>	<b>2,959,427</b>	<b>2,322,590</b>	<b>2,647,078</b>
<b>Total Governmental Funds</b>	<b>\$5,377,958</b>	<b>\$5,064,973</b>	<b>\$3,482,656</b>	<b>\$3,220,543</b>

2008	2007	2006	2005	2004	2003
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
\$0	\$42,249	\$22,292	\$29,998	\$19,265	\$56,173
1,161,245	759,758	277,213	213,625	371,280	865,044
1,161,245	802,007	299,505	243,623	390,545	921,217
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
427,335	688,582	967,528	562,989	201,187	242,876
1,173,059	1,112,140	955,905	836,398	1,238,929	1,426,594
1,569,386	1,023,428	(147,694)	807,721	616,736	931,630
3,169,780	2,824,150	1,775,739	2,207,108	2,056,852	2,601,100
\$4,331,025	\$3,626,157	\$2,075,244	\$2,450,731	\$2,447,397	\$3,522,317

**City of Dover, Ohio**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2012	2011	2010	2009
<b>Revenues</b>				
Property Taxes	\$890,268	\$898,970	\$944,163	\$1,175,280
Income Taxes	6,609,398	6,416,265	5,641,156	5,618,512
Intergovernmental	2,722,755	3,648,133	2,417,233	2,179,043
Interest	29,144	61,496	81,244	333,594
Fines, Licenses and Permits	60,609	55,486	53,292	39,689
Charges for Services	1,261,803	1,215,871	1,188,938	1,163,085
Contributions and Donations	0	2,740	0	0
Other	472,561	127,081	146,375	187,094
<i>Total Revenues</i>	<u>12,046,538</u>	<u>12,426,042</u>	<u>10,472,401</u>	<u>10,696,297</u>
<b>Expenditures</b>				
Current:				
General Government	1,717,237	1,115,260	1,114,329	1,218,905
Security of Persons and Property	4,396,320	4,331,070	4,041,571	4,092,027
Transportation	1,157,078	1,037,961	1,212,992	1,181,395
Public Health Services	751,935	707,902	804,618	703,975
Community Environment	190,316	111,227	103,808	98,389
Basic Utility Services	629,555	570,453	610,467	532,610
Leisure Time Activities	913,126	829,489	823,753	837,296
Capital Outlay	1,639,805	2,528,446	2,543,177	2,959,903
Debt Service:				
Principal Retirement	208,377	2,646,521	106,252	105,995
Interest and Fiscal Charges	129,804	63,678	20,181	76,284
Issuance Costs	0	36,229	0	0
<i>Total Expenditures</i>	<u>11,733,553</u>	<u>13,978,236</u>	<u>11,381,148</u>	<u>11,806,779</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>312,985</u>	<u>(1,552,194)</u>	<u>(908,747)</u>	<u>(1,110,482)</u>
<b>Other Financing Sources (Uses)</b>				
General Obligation Bonds Issued	0	2,670,000	0	0
Notes Issued	0	0	2,640,000	2,100,000
Proceeds of Loan	0	428,614	530,860	0
Premium on Debt Issuance	0	35,897	0	0
Payment to Refund Notes	0	0	(2,000,000)	(2,100,000)
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>3,134,511</u>	<u>1,170,860</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>\$312,985</u>	<u>\$1,582,317</u>	<u>\$262,113</u>	<u>(\$1,110,482)</u>
Debt Service as a Percentage of Noncapital Expenditures	3.2%	22.0%	1.2%	1.6%

Note: The large increase in debt service in 2011 is due to issuing general obligation bonds to retire notes.

2008	2007	2006	2005	2004	2003
\$1,218,183	\$1,156,640	\$1,190,154	\$1,164,720	\$1,056,781	\$1,079,529
6,770,438	5,692,860	3,855,822	3,759,707	3,461,933	3,391,790
2,377,839	2,958,335	2,946,020	3,041,171	2,796,069	2,162,986
228,603	319,702	174,285	186,319	106,991	171,846
58,906	55,318	53,418	54,106	53,242	51,425
1,040,296	962,375	989,636	943,280	866,364	802,403
0	78,600	0	0	0	0
242,048	245,804	126,142	115,022	132,767	117,508
<u>11,936,313</u>	<u>11,469,634</u>	<u>9,335,477</u>	<u>9,264,325</u>	<u>8,474,147</u>	<u>7,777,487</u>
1,197,585	1,237,668	1,063,197	1,032,690	1,021,408	1,079,208
3,990,259	3,787,088	3,584,484	3,448,079	3,346,954	3,391,342
1,234,454	1,067,923	934,808	998,710	914,163	913,496
631,723	685,428	653,822	673,682	639,736	521,479
182,588	107,893	116,239	105,040	600,399	89,066
463,671	578,515	433,167	423,012	459,082	360,112
872,576	710,690	610,942	599,512	566,443	588,496
2,412,778	1,522,384	1,517,533	1,212,199	1,267,063	1,746,083
175,747	205,511	55,284	105,066	4,858	0
70,064	15,621	121,795	63,001	51,378	65,925
0	0	0	0	0	0
<u>11,231,445</u>	<u>9,918,721</u>	<u>9,091,271</u>	<u>8,660,991</u>	<u>8,871,484</u>	<u>8,755,207</u>
704,868	1,550,913	244,206	603,334	(397,337)	(977,720)
0	0	0	0	0	0
2,200,000	2,370,000	2,570,000	2,520,000	0	0
0	0	0	0	0	0
0	0	30,307	0	0	17,038
(2,200,000)	(2,370,000)	(2,570,000)	(2,520,000)	0	0
0	0	0	0	0	7,454
0	0	(650,000)	(600,000)	(677,583)	(527,839)
0	0	(619,693)	(600,000)	(677,583)	(503,347)
<u>\$704,868</u>	<u>\$1,550,913</u>	<u>(\$375,487)</u>	<u>\$3,334</u>	<u>(\$1,074,920)</u>	<u>(\$1,481,067)</u>
2.7%	2.4%	2.2%	2.0%	0.7%	0.9%

**City of Dover, Ohio**  
*Income Tax Rate, Revenue Base, and Collections*  
*Last Ten Years*

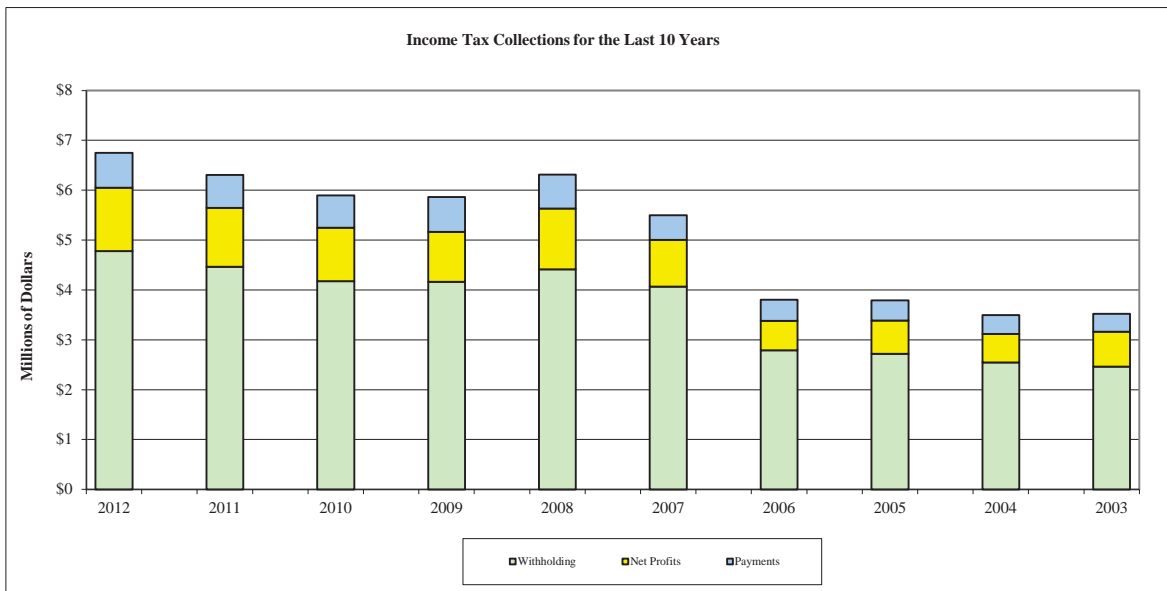
Tax Year	Tax Rate (1)	Total Tax Collected (2)	Taxes From Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes from Individual Payments	Percentage of Taxes from Individual Payments
2012	1.50%	\$6,751,331	\$4,780,617	70.81%	\$1,271,276	18.83%	\$699,438	10.36%
2011	1.50	6,304,720	4,464,372	70.81	1,178,983	18.70	661,365	10.49
2010	1.50	5,898,575	4,174,422	70.77	1,072,951	18.19	651,203	11.04
2009	1.50	5,865,095	4,164,217	71.00	997,066	17.00	703,811	12.00
2008	1.50	6,314,388	4,413,757	69.90	1,218,045	19.29	682,585	10.81
2007	1.50	5,500,103	4,065,676	73.92	938,318	17.06	496,109	9.02
2006	1.00	3,803,674	2,787,387	73.28	592,434	15.58	423,853	11.14
2005	1.00	3,790,428	2,717,521	71.69	669,197	17.65	403,710	10.65
2004	1.00	3,495,550	2,543,794	72.77	576,160	16.48	375,596	10.74
2003	1.00	3,519,700	2,464,205	70.01	699,420	19.87	356,075	10.12

Source: City Income Tax Department

(1) The City's basic income tax rate may only be increased by a majority vote of the City's residents.

(2) Gross Collections - Cash Basis of Accounting

Note: The City is statutorily prohibited from presenting individual taxpayer information.



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**City Of Dover, Ohio**  
*Electric Sales (in MWH) and Number of Customers by Type*  
*Last Ten Years*

	2012	2011	2010	2009
<b>Electric Sold (MWH) (000)</b>				
Residential	58,606	59,323	60,813	55,830
Commercial	30,049	30,758	30,437	27,042
Industrial	141,896	138,487	141,090	128,300
Total	<u>230,551</u>	<u>228,568</u>	<u>232,340</u>	<u>211,172</u>
 <b>Number of Customers</b>				
Residential	5,772	5,775	5,770	5,762
Commercial	862	848	841	836
Industrial	102	113	117	122
Total	<u>6,736</u>	<u>6,736</u>	<u>6,728</u>	<u>6,720</u>

Source: City Records



2008	2007	2006	2005	2004	2003
58,807	58,317	55,846	57,161	53,935	52,773
23,424	24,942	24,392	25,913	25,742	25,554
134,536	139,024	134,977	129,454	123,696	116,989
<u>216,767</u>	<u>222,283</u>	<u>215,215</u>	<u>212,528</u>	<u>203,373</u>	<u>195,316</u>
5,822	5,741	5,714	5,692	5,704	5,635
868	846	840	842	865	862
124	119	117	115	112	112
<u>6,814</u>	<u>6,706</u>	<u>6,671</u>	<u>6,649</u>	<u>6,681</u>	<u>6,609</u>

**City of Dover, Ohio**  
*Electric Rates (Per Month)*  
*Last Ten Years*

<b>Type of Customer:</b>	2012	2011	2010
<b>Residential:</b>			
Customer Charge	\$5.97000	\$5.97000	\$5.97000
First 800 KWH	0.06107	0.06107	0.06107
Next 700 KWH - per KWH	0.05609	0.05609	0.05609
All Over 1500 KWH - per KWH	0.04950	0.04950	0.04950
<b>Commercial:</b>			
Customer Charge	5.97000	5.97000	5.97000
First 50 KWH per KW of demand - per KWH	0.09900	0.09900	0.09900
Next 150 KWH per KW of demnd - per KWH			
First 3,000 KWH per KWH	0.07997	0.07997	0.07997
Over 3,000 KWH per KWH	0.05970	0.05970	0.05970
For all remaining KWH per KWH	0.04701	0.04701	0.04701
<b>Industrial (per KVA):</b>			
Minimum Charge - per KVA of demand	2.75000	2.75000	2.75000
First 30 KWH, per KVA of demand - per KWH	0.12189	0.12189	0.12189
Next 170 KWH per KVA of demand			
2,000 KWH - per KWH	0.08010	0.08010	0.08010
8,000 KWH - per KWH	0.06765	0.06765	0.06765
90,000 KWH - per KWH	0.05597	0.05597	0.05597
Over 100,000 KWH - per KWH	0.04801	0.04801	0.04801
Over 200 KWH per KVA of demand			
First 200,000 KWH - per KWH	0.03842	0.03842	0.03842
All remaining KWH - per KWH	0.03283	0.03283	0.03283

Source: City Records

Note: Rates can be changed with approval by City Council.

2009	2008	2007	2006	2005	2004	2003
\$5.97000	\$5.97000	\$5.97000	\$5.97000	\$5.97000	\$5.97000	\$5.97000
0.06107	0.06107	0.06107	0.06107	0.05310	0.05310	0.05310
0.05609	0.05609	0.05609	0.05609	0.04877	0.04877	0.04877
0.04950	0.04950	0.04950	0.04950	0.04304	0.04304	0.04304
5.97000	5.97000	5.97000	5.97000	5.97000	5.97000	5.97000
0.09900	0.09990	0.09900	0.09900	0.08609	0.08609	0.08609
0.07997	0.07997	0.07997	0.07997	0.06954	0.06954	0.06954
0.05970	0.05970	0.05970	0.05970	0.05191	0.05191	0.05191
0.04701	0.04701	0.04701	0.04701	0.04088	0.04088	0.04088
2.75000	2.75000	2.75000	2.75000	2.75000	2.75000	2.75000
0.12189	0.12189	0.12189	0.12189	0.10599	0.10599	0.10599
0.08010	0.08010	0.08010	0.08010	0.06965	0.06965	0.06965
0.06765	0.06765	0.06765	0.06765	0.05883	0.05883	0.05883
0.05597	0.05597	0.05597	0.05597	0.04867	0.04867	0.04867
0.04801	0.04801	0.04801	0.04801	0.04175	0.04175	0.04175
0.03842	0.03842	0.03842	0.03842	0.03341	0.03341	0.03341
0.03283	0.03283	0.03283	0.03283	0.02855	0.02855	0.02855

**City of Dover, Ohio**  
*Principal Electric Customers*  
 2012 and 2004 (1)

Customer	2012	
	MWH Sold	Percentage of Total MWH Sold
Arizona Chemical Corporation	22,523	9.77 %
Dover Chemical Corporation	19,219	8.34
Meteor Sealing Systems LLC	10,601	4.60
Union Hospital	9,478	4.11
Allied Machine and Engineering Corporation	9,601	4.16
Deflecto Corporation	7,117	3.09
Inca Presswood Pallets Ltd	5,472	2.37
Zimmer Patient Care	4,550	1.97
Giant Eagle Incorporated	3,995	1.73
Buehlers Food Market Incorporated	3,588	1.56
Totals	<u>96,144</u>	<u>41.70 %</u>
Total MWH Sold	<u>230,551</u>	

Customer	2004	
	MWH Sold	Percentage of Total MWH Sold
Arizona Chemical Corporation	22,105	10.87 %
Dover Chemical Corporation	17,387	8.55
Allied Machine and Engineering Corporation	8,032	3.95
Union Hospital	8,024	3.93
Zimmer Patient Care	5,731	2.82
INCA Presswood Pallets Ltd	5,595	2.75
Meteor Sealing Systems LLC	4,214	2.07
Buehlers Food Market Incorporated	3,999	1.97
Giant Eagle Incorporated	3,898	1.92
Snyder Manufacturing Incorporated	2,349	1.16
Totals	<u>81,334</u>	<u>39.99 %</u>
Total MWH Sold	<u>203,373</u>	

Source: City Records

(1) Data from nine years ago is not available

**City of Dover, Ohio**

*Computation of Direct and Overlapping Debt Attributable to Governmental Activities*

*December 31, 2012*

	Debt Attributable to Governmental Activities	Overlapping Percentage Applicable to Dover (1)	Amount of Direct and Overlapping Debt
<u>Direct:</u>			
City of Dover			
General Obligation Bonds	\$2,604,102	100.00 %	\$2,604,102
State Infrastructure Bank Loan	762,898	100.00	762,898
OPWC Loan	95,000	100.00	95,000
Police and Fire Pension	259,750	100.00	259,750
Total Direct Debt	<u>3,721,750</u>		<u>3,721,750</u>
<u>Overlapping Debt:</u>			
Payable from Property Taxes			
Dover City School District Bonds	2,552,804	70.04	1,787,984
Tuscarawas County General Obligation Bonds	1,315,605	16.17	212,733
Tuscarawas County Bond Anticipation Notes	747,000	16.17	120,790
Payable from Other Sources			
Dover City School District Capital Leases	129,719	70.04	90,855
Tuscarawas County Capital Leases	10,552	16.17	1,706
Total Overlapping Debt	<u>4,755,680</u>		<u>2,214,069</u>
Total	<u><u>\$8,477,430</u></u>		<u><u>\$5,935,819</u></u>

Source: Tuscarawas County, Ohio; County Auditor

(1) Overlapping percentages were calculated by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.

**City of Dover, Ohio**  
*Ratios of Outstanding Debt by Type*  
*Last Ten Years*

Year	Governmental Activities				Actual Taxable Value of Property	Percentage of Actual Taxable Value of Property	Per Capita (1)
	General Obligation Bonds	Bond Anticipation Notes	Loans	Total			
2012	\$2,604,102	\$0	\$857,898	\$3,462,000	\$668,288,486	0.52 %	268
2011	2,705,897	0	959,474	3,665,371	714,079,200	0.51	286
2010	0	2,640,000	530,860	3,170,860	729,445,967	0.43	247
2009	0	2,100,000	0	2,100,000	898,534,287	0.23	154
2008	0	2,470,000	0	2,470,000	841,281,475	0.29	183
2007	0	2,770,000	0	2,770,000	843,684,435	0.33	203
2006	0	2,970,000	0	2,970,000	841,547,469	0.35	219
2005	0	2,720,000	0	2,720,000	791,259,012	0.34	202
2004	0	2,820,000	0	2,820,000	789,271,832	0.36	212
2003	0	2,820,000	0	2,820,000	776,675,046	0.36	207
Year	Business-Type Activities				Total Debt (2)	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	OWDA Loans	Revenue Bonds	Bond Anticipation Notes			
2012	\$6,796,726	\$11,206,348	\$9,666,534	\$0	\$31,131,608	11.18 %	\$2,413
2011	7,087,343	11,753,270	10,658,220	0	33,164,204	11.99	2,586
2010	0	12,282,841	11,723,698	6,900,000	34,077,399	12.32	2,657
2009	0	12,795,611	12,655,641	7,200,000	34,751,252	13.49	2,553
2008	0	12,511,688	13,562,586	7,800,000	36,344,274	14.19	2,687
2007	260,000	8,248,331	14,434,531	8,100,000	33,812,862	13.11	2,482
2006	455,000	0	15,276,476	8,750,000	27,451,476	10.68	2,021
2005	640,000	0	16,108,419	6,000,000	25,468,419	9.97	1,888
2004	815,000	0	13,907,216	6,500,000	24,042,216	9.53	1,803
2003	985,000	0	13,855,000	5,750,000	23,410,000	9.07	1,716

Source: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See S28 for population and personal income data.

(2) Includes general bonded debt, other governmental debt and business-type activities debt, presented net.

Primary Government		
Total General Obligations Bonds	Percentage of Actual Taxable Value of Property	Per Capita (1)
\$9,400,828	1.41 %	729
9,793,240	1.37	764
0	0.00	0
0	0.00	0
0	0.00	0
260,000	0.03	19
455,000	0.05	33
640,000	0.08	47
815,000	0.10	61
985,000	0.13	72

**City of Dover, Ohio**  
*Legal Debt Margin Information*  
*Last Ten Years*

	2012	2011	2010	2009
Overall Legal Debt Limit (10.5% of Assessed Valuation)	\$24,559,602	\$24,559,602	\$26,242,211	\$27,400,427
Net Debt Applicable to Debt Limit	10,117,898	10,604,474	3,270,860	2,200,000
Overall Legal Debt Margin (10.5% of Assessed Valuation)	<u>\$14,441,704</u>	<u>\$13,955,128</u>	<u>\$22,971,351</u>	<u>\$25,200,427</u>
Legal Debt Margin as a Percentage of Debt Limit	58.80%	56.82%	87.54%	91.97%
Unvoted Legal Debt Limit (5.5% of Assessed Valuation)	\$12,864,553	\$12,864,553	\$13,746,025	\$14,352,605
Net Debt Applicable to Debt Limit	10,117,898	10,604,474	3,270,860	2,200,000
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	<u>\$2,746,655</u>	<u>\$2,260,079</u>	<u>\$10,475,165</u>	<u>\$12,152,605</u>
Legal Debt Margin as a Percentage of Debt Limit	21.35%	17.57%	76.21%	84.67%

**Legal Debt Margin Calculation for the Year Ended December 31, 2012**

	Overall Margin Within 10.5%	Unvoted Margin Within 5.5%
Assessed property value	<u>\$233,900,970</u>	<u>\$233,900,970</u>
Debt Limitation (percentage of assessed property value)	\$24,559,602	\$12,864,553
Gross Indebtedness	31,138,996	31,138,996
Less: Revenue Bonds	(9,555,000)	(9,555,000)
OWDA Loan	(11,206,348)	(11,206,348)
Police and Fire Pension	<u>(259,750)</u>	<u>(259,750)</u>
Net Debt Applicable to Debt Limit	<u>10,117,898</u>	<u>10,117,898</u>
Legal Debt Margin Within Limitations	<u>\$14,441,704</u>	<u>\$2,746,655</u>

Note: Under State of Ohio finance law, the City of Dover's outstanding general obligation debt that is supported through real estate value should not exceed 10.5 percent of total assessed property value. In addition, the outstanding general obligation debt net of voted debt should not exceed 5.5 percent of total assessed property value. By law, the general obligation debt subject to the limitation is offset by amounts set aside for repaying general obligation bonds.



<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$28,608,566	\$28,027,064	\$28,791,693	\$28,450,248	\$27,162,737	\$27,224,687
<u>2,470,000</u>	<u>2,770,000</u>	<u>2,970,000</u>	<u>2,620,000</u>	<u>2,720,000</u>	<u>2,820,000</u>
<u>\$26,138,566</u>	<u>\$25,257,064</u>	<u>\$25,821,693</u>	<u>\$25,830,248</u>	<u>\$24,442,737</u>	<u>\$24,404,687</u>
<u>91.37%</u>	<u>90.12%</u>	<u>89.68%</u>	<u>90.79%</u>	<u>89.99%</u>	<u>89.64%</u>
\$14,985,439	\$14,680,843	\$15,081,363	\$14,902,511	\$14,260,550	\$14,260,550
<u>2,470,000</u>	<u>2,770,000</u>	<u>2,970,000</u>	<u>2,620,000</u>	<u>2,720,000</u>	<u>2,820,000</u>
<u>\$12,515,439</u>	<u>\$11,910,843</u>	<u>\$12,111,363</u>	<u>\$12,282,511</u>	<u>\$11,540,550</u>	<u>\$11,440,550</u>
<u>83.52%</u>	<u>81.13%</u>	<u>80.31%</u>	<u>82.42%</u>	<u>80.93%</u>	<u>80.23%</u>

**City of Dover, Ohio**  
*Pledged Revenue Coverage*  
*Mortgage Revenue Bonds - Water*  
*Last Ten Years*

Year	Gross Revenues (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2012	\$2,256,604	\$1,226,020	\$1,030,584	\$320,000	\$137,183	2.25
2011	2,018,126	1,154,185	863,941	310,000	187,141	1.74
2010	2,045,222	1,329,484	715,738	300,000	201,361	1.43
2009	1,994,092	1,045,257	948,835	290,000	189,176	1.98
2008	1,949,190	1,423,748	525,442	285,000	181,906	1.13
2007	1,761,325	1,594,531	166,794	280,000	221,016	0.33
2006	1,924,178	1,020,335	903,843	275,000	142,993	2.16
2005	1,803,621	1,237,465	566,156	270,000	230,861	1.13
2004	1,743,102	1,244,303	498,799	270,000	264,467	0.93
2003	1,902,977	1,255,591	647,386	180,000	318,735	1.30

(1) Gross revenues include operating revenues, transfers and interest income in accordance with bond indentures.

(2) Direct operating expenses do not include depreciation and amortization expense.

(3) Annual debt service requirements include principal and interest on revenue bonds only.

**City of Dover, Ohio**  
*Pledged Revenue Coverage*  
*Mortgage Revenue Bonds - Electric*  
*Last Ten Years*

Year	Gross Revenues (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2012	\$22,115,910	\$21,232,477	\$883,433	\$655,000	\$269,647	0.96
2011	20,637,660	19,126,461	1,511,199	630,000	294,847	1.63
2010	21,275,915	16,922,317	4,353,598	605,000	319,047	4.71
2009	18,953,012	17,290,371	1,662,641	590,000	362,835	1.74
2008	20,537,863	17,528,791	3,009,072	560,000	365,048	3.25
2007	20,774,394	19,761,146	1,013,248	610,000	431,448	0.97
2006	19,556,464	16,483,465	3,072,999	605,000	423,500	2.99
2005	16,897,572	15,451,875	1,445,697	330,000	286,815	2.34
2004	14,729,101	13,271,813	1,457,288	315,000	544,328	1.70
2003	14,146,329	13,124,341	1,021,988	300,000	633,549	1.09

(1) Gross revenues include operating revenues, transfers and interest income in accordance with bond indentures.

(2) Direct operating expenses do not include depreciation and amortization expense.

(3) Annual debt service requirements include principal and interest on revenue bonds only.

**City of Dover, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Years*

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (2)</u>	<u>Personal Income Per Capita (3)</u>	<u>Median Household Income (3)</u>	<u>Unemployment Rate (4)</u>
2012	12,904	\$278,390,896	\$21,574	\$43,951	7.5%
2011	12,826	276,708,124	21,574	43,951	7.5
2010	12,826	276,708,124	21,574	43,951	10.5
2009	13,612	257,647,936	18,928	44,604	9.2
2008	13,528	256,057,984	18,928	44,604	6.4
2007	13,623	257,856,144	18,928	44,604	5.6
2006	13,585	257,136,880	18,928	44,604	5.1
2005	13,492	255,376,576	18,928	44,604	5.7
2004	13,331	252,329,168	18,928	44,604	5.2
2003	13,643	258,234,704	18,928	44,604	6.5

(1) Estimated by the City

(2) Computation of per capita personal income multiplied by population

(3) Source: 2003-2009 - 2000 U.S. Census; 2010-2012 - 2010 U.S. Census

(4) Ohio Department of Job and Family Services

**City of Dover, Ohio**  
*Principal Employers*  
 2012 and 2003

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**2012**

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Employer	Employees
Union Hospital	881
Allied Machine and Engineering Corporation	437
Zimmer Patient Care Division	303
Dover City Schools	275
Meteor Sealing Systems	263
Buehlers Food Market Incorporated	243
Hennis Care Center	202
Marlite, Incorporated	196
City of Dover	142
Dover Hydraulics	99
Total	3,041
Total Employment within the City	n/a

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**2003**

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Employer	Employees
Union Hospital	912
Allied Machine and Engineering Corporation	315
Zimmer Patient Care Division	292
Dover City Schools	288
Buehlers Food Market Incorporated	252
Marlite, Incorporated	204
Hennis Care Center Incorporated	180
New Dawn Health Care	177
Meteor Sealing	145
Arizona Chemical Company	135
Total	2,900
Total Employment within the City	n/a

Source: City Records  
 n/a - Information not available

**City of Dover, Ohio**  
*Full-Time Equivalent City Government Employees by Function/Program*  
*Last Ten Years*

Function/Program	2012	2011	2010	2009	2008
<b>General Government</b>					
Mayor and Council	11.0	11.0	11.0	11.0	11.0
Auditor	3.0	3.0	3.0	3.0	3.0
Treasurer	0.5	0.5	0.5	0.5	0.5
Law	1.0	1.0	1.0	1.0	1.0
Civil Service Commission	1.5	1.5	3.0	3.0	1.5
Income Tax Department	2.5	2.0	2.5	2.5	2.5
Service Director	2.0	2.0	2.5	2.5	2.5
Janitor	1.0	0.0	0.0	1.0	1.0
Shade Tree	0.0	0.0	0.0	0.0	0.0
<b>Security of Persons and Property</b>					
Police	22.0	22.0	20.0	22.0	22.0
Fire	18.0	17.0	19.0	18.0	19.0
Safety Director	0.5	0.5	0.5	0.5	0.5
Traffic Safety	7.5	7.0	11.0	9.0	8.0
<b>Transportation</b>					
Service/Street M&R	15.0	14.0	14.0	14.0	15.0
<b>Public Health Services</b>					
Cemetery	7.0	7.0	7.5	7.5	7.5
<b>Community Environment</b>					
Building	1.0	1.0	1.0	1.0	1.0
<b>Leisure Time Activities</b>					
Parks and Recreation	26.0	23.0	23.0	23.5	27.0
<b>Basic Utility Services</b>					
Sewer	19.5	17.0	18.0	17.0	17.0
Electric	39.0	41.0	44.0	47.5	41.0
Water	12.0	12.0	13.5	14.0	13.0
<b>Totals:</b>	<u>190.0</u>	<u>182.5</u>	<u>195.0</u>	<u>198.5</u>	<u>194.0</u>

Source: City of Dover, Ohio Payroll Department

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee employed at year-end.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
11.0	11.0	11.0	11.5	12.0
3.0	3.0	3.0	3.0	3.0
0.5	0.5	0.5	0.5	0.5
1.0	1.0	1.0	1.0	1.0
3.0	3.0	3.0	3.0	3.0
2.0	2.0	2.0	2.0	2.0
2.5	2.5	2.5	2.5	2.5
1.0	1.0	1.0	1.0	1.0
0.0	0.0	0.5	0.5	0.0
23.0	23.0	23.0	23.0	22.0
18.0	16.0	16.0	16.0	17.0
0.5	0.5	0.5	0.5	0.5
8.5	9.5	10.5	10.5	10.5
16.0	14.5	14.5	14.5	14.5
7.5	8.5	7.5	7.0	7.5
1.0	1.0	1.0	1.0	1.0
21.5	21.0	20.0	20.0	21.5
16.0	17.5	17.0	18.0	17.0
39.5	42.5	42.0	43.0	43.0
14.5	14.0	14.5	15.0	15.5
<u>190.0</u>	<u>192.0</u>	<u>191.0</u>	<u>193.5</u>	<u>195.0</u>

**City of Dover, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years*

Function/Program	2012	2011	2010	2009
<b>General Government</b>				
<i><b>Council and Clerk</b></i>				
Number of Ordinances Passed	63	57	66	70
Number of Resolutions Passed	16	19	22	22
<i><b>Planning Commission</b></i>				
Number of Planning Commission docket items	15	25	16	36
<i><b>Finance Department</b></i>				
Number of checks/ vouchers issued	3,818	4,037	3,981	4,048
Amount of checks written	\$49,211,053	\$58,220,483	\$54,842,028	\$50,816,846
Interest earnings for fiscal year (cash basis)	\$21,504	\$51,834	\$69,653	\$210,568
Number of Receipts issued	540	557	543	584
General Fund Receipts (cash basis)	\$7,184,714	\$7,500,648	\$6,777,345	\$6,167,226
General Fund Expenditures (cash basis)	\$7,448,613	\$6,652,344	\$6,347,883	\$6,321,992
<i><b>Income Tax Department</b></i>				
Number of Business net profit forms processed	1,265	1,294	1,238	1,261
Number of Individual forms processed	4,394	2,557	2,564	2,590
Amount of Penalties and Interest Collected	\$32,544	\$38,627	\$37,362	\$29,725
<i><b>Civil Service</b></i>				
Number of police entry tests administered	1	0	1	0
Number of fire entry tests administered	0	1	1	1
Number of police promotional tests administered	0	0	2	0
Number of fire promotional tests administered	0	0	0	0
Number of hires of Police Officers from certified lists	0	3	0	0
Number of hires of Fire/Medics from certified lists	1	0	0	0
Number of promotions from police certified lists	0	3	0	0
Number of promotions from fire certified lists	0	0	0	0
<i><b>Building and Zoning</b></i>				
Estimated Value of Construction	\$20,454,790	\$8,490,640	\$2,838,874	\$5,884,436
Number of permits issued (all types)	280	240	225	228
Amount of Revenue generated from permits	\$9,730	\$13,595	\$10,115	\$21,478
Number of contractor licenses	319	261	278	285
Zoning Board of Appeals hearings	27	26	22	29

Source: City Records



2008	2007	2006	2005	2004	2003
71	76	57	59	62	81
32	17	22	29	27	12
26	18	19	22	21	23
7,904	3,806	3,852	3,769	3,822	2,664
\$55,934,193	\$61,851,209	\$43,454,567	\$43,182,203	\$37,144,990	\$36,584,280
\$184,436	\$255,612	\$129,830	\$143,896	\$92,562	\$141,486
517	518	511	533	525	498
\$5,893,616	\$6,415,847	\$6,081,615	\$5,721,478	\$5,368,211	\$4,826,541
\$6,194,109	\$5,901,479	\$6,163,730	\$5,851,883	\$5,864,617	\$5,656,883
1,278	1,219	1,179	1,018	953	914
2,662	2,560	2,459	2,466	2,317	2,029
\$22,533	\$24,223	\$22,017	\$10,859	\$11,135	\$9,969
1	1	0	0	0	1
0	1	0	0	1	1
0	1	1	0	0	1
0	0	0	0	0	0
1	0	0	0	4	3
1	1	0	0	2	2
0	2	1	0	0	2
0	0	0	0	0	0
\$6,896,283	\$9,562,157	\$11,867,945	\$13,716,916	\$12,159,784	\$8,714,316
272	290	251	211	192	236
\$19,927	\$21,987	\$14,342	\$11,397	\$9,575	\$10,348
326	205	282	289	323	254
26	37	38	6	24	31

(continued)

**City of Dover, Ohio**  
*Operating Indicators by Function/Program (continued)*  
*Last Ten Years*

Function/Program	2012	2011	2010	2009
<b>Security of Persons and Property</b>				
<i>Police</i>				
Total Calls for Services	8,721	9,367	10,443	10,802
Number of traffic citations issued	559	694	851	887
Number of parking citations issued	52	111	154	183
Number of felony arrests	30	68	27	79
Number of misdemeanor arrests	497	504	447	590
Number of traffic accidents investigated	351	393	366	343
Number of injury accidents	44	32	68	50
Number of fatal accidents	0	1	1	0
Prisoners	120	95	64	88
Prisoner meal costs	\$9,130	\$6,400	\$3,650	\$5,600
Total miles driven	152,166	157,409	161,908	162,104
Total gasoline used	14,079	14,249	14,892	14,438
<i>Fire</i>				
EMS Calls	1,274	1,349	1,316	1,238
Fire Calls	91	86	105	131
Training hours	1,657	1,074	1,674	1,338
<b>Leisure Time Activities</b>				
<i>Recreation</i>				
Recreation League fees	\$22,225	\$18,910	\$15,550	\$21,475
<b>Transportation</b>				
Tons of asphalt	2,744	3,037	6,500	4,593
Tons of limestone	1,000	1,213	1,149	1,357
Paint Striping (gallons of paint)	430	430	475	375
Street sweeping (days)	127	138	145	144
Man hours of leaf pick-up	936	1,048	992	1,120
Tons of salt	748	2,027	2,125	1,575
<b>Water Department</b>				
Average residential gallons of water billed monthly	3,750	3,500	3,240	4,599
<b>Wastewater Department</b>				
Average residential gallons of sewer billed monthly	3,750	3,350	3,392	4,599

Source: City Records

2008	2007	2006	2005	2004	2003
10,148	11,007	11,866	12,270	12,586	12,148
1,043	929	1,243	1,270	1,111	1,481
379	293	389	267	185	188
81	39	83	260	78	86
476	427	540	372	473	581
396	375	391	441	410	480
62	94	84	112	83	94
1	1	1	1	1	0
59	44	56	63	118	116
\$4,000	\$2,600	\$3,645	\$5,130	\$5,715	\$6,570
147,554	139,049	154,186	154,883	144,860	153,797
13,242	13,025	13,928	14,179	13,411	14,107
1,338	1,165	1,182	1,128	1,160	n/a
117	118	119	101	134	n/a
1,891	1,178	1,325	1,632	1,505	n/a
\$19,986	\$11,915	\$6,044	\$10,280	\$12,486	\$11,527
7,582	3,930	4,052	7,137	5,965	7,500
1,167	1,255	1,217	1,500	n/a	1,500
410	575	445	710	585	760
117	123	111	134	n/a	155
1,200	1,328	1,284	1,284	1,352	1,192
2,353	1,361	976	n/a	n/a	2,135
4,875	4,913	5,100	5,100	5,040	5,490
4,868	4,913	5,010	5,010	4,950	4,950

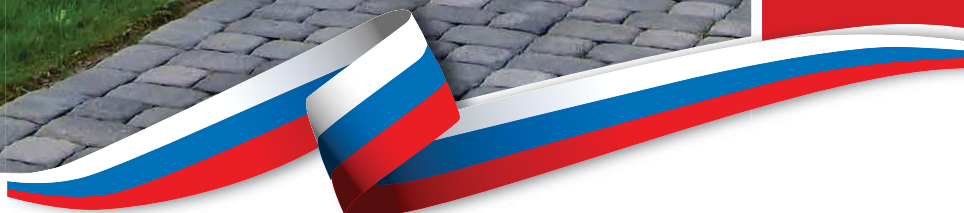
**City of Dover, Ohio**  
*Capital Assets Statistics by Function/Program*  
*Last Ten Years*

Function/Program	2012	2011	2010	2009
<b>General Government</b>				
Square Footage Occupied	1,932	1,932	1,932	1,932
Vehicles	4	3	3	3
<b>Security of Persons and Property</b>				
<b>Police</b>				
Stations	1	1	1	1
Square Footage of Building	6,468	6,468	6,468	6,468
Vehicles	9	10	10	13
<b>Fire</b>				
Stations	1	1	1	1
Square Footage of Building	6,900	6,900	6,900	6,900
Fire Hydrants	634	633	633	633
Vehicles	13	12	12	12
<b>Leisure Time Activities</b>				
<b>Recreation</b>				
Number of Parks	2	2	2	2
Number of Swimming Pools	2	2	2	2
Number of Tennis Courts	8	8	8	8
Number of Baseball Diamonds	10	10	10	10
<b>Transportation</b>				
<b>Service</b>				
Streets (miles)	72	72	71	71
Street Lights	2,448	2,438	2,437	2,397
Storm Sewers (miles)	34	34	33	33
<b>Utility Services</b>				
Sanitary Sewers (miles)	67	67	67	67
Electric Lines (miles)	376	375	359	357
Water Lines (miles)	85	85	85	85

Source: City Records

2008	2007	2006	2005	2004	2003
1,932	1,932	1,932	1,932	1,932	1,932
3	3	1	1	1	1
1	1	1	1	1	1
6,468	6,468	6,468	6,468	6,468	6,468
11	10	9	9	9	9
1	1	1	1	1	1
6,900	6,900	6,900	6,900	6,900	6,900
633	614	582	582	566	562
12	12	15	15	13	13
2	2	2	2	2	2
2	2	2	2	2	2
8	8	8	8	8	8
10	10	9	9	8	8
70	70	70	70	69	68
2,387	2,380	2,369	2,352	2,318	2,314
33	33	33	33	32	32
67	66	66	66	65	64
357	354	354	355	331	339
84	84	84	84	82	82

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THE CITY OF DOVER, OHIO  
[www.doverohio.com](http://www.doverohio.com)

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# Dave Yost • Auditor of State

**CITY OF DOVER**

**TUSCARAWAS 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  
JULY 25, 2013**