



Rea & associates *a brighter way*

**City of Dover**  
**Tuscarawas County, Ohio**

*Report Issued Pursuant to  
Government Auditing Standards*

For the Year Ended  
December 31, 2018



OHIO AUDITOR OF STATE  
KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
IPAReport@ohioauditor.gov  
(800) 282-0370

City Council  
City of Dover  
122 E. Third St  
Dover, OH 44622

We have reviewed the *Independent Auditor's Report* of the City of Dover, Tuscarawas County, prepared by Rea & Associates, Inc., for the audit period January 1, 2018 through December 31, 2018. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads 'Keith Faber'.

Keith Faber  
Auditor of State  
Columbus, Ohio

August 14, 2019

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**Tuscarawas County, Ohio**  
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June 21, 2019

To the Members of Council  
City of Dover  
Tuscarawas County, Ohio  
122 East Third Street  
Dover, OH 44622

**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, 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, Ohio (the City) as of and for the year ended December 31, 2018, 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 21, 2019, in which we noted the City restated beginning net position balances to account for the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Rea & Associates, Inc.*

New Philadelphia, Ohio



*Comprehensive Annual*

# FINANCIAL *Report*

For the Year Ended **DECEMBER 31, 2018**

Hotel Central, Canal Dover, Ohio.



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



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The City of **DOVER, OH**

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*Comprehensive Annual*

# FINANCIAL

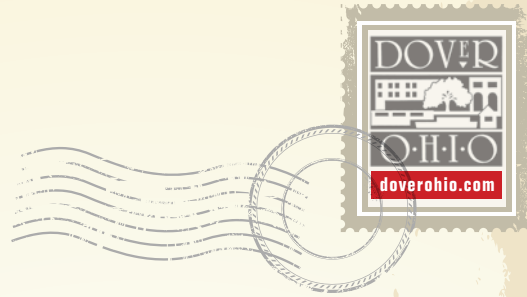
# Report

Prepared by the City of Dover  
Auditor's Office

Nicole L. Stoldt  
Dover City Auditor

Kelly Elliott  
Deputy Auditor

Angie Gump  
Assistant Auditor



The City of Dover • OH

**C • A • F • R**

for the Year Ended 12/31/2018

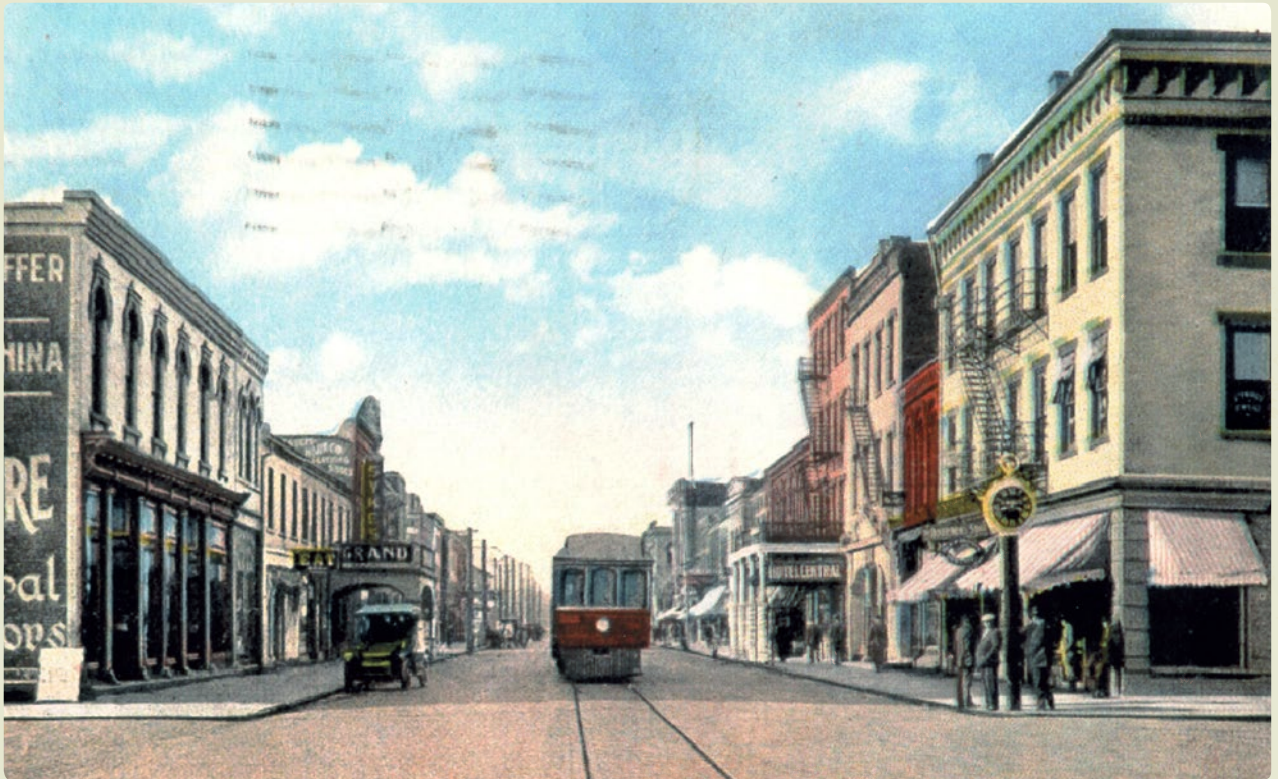
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*Comprehensive Annual Financial Report*

# INTRODUCTORY *Section*

For the Year Ended **DECEMBER 31, 2018**



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**Tuscarawas County, Ohio**  
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# City Of Dover

## Auditor's Office

122 EAST THIRD STREET, DOVER, OHIO 44622

(330) 343-6385

**Nicole L. Stoldt, Auditor**  
E-mail: [nicole.stoldt@doverohio.com](mailto:nicole.stoldt@doverohio.com)

Fax (330) 343-2775

June 21, 2019

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, 2018, 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.

Rea and Associates, Inc. has issued an unmodified ("clean") opinion on the City of Dover's financial statements for the year ended December 31, 2018. 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 the 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, public health services, 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 5.76 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; eight of our ten principal employers each had more than 200 employees, lending to the City's diversification.

Six banks (Huntington National, Chase, First National Bank of Dennison, Unified, First Federal Bank, and Dover-Phila Federal Credit Union) 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 Spectrum 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.

Union Hospital is a great asset to the City of Dover. In April, officials from Union Hospital and Cleveland Clinic announced that Union Hospital had become the 11<sup>th</sup> regional hospital in the Cleveland Clinic healthcare system and would formally be known as "Cleveland Clinic Union Hospital". All services and locations operated by Union Hospital maintained operations as usual, and all caregiver staff members at Union continued in their current positions. Officials from both systems stressed that in addition to securing hospital services in the Tuscarawas Valley for generations to come, the integration of Union Hospital into the Cleveland Clinic healthcare system also creates the environment for growth of services in Dover and Tuscarawas County.

The City's north end has flourished with the new \$6.5 million investment of Novogradac & Company for a new office and the \$4.4 million investment in the Cleveland Clinic Union Hospital as a north end facility. This is also the area that will be home to the City's north end safety sub-station, which broke ground in 2018. This \$1.6 million project encompasses a 5,700-square-foot facility with two bays, which will aid in our services to the north end of Dover.

A downtown church also embarked on an expansion beginning in 2017. Lifebridge Church expanded its auditorium area, enlarged the basement, and added an elevator, multipurpose space, and a coffee house. This expansion is estimated to be around \$0.5 million and was finished in 2018.

A large boost to our local economy is the ground breaking of a new Dover High School. They broke ground in early summer on a \$46.2 million new school. The three-story state-of-the-art structure will enclose 176,766 square feet, including a 1,200-seat auditorium and a 1,809-seat gymnasium. The project is expected to be completed by late 2020.

## **Major Initiatives**

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

On September 17, 2012, Dover City Council passed an Ordinance to impose a three 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 monies are to be deposited into the general fund and will be used for the economic development and tourism in the City of Dover. Requests can be submitted by groups or organizations wanting funding for projects being completed in the City. The Dover Architectural Review Board reviews the requests and makes a recommendation to Council. As of the end of 2018, the City has awarded \$76,086 since the beginning of the program.

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.

2018 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, the coal handling equipment, and various other pieces of equipment received yearly inspection, maintenance, and upgrades.

The City's Electric Field Division sees that the power is supplied to our consumers reliably and efficiently. Residentially, 19 new accounts were added, 38 poles were replaced, and maintenance on the existing lines was done throughout the City, making the system more reliable. Commercial growth was better than expected, adding an additional 3 commercial accounts. The Electric Field Division also assisted the traffic light contractors in energizing the new traffic boxes, removing and replacing old poles.

The City's initiative towards energy conservation continued. The Electric Field Division installed 306 LED street lights and 90 LED security lights. This is an estimated savings of \$12,500 per year in electricity.

### ***Department Information***

2018 was a harsh winter once again for the Street Department. The entire salting season required 1,125 tons of salt, compared to 1,222 in the previous season.

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.

The leaf season lasted for months due to poor temperatures this year. It started on November 2<sup>nd</sup> and went well into the new year. Leaves were picked up using our leaf machine and two truck-mounted collection boxes. The loader and dump trucks were used to complete the removal. For the entire process, we used 1,362 man-hours to haul 186 loads of leaves.

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. The brush and yard debris were hauled by Bull Country Compost to their facility for a cost of \$8,245. This year, in conjunction with a grant through Stark-Tusc-Wayne Joint Solid Waste Management District, the City continued to operate a compost site that was used immensely by the residents.

The street sweeper logged 85 days in 2018; the majority of the sweeping was done on Sunday nights. The painting program continued in 2018 with total supplies for the program consisting of 840 gallons of paint. Over 30 miles of streets were striped, along with 530 parking stalls, 98 crosswalks, and 31 turn bays.

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. With the help of an ODOT grant, the City finalized Phase I of a traffic signalization project. This project consisted of new signals in over half of the City, and had a total cost of almost \$2.3 million. Phase II is currently in the planning and application stages. Signs are also a big part of our program. New 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. During 2018, 102 new signs and 33 new posts were installed.

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 youth basketball, football and baseball camps, tennis, golf, and swimming lessons. Summer youth baseball and softball continue to be very popular along with the pool and our disc golf course. In 2018, the parks department hosted the City's annual end of summer celebration, which featured a day of music, a car/motorcycle show, and food. The evening was topped off by an impressive fireworks display, sponsored by Kimble Recycling and Disposal.

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 95 reservations and the pool was rented 59 times. Memorial Hall is a rental for the City which consists of a dining hall, meeting rooms and a gym. The Parks received \$68,710 in rental, camp and league fees throughout 2018.

The parks department also is responsible for the shade tree program. In 2018, 162 trees were maintained and 63 trees were removed. The City is proud to be a Tree City USA recipient for 38 consecutive years.



The City owns and operates three cemeteries. The department keeps busy year-round by consistently maintaining and improving properties. In 2018, the cemetery department conducted 141 interments. We are very proud of our cemeteries. They are well-kept, beautifully-landscaped properties providing the Dover citizens with a picturesque final resting place.

The Dover Police Department was kept busy in 2018. The department received 12,838 calls, investigated 281 traffic accidents, 43 of those involving injuries and with no fatalities. The department investigates all infractions of State law and City Ordinances.

The Dover Police Department continued to serve the community by keeping City of Dover a safe place to live and visit. The Department consists of 22 sworn officers, 10 Special/Reserves officers, 3 civilian dispatchers, and a K-9 Unit and also maintains 12 service vehicles. The Department provides services such as money escorts, funeral escorts, vehicle lockouts, home vacation checks, and security for annual events throughout the year.

The Dover Police Department participated in community service programs such as the Fourth Grade Bicycle Safety Program sponsored by Cleveland Clinic Union Hospital, National Child Safety Program for grades K-5, the Officer Phil Program, North Dover Fall Festival Trunk or Treat, and Tuscarawas County Safe Kids Coalition Teen Rodeo. K-9 demonstrations, Department tours and Senior Citizen Safety talks were conducted also. The Department has continued to provide A.L.I.C.E training for Dover City School staff members.

The Dover Fire Department also helped keep the community safe. They responded to 1,754 EMS calls and 77 Fire calls and completed 1,723 training hours. The Fire Department hosts an annual open house to share their services with the community.

The City's Electric Field division received the AMP 2018 Safety Commendation, AMP Public Power Week – Open House Award, and System Improvement Award 69 KV West Circuit. 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 2018, 2,015 feet of new water main was installed, 700 feet of 8-inch water main at the block of E. Front Street, 1,250 feet of 8-inch main at the new high school, 30 feet of 6-inch main at Front Street and Highland, and 35 feet of 4-inch main on Broad Street. In addition, 4 water valves were replaced, repairs were made on 18 water main and water service leaks, 24 street and curb boxes were repaired, and 25 new water services were installed. In order to ensure fire protection for the City, the department replaced 2 fire hydrants, winterized 624 fire hydrants, and flushed more than 1,248 fire hydrants during the year.

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 website.

In 2018, the City of Dover Wastewater department worked on lift stations for 61 days, cleaned sewer lines on 99 occasions, and responded to 48 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.

## **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. 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). A no-interest loan was obtained through the Ohio Public Works Commission and was used as part of the financing for the Wills Avenue storm sewer project. In December 2015, the City issued \$2,245,000 in Municipal Electric System Improvement Bonds. The proceeds were used for a pollution control facilities project that came in under budget.

Another long term goal has been a north end safety sub-station. The City has diligently been setting aside funds for the construction of this site. On March 15, 2016, the City passed a 4-mill replacement levy to fund the additional safety forces that will be needed at this north end safety sub-station. The project was started in July 2018, and our hope is to occupy the new facility in early summer of 2019. This will help ensure that Dover remains a safe community.

## **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 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 a percentage 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 2018, 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, 2017.

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.

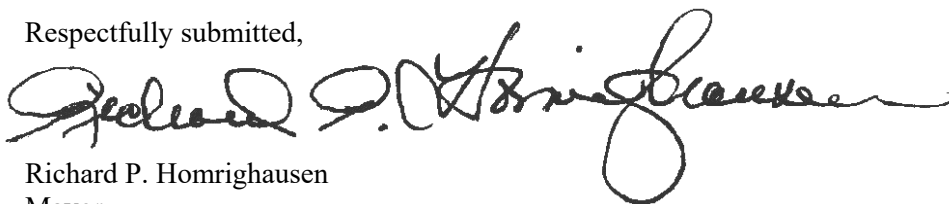
**Tree City USA** The City received its thirty-eighth Tree City USA Award for the year ended December 31, 2018. These prestigious awards recognize the City for its annual program of planting new trees and maintaining and removing old trees. Dover has been the second longest recipient of this award at 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 the Local Government Services section of the Auditor of State'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



Nicole L. Stoldt  
Auditor



Government Finance Officers Association

**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, 2017**

*Christopher P. Morill*

Executive Director/CEO

**City of Dover**  
**Tuscarawas County, Ohio**  
*Principal Officials*  
*December 31, 2018*

Mayor ..... Richard P. Homrighausen  
President of Council..... Shane N. Gunnoe  
Councilman – Ward I.....Gregory M. Bair  
Councilman – Ward II ..... John McFadden  
Councilman – Ward III ..... Sandra K. Moss  
Councilman – Ward IV ..... Robert A. Mueller  
Council-at-Large .....John Correll  
Council-at-Large ..... Justin Perkowski  
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.....Linda E. Hildebrand

Finance Department

Auditor ..... Nicole L. Stoldt  
Treasurer ..... Susan Solvey  
Income Tax Administrator..... Cheryl J. Saylor

Safety Department

Safety/Human Resources Director..... Gerry Mroczkowski  
Fire Chief ..... Russell R. Volkert  
Police Chief..... Paul Bantum

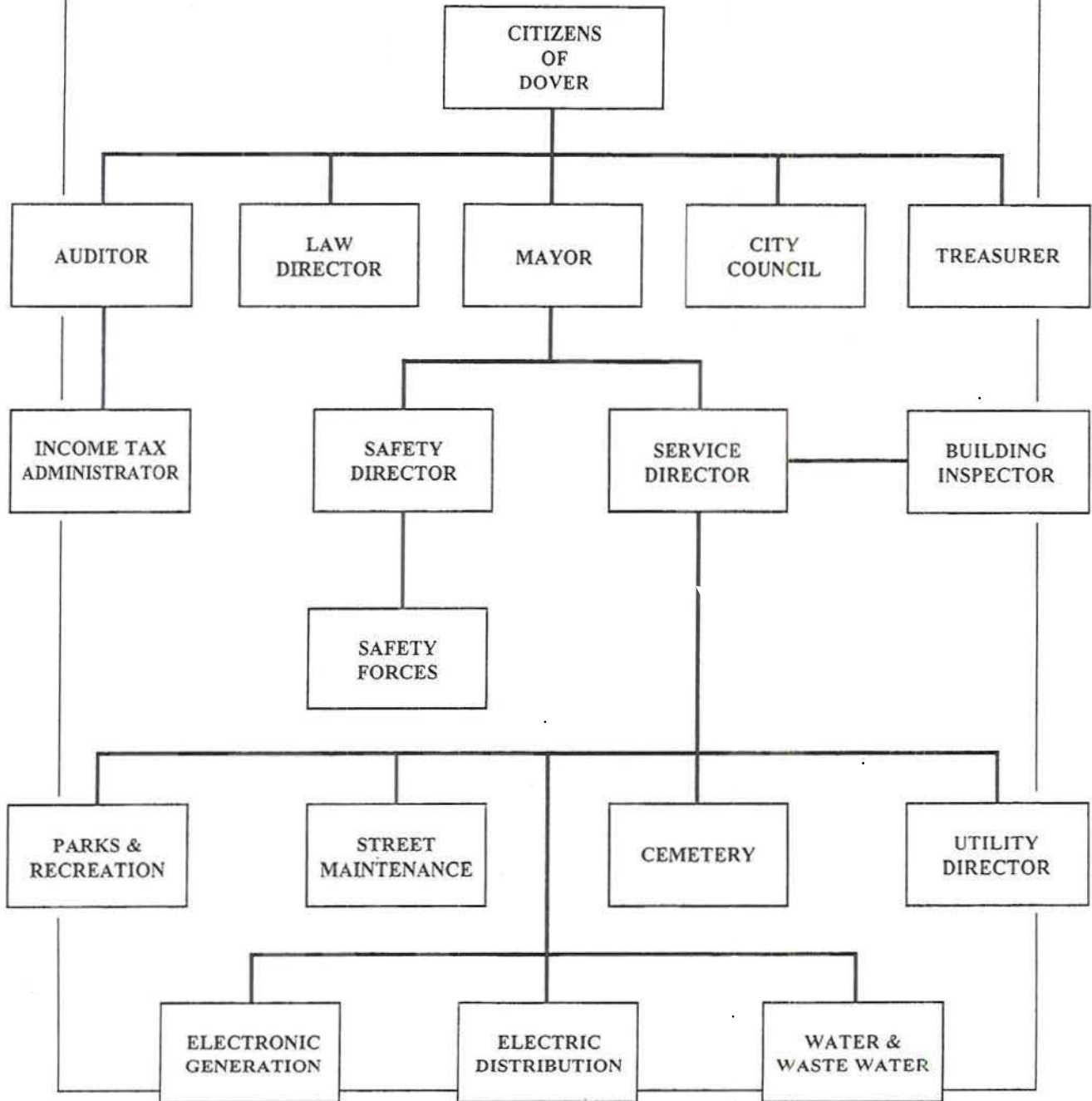
Service Department

Service Director ..... David F. Douglas  
Cemetery ..... Scott J. Harmon  
Electric Distribution..... Charles W. Stull  
Electric Plant..... David A. Filippi  
General Services ..... Kenny Young  
Parks and Recreation..... Scott A. Jerles  
Utilities Office ..... Beth E. Jones  
Water and Sewer ..... Mark R. Keyser



# CITY OF DOVER, OHIO

Organization Chart



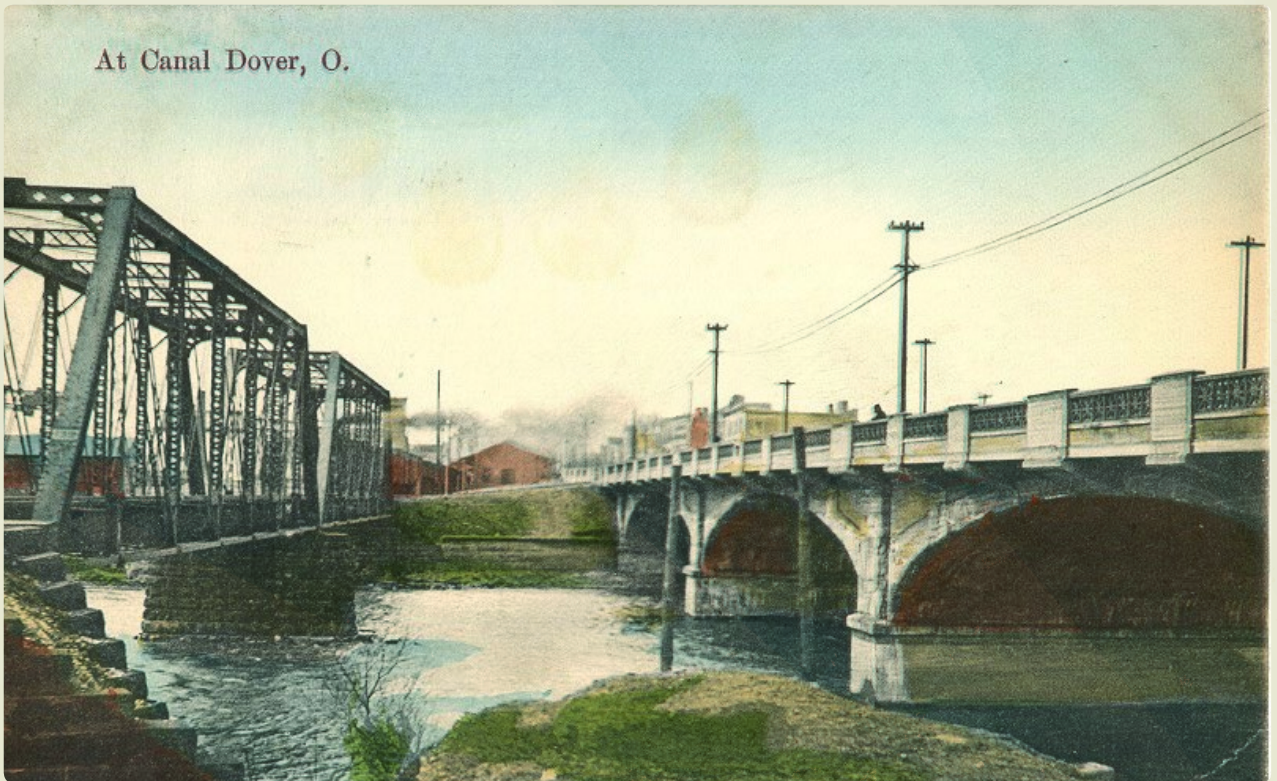


*Comprehensive Annual Financial Report*

# FINANCIAL *Section*

For the Year Ended **DECEMBER 31, 2018**

At Canal Dover, O.



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June 21, 2019

To the Members of Council and Management  
City of Dover  
Tuscarawas County, Ohio  
122 East Third Street  
Dover, OH 44622

## **Independent Auditor's Report**

### **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, 2018, 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 the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

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, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of a Matter***

As described in Note 3, the City restated the net position balance to account for the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis, Schedules of the City's Proportionate Share of the Net Pension Liability, Schedule of the City's Proportionate Share of Net Pension Asset, Schedule of the City's Proportionate Share of the Net OPEB Liability, and Schedule of City Contributions* as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Dover's basic financial statements. The combining and individual fund financial statements and schedules, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such 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, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's 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 City's internal control over financial reporting and compliance.

*Rea & Associates, Inc.*

New Philadelphia, Ohio

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**City of Dover**  
**Tuscarawas County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*Unaudited*

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The discussion and analysis for the City of Dover's (the City's) financial statements provides an overall review of the financial activity of the City for the twelve months ended December 31, 2018. 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 2018 are as follows:

The revitalization project to the City's Riverfront continued in 2018. Additional grants were obtained through Ohio Public Works Commission to enhance the park-like atmosphere. The City has applied for various other grants to work on making an inviting gateway from the downtown area to the Riverfront.

The City partnered with Ohio Department of Transportation to continue Phase I of a traffic signalization upgrade. Half of the City had new traffic signals installed which are connected by fiber and put on sensors for better traffic flow and safer response for safety personnel responding to emergency calls. The City's application for Phase II has been approved.

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 the master capital fund. Since 2012, the City has placed 25 percent of income tax collections into the fund for projects, leaving the additional 15 percent to be used for operating expenses.

Several departments benefited in 2018 from the master capital fund. The Parks Department replaced the roof on the concession stand, improved the concrete on the picnic shelters, purchased a new skid steer and put stone around the pond. The Police Department purchased new police cruisers. In 2018, the City also broke ground on a \$1.6 million fire station.

In September of 2012, the City passed an ordinance effective January 1, 2013, to enact a 3 percent lodging tax for any establishment in which 5 rooms are provided for the accommodation of guests. The monies are to be deposited into the general fund and will be used for economic development and tourism in the City of Dover. Requests can be submitted by groups or organizations seeking funding for projects being completed in the City. The Dover Architectural Review Board reviews the requests and makes a recommendation to Council. As of the end of 2018, the City of Dover has distributed \$76,086 since the start of the program.

For 2018, the City adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). As a result of implementing GASB 75, the City is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2017, from \$16,450,028 to \$8,586,394 for governmental activities and from \$38,856,095 to \$35,753,478 for business-type activities.

### **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.

**City of Dover**  
**Tuscarawas County, Ohio**  
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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 2018 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 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 13. The fund financial reports give a detailed report of the activities within the 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 specific 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

**City of Dover**  
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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.

**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 2018 as compared to 2017.

**Table 1**  
*Net Position*

	Governmental Activities		Business-Type Activities		Total	
	Restated		Restated		Restated	
	2018	2017	2018	2017	2018	2017
<b>Assets</b>						
Current and Other Assets	\$11,283,531	\$12,019,394	\$20,216,512	\$19,917,964	\$31,500,043	\$31,937,358
Net Pension Asset	34,172	0	60,750	0	94,922	0
Capital Assets, Net	21,482,896	20,803,188	46,267,504	47,211,467	67,750,400	68,014,655
<i>Total Assets</i>	<u>32,800,599</u>	<u>32,822,582</u>	<u>66,544,766</u>	<u>67,129,431</u>	<u>99,345,365</u>	<u>99,952,013</u>
<b>Deferred Outflows of Resources</b>						
Deferred Charge on Refunding	0	0	79,580	121,373	79,580	121,373
Pension	2,478,592	3,013,877	1,371,544	2,814,038	3,829,170	5,827,915
OPEB	1,343,223	39,167	308,744	46,063	1,651,967	85,230
<i>Total Deferred Outflows of Resources</i>	<u>3,821,815</u>	<u>3,053,044</u>	<u>1,759,868</u>	<u>2,981,474</u>	<u>5,560,717</u>	<u>6,034,518</u>
<b>Liabilities</b>						
Current Liabilities	1,354,763	1,394,682	3,804,711	3,610,697	5,159,474	5,005,379
Long-Term Liabilities						
Due Within One Year	616,906	511,887	3,025,255	2,917,888	3,642,161	3,429,775
Due in More Than One Year:						
Net Pension Liability	11,434,028	12,188,520	5,153,415	7,253,406	16,587,443	19,441,926
Net OPEB Liability	9,831,329	7,902,801	3,470,099	3,148,680	13,301,428	11,051,481
Other Amounts	3,075,267	3,309,146	14,533,652	17,365,147	17,608,919	20,674,293
<i>Total Liabilities</i>	<u>26,312,293</u>	<u>25,307,036</u>	<u>29,987,132</u>	<u>34,295,818</u>	<u>56,299,425</u>	<u>59,602,854</u>
<b>Deferred Inflows of Resources</b>						
Property Taxes	1,635,028	1,598,126	0	0	1,635,028	1,598,126
Pension	1,280,791	384,070	1,242,341	61,609	2,502,166	445,679
OPEB	237,011	0	258,500	0	495,511	0
<i>Total Deferred Inflows of Resources</i>	<u>3,152,830</u>	<u>1,982,196</u>	<u>1,500,841</u>	<u>61,609</u>	<u>4,632,705</u>	<u>2,043,805</u>
<b>Net Position</b>						
Net Investment in Capital Assets	19,271,647	18,599,070	30,157,689	29,156,990	49,429,336	47,756,060
Restricted for:						
Cemetery	807,972	793,870	0	0	807,972	793,870
Street Maintenance and Repair	521,429	622,931	0	0	521,429	622,931
Police and Fire Pension	157,612	92,716	0	0	157,612	92,716
Revolving Loan Program	449,021	448,372	0	0	449,021	448,372
Law Enforcement and Education	44,715	43,912	0	0	44,715	43,912
Capital Projects	40,845	25,489	0	0	40,845	25,489
Unclaimed Monies	17,037	17,037	0	0	17,037	17,037
Unrestricted (Deficit)	<u>(14,152,987)</u>	<u>(12,057,003)</u>	<u>6,658,972</u>	<u>6,596,488</u>	<u>(7,494,015)</u>	<u>(5,460,515)</u>
<i>Total Net Position</i>	<u>\$7,157,291</u>	<u>\$8,586,394</u>	<u>\$36,816,661</u>	<u>\$35,753,478</u>	<u>\$43,973,952</u>	<u>\$44,339,872</u>

**City of Dover**  
**Tuscarawas County, Ohio**  
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The net pension liability (NPL) is one of the largest liabilities reported by the City at December 31, 2018, and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27*. For 2018, the City adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed as follows, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting the net pension asset and deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability (asset) and the net OPEB liability to equal the City's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.



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---

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained previously, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability (asset) and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

As a result of implementing GASB 75, the City is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2017, from \$16,450,028 to \$8,586,394 for governmental activities and from \$38,856,095 to \$35,753,478 for business-type activities.

In total, the City's net position showed a decrease for 2018 as the increase in expenses, primarily security of persons and property expenses and sewer and electric fund expenses, outpaced the increase in revenues, mainly charges for services. Although business-type activities had an increase in net position due to an increase in charges for services, governmental activities had a decrease in net position due to an increase in expenses.

Capital assets decreased slightly in 2018, as depreciation expense and deletions exceeded current year additions, some of which included breaking ground on a new fire station, the continuation of the riverfront revitalization and the traffic signalization upgrade projects, as well as street projects, a gas turbine natural gas compressor, window replacements, water lines. Some of these projects were partially funded by grants. For governmental activities, a small increase was seen for capital assets.

Total liabilities decreased from 2017, primarily due to a decrease in other amounts due in more than one year, as the City continued to pay down long-term debt. The decrease in the net pension liability was mostly offset by an increase in the net OPEB liability. The net pension liability and net OPEB liability changes represent the City's proportionate share of the unfunded benefits of the OPERS traditional and combined plans and the OP&F plan. As indicated previously, changes in benefits, contribution rates, and return on investments affect the balances of the net pension liability and the net OPEB liability.

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

**City of Dover**  
**Tuscarawas County, Ohio**  
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Table 2 shows the changes in net position for 2018 and 2017 for both governmental and business-type activities.

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

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for Services and Sales	\$1,617,164	\$1,475,528	\$33,770,679	\$32,476,187	\$35,387,843	\$33,951,715
Operating Grants and Contributions	679,834	682,262	0	0	679,834	682,262
Capital Grants and Contributions	300,448	683,524	245,000	0	545,448	683,524
<b>Total Program Revenues</b>	<b>2,597,446</b>	<b>2,841,314</b>	<b>34,015,679</b>	<b>32,476,187</b>	<b>36,613,125</b>	<b>35,317,501</b>
<b>General Revenues</b>						
Property Taxes	1,764,018	1,764,189	0	0	1,764,018	1,764,189
Kilowatt per Hour Tax	707,148	678,961	0	0	707,148	678,961
Income Taxes	7,430,719	7,321,211	0	0	7,430,719	7,321,211
Grants and Entitlements	477,289	516,440	0	0	477,289	516,440
Unrestricted Contributions	15,208	14,805	0	0	15,208	14,805
Investment Earnings	217,739	169,451	33,967	18,386	251,706	187,837
Miscellaneous	332,865	116,572	391,864	136,424	724,729	252,996
<b>Total General Revenues</b>	<b>10,944,986</b>	<b>10,581,629</b>	<b>425,831</b>	<b>154,810</b>	<b>11,370,817</b>	<b>10,736,439</b>
<b>Total Revenues</b>	<b>13,542,432</b>	<b>13,422,943</b>	<b>34,441,510</b>	<b>32,630,997</b>	<b>47,983,942</b>	<b>46,053,940</b>
<b>Program Expenses</b>						
General Government	2,026,104	1,898,611	0	0	2,026,104	1,898,611
Security of Persons and Property	6,901,037	5,613,851	0	0	6,901,037	5,613,851
Transportation	2,388,755	2,334,839	0	0	2,388,755	2,334,839
Public Health Services	918,470	869,210	0	0	918,470	869,210
Community Environment	222,825	148,743	0	0	222,825	148,743
Basic Utility Services	767,118	697,490	0	0	767,118	697,490
Leisure Time Activities	1,369,916	1,209,073	0	0	1,369,916	1,209,073
Interest and Fiscal Charges	77,310	85,950	0	0	77,310	85,950
Enterprise Operations:						
Sewer	0	0	4,081,380	3,544,431	4,081,380	3,544,431
Electric	0	0	27,539,776	26,714,336	27,539,776	26,714,336
Water	0	0	2,057,171	1,982,129	2,057,171	1,982,129
<b>Total Program Expenses</b>	<b>14,671,535</b>	<b>12,857,767</b>	<b>33,678,327</b>	<b>32,240,896</b>	<b>48,349,862</b>	<b>45,098,663</b>
Change in Net Position Before Transfers	(1,129,103)	565,176	763,183	390,101	(365,920)	955,277
Transfers	(300,000)	(620,240)	300,000	620,240	0	0
Change in Net Position	(1,429,103)	(55,064)	1,063,183	1,010,341	(365,920)	955,277
Net Position Beginning of Year	8,586,394	N/A	35,753,478	N/A	44,339,872	N/A
Net Position End of Year	\$7,157,291	\$8,586,394	\$36,816,661	\$35,753,478	\$43,973,952	\$44,339,872

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$85,230 computed under GASB 45. GASB 45 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The

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contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report OPEB expense of \$1,194,349. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

	Governmental Activities	Business-Type Activities	Total
Total 2018 program expenses under GASB 75	\$14,671,535	\$33,678,327	\$48,349,862
OPEB expense under GASB 75	(877,111)	(317,238)	(1,194,349)
2018 contractually required contribution	15,628	0	15,628
Adjusted 2018 program expenses	13,810,052	33,361,089	47,171,141
Total 2017 program expenses under GASB 45	12,857,767	32,240,896	45,098,663
Increase in program expenses not related to OPEB	\$952,285	\$1,120,193	\$2,072,478

***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 and charges for services and sales.

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 a majority of total revenues for 2018. The increase in income tax revenues from the prior year is due to an increase in the estimated receivable. By City ordinance, income tax proceeds, after income tax department expenditures, are credited to the following funds: 25 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 2018, the City allocated 25 percent of income tax revenue to the master capital fund. This practice continues to be an excellent tool in making capital improvements, maintaining City streets and purchasing equipment. It is the plan to review the allocation to the master capital fund on a yearly basis in an effort to ensure good operating balances along with ample dollars for capital improvements.

Capital grants and contributions decreased from 2017. Although the City continued to receive grant moneys for the signalization project in 2018, a larger portion of the grant monies were received for the signalization project in 2017, in addition to grants received for the riverfront project in 2017.

Security of persons and property represents the largest expense of the governmental activities and includes the police and fire departments. The yearly expense increased from 2017 due to OPEB expense under GASB 75 and due to increases in salaries and benefits expenses. The City worked diligently to control expenses. Both of these departments are paid out of the general fund.

Our fire department employs 24 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.

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Our police department is a full-time, 24 hours a day, 365 days a year department with 25 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 in 2018 remained fairly comparable with 2017.

The City also maintains three cemeteries (public health services) and two parks (leisure time activities) within the City. Leisure time activities increased slightly in 2018 because of the loss on disposal of capital assets related to the razing of two buildings.

***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 2018, the electric utility generated \$28,197,163 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 for 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 5,666 consumers with a minimum daily pumpage of 1.17 million gallons and a maximum daily pumpage of 3.99 million gallons in 2018. The water plant was put into service in 1998. The raw water is supplied through five 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 1.66 million gallons per day during 2018 and served 5,563 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 tested throughout 2009. The 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. Total charges for services increased in 2018, mainly due to the increase in the electric fund due to an increase in the power cost adjustment. The total expenses for the utilities increased from 2017 due to increases in purchased power expense and materials and supplies expense. The City had an increase in net position for the business-type activities due to the increase in revenues, despite an increase in expenses.

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***The City's Funds***

Information about the City's governmental funds begins on page 20. These funds are accounted for using the modified accrual method of accounting. For 2018, the general fund had a decrease in fund balance. As compared to 2017, revenues decreased and expenditures increased. The decrease in revenues was primarily due to a decrease in income taxes collected in 2018. The increase in expenditures is primarily due to the increase in expenditures for security of persons and property, mainly resulting from an increase in salaries and wages and fringe benefits for fire prevention. The master capital fund had a decrease in fund balance, primarily due to decreases in intergovernmental and income tax revenues. Expenditures also increased primarily due to capital outlay for the new fire station begun in 2018. 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 2018, the master capital fund received 25 percent of income tax collections, allowing many projects to be funded and completed. Intergovernmental revenue decreased from 2017 in the master capital fund due to the receipt in 2017 of a large portion of an ODOT grant for the signalization project, as well as grants received for the riverfront project. 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.

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 \$100 monthly for family coverage and by \$50 for single coverage and allow for an additional \$500 per employee per month to be contributed to the fund on an as-needed basis, and this has helped maintain the fund. In 2018, the fund had an operating gain due to a decrease in claims expense and an increase in charges for services revenue. The decrease in claims expense was due to a decrease in the claims payable. Charges for services increased in 2018 due to additional City contributions paid into the fund in response to a low carryover balance from the prior year, the addition of several new employees electing the City's health insurance, and an increase in the employee share for administration and police and fire employees. 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 25. These funds are accounted for on an accrual basis. The sewer fund had a decrease in net position due to an increase in expenses, primarily an increase in materials and supplies expenses related to the restoration/replacement of the MBR filters. The electric fund had an increase in net position due to an increase in charges for services revenues, despite an increase in expenses and a decrease in transfers in. The water fund also had an increase in net position, primarily due to increases in other revenue and capital contributions, despite an increase in operating expenses. 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.

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For 2018, general fund appropriations were modified by Council several times. Final budgeted revenues were less than original budgeted revenues, and final appropriations were higher than original appropriations due to revised estimates in several expenditure categories, primarily general government and security of persons and property. Actual revenues were slightly higher than the final budgeted revenues due to the receipt of higher amounts in several categories of revenues, most significantly interest, charges for services, and other, offset by an overestimate of income tax collections. Actual expenditures were lower than the final appropriations, primarily due to conservative spending in general government, security of persons and property, and leisure time activities.

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.

***Capital Assets***

Capital assets for the City of Dover increased from 2017 to 2018 for governmental activities and decreased for business-type activities. The increase for governmental activities is due to numerous capital asset additions, the most significant of which is the start of the new fire station project. The decrease for business-type activities is due to current year depreciation exceeding capital asset additions. Capital asset activity for 2018 is provided in Note 10.

Significant additions to capital assets for governmental activities included breaking ground on a new fire station, the continuation of the riverfront revitalization and the traffic signalization upgrade projects, as well as street projects, stone additions to the pond, picnic shelter concrete improvements, a skid steer for the parks department, and several new police cruisers. Some of the additions to capital assets for business-type activities included an articulating boom lift, Mayno sludge pump, portable flow meter, gas turbine natural gas compressor, window replacements, and water lines.

***Debt***

The City's debt 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 sewer utility. Utility debt includes revenue bonds, an OWDA loan, AMPGS payable, and general obligation bonds that were issued for major upgrades to the power plant. The City's overall legal debt margin was \$25,384,796 at December 31, 2018.

Additional information on the City's long-term debt can be found in Notes 12 and 13 of this report.

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**Current Financial Issues**

With the refinancing of the water and electric revenue bonds in 2014, the City will save a significant amount of money over the life of the bonds. This allowed the City to purchase land to further expand our water well footprint and save on our future yearly payments. This has made it possible 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.

The City has been actively purchasing new equipment and vehicles, paving streets, expanding and maintaining water and sewer lines, and making the necessary improvements to the electric system, without issuing any debt. In 2018, we also broke ground on a \$1.6 million fire station that is being paid for out of funds that were set aside. No debt was incurred for this project.

A few large purchases of the year involved the water and wastewater funds. They purchased a Mayno sludge pump, an articulating boom lift, and a portable flow meter. One major project started in 2018 was the restoration/replacement of the MBR filters in the wastewater treatment plant. This is an ongoing project and we will be replacing a number of filters each year until they are all replaced.

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 created 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 2018, 42 percent of the KWH tax revenue was returned to the electric fund to help maintain the 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 changed to 25 percent. This remained at 25 percent in 2018. 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. This continues to be the case in 2018. The City continues to work short of prior year's staffing levels in a few 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 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 American Municipal Power (AMP)

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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. Only one employer has more than 1,000 employees; Cleveland Clinic Union Hospital 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 2018. 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 Nicole Stoldt, Auditor, City of Dover, 122 East Third Street, Dover, Ohio 44622, by telephone 330-343-6385, by website at [www.doverohio.com](http://www.doverohio.com) or by e-mail [nicole.stoldt@doverohio.com](mailto:nicole.stoldt@doverohio.com).



**City of Dover**  
**Tuscarawas County, Ohio**  
*Statement of Net Position*  
*December 31, 2018*

	Governmental Activities	Business-Type Activities*	Total*
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$6,293,267	\$13,297,740	\$19,591,007
Cash and Cash Equivalents with Fiscal Agents	68,903	0	68,903
Materials and Supplies Inventory	109,236	1,260,952	1,370,188
Accrued Interest Receivable	1,625	0	1,625
Accounts Receivable	168,868	4,553,222	4,722,090
Internal Balances	332,174	(332,174)	0
Intergovernmental Receivable	534,838	64,244	599,082
Prepaid Items	183,958	355,163	539,121
Income Taxes Receivable	1,935,023	0	1,935,023
Property Taxes Receivable	1,655,639	0	1,655,639
Regulated Asset	0	671,014	671,014
Investment in Joint Venture	0	346,351	346,351
Net Pension Asset	34,172	60,750	94,922
Nondepreciable Capital Assets	4,360,735	2,391,063	6,751,798
Depreciable Capital Assets, Net	17,122,161	43,876,441	60,998,602
<i>Total Assets</i>	<u>32,800,599</u>	<u>66,544,766</u>	<u>99,345,365</u>
<b>Deferred Outflows of Resources</b>			
Deferred Charge on Refunding	0	79,580	79,580
Pension	2,478,592	1,371,544	3,829,170
OPEB	1,343,223	308,744	1,651,967
<i>Total Deferred Outflows of Resources</i>	<u>3,821,815</u>	<u>1,759,868</u>	<u>5,560,717</u>
<b>Liabilities</b>			
Accounts Payable	116,241	197,221	313,462
Accrued Wages	255,761	192,279	448,040
Contracts Payable	158,148	2,870,627	3,028,775
Intergovernmental Payable	175,636	143,304	318,940
Accrued Interest Payable	5,903	17,467	23,370
Vacation Benefits Payable	355,240	278,645	633,885
Retainage Payable	82,013	0	82,013
Customer Deposits	0	105,168	105,168
Claims Payable	205,821	0	205,821
Long-Term Liabilities:			
Due Within One Year	616,906	3,025,255	3,642,161
Due in More Than One Year:			
Net Pension Liability (See Note 15)	11,434,028	5,153,415	16,587,443
Net OPEB Liability (See Note 16)	9,831,329	3,470,099	13,301,428
Other Amounts	3,075,267	14,533,652	17,608,919
<i>Total Liabilities</i>	<u>26,312,293</u>	<u>29,987,132</u>	<u>56,299,425</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	1,635,028	0	1,635,028
Pension	1,280,791	1,242,341	2,502,166
OPEB	237,011	258,500	495,511
<i>Total Deferred Inflows of Resources</i>	<u>3,152,830</u>	<u>1,500,841</u>	<u>4,632,705</u>
<b>Net Position</b>			
Net Investment in Capital Assets	19,271,647	30,157,689	49,429,336
Restricted for:			
Cemetery	807,972	0	807,972
Street Maintenance and Repair	521,429	0	521,429
Police and Fire Pension	157,612	0	157,612
Revolving Loan Program	449,021	0	449,021
Law Enforcement and Education	44,715	0	44,715
Capital Projects	40,845	0	40,845
Unclaimed Monies	17,037	0	17,037
Unrestricted (Deficit)	(14,152,987)	6,658,972	(7,494,015)
<i>Total Net Position</i>	<u>\$7,157,291</u>	<u>\$36,816,661</u>	<u>\$43,973,952</u>

\*After deferred outflows and inflows of resources related to the change in internal proportionate share of pension-related items have been eliminated.

See accompanying notes to the basic financial statements

**City of Dover**  
**Tuscarawas County, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2018

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$2,026,104	\$439	\$0	\$105,869
Security of Persons and Property	6,901,037	127,490	17,905	0
Transportation	2,388,755	0	661,929	96,929
Public Health Services	918,470	526,888	0	0
Community Environment	222,825	793	0	79,853
Basic Utility Services	767,118	801,718	0	0
Leisure Time Activities	1,369,916	159,836	0	17,797
Interest and Fiscal Charges	77,310	0	0	0
<i>Total Governmental Activities</i>	<u>14,671,535</u>	<u>1,617,164</u>	<u>679,834</u>	<u>300,448</u>
<b>Business-Type Activities:</b>				
Sewer	4,081,380	3,298,519	0	0
Electric	27,539,776	28,197,163	0	0
Water	2,057,171	2,274,997	0	245,000
<i>Total Business-Type Activities</i>	<u>33,678,327</u>	<u>33,770,679</u>	<u>0</u>	<u>245,000</u>
<i>Total - Primary Government</i>	<u>\$48,349,862</u>	<u>\$35,387,843</u>	<u>\$679,834</u>	<u>\$545,448</u>

**General Revenues**

Property Taxes Levied for:  
General Purposes  
Police and Fire Pension  
Kilowatt per Hour Taxes Levied for  
General Purposes  
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  
Unrestricted Contributions  
Investment Earnings  
Miscellaneous

*Total General Revenues*

Transfers

*Total General Revenues and Transfers*

Change in Net Position

*Net Position Beginning of Year -  
Restated (See Note 3)*

*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
(\$1,919,796)	\$0	(\$1,919,796)
(6,755,642)	0	(6,755,642)
(1,629,897)	0	(1,629,897)
(391,582)	0	(391,582)
(142,179)	0	(142,179)
34,600	0	34,600
(1,192,283)	0	(1,192,283)
(77,310)	0	(77,310)
(12,074,089)	0	(12,074,089)
0	(782,861)	(782,861)
0	657,387	657,387
0	462,826	462,826
0	337,352	337,352
(12,074,089)	337,352	(11,736,737)
1,623,618	0	1,623,618
140,400	0	140,400
707,148	0	707,148
4,027,835	0	4,027,835
599,508	0	599,508
378,696	0	378,696
615,566	0	615,566
1,809,114	0	1,809,114
477,289	0	477,289
15,208	0	15,208
217,739	33,967	251,706
332,865	391,864	724,729
10,944,986	425,831	11,370,817
(300,000)	300,000	0
10,644,986	725,831	11,370,817
(1,429,103)	1,063,183	(365,920)
8,586,394	35,753,478	44,339,872
\$7,157,291	\$36,816,661	\$43,973,952

**City of Dover**  
**Tuscarawas County, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*December 31, 2018*

	General	Master Capital	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,564,179	\$1,438,202	\$2,169,689	\$6,172,070
Restricted Assets:				
Cash and Cash Equivalents with Fiscal Agents	0	68,903	0	68,903
Equity in Pooled Cash and Cash Equivalents	17,037	0	0	17,037
Materials and Supplies Inventory	21,850	0	87,386	109,236
Accrued Interest Receivable	995	0	630	1,625
Accounts Receivable	106,068	0	62,800	168,868
Intergovernmental Receivable	224,998	0	309,840	534,838
Prepaid Items	151,660	0	32,298	183,958
Income Taxes Receivable	1,061,644	471,674	401,705	1,935,023
Property Taxes Receivable	1,516,152	0	139,487	1,655,639
<i>Total Assets</i>	<u>\$5,664,583</u>	<u>\$1,978,779</u>	<u>\$3,203,835</u>	<u>\$10,847,197</u>
<b>Liabilities</b>				
Accounts Payable	\$81,367	\$5,242	\$29,632	\$116,241
Accrued Wages	205,796	0	49,965	255,761
Contracts Payable	0	158,148	0	158,148
Intergovernmental Payable	54,134	0	121,502	175,636
Retainage Payable	0	82,013	0	82,013
<i>Total Liabilities</i>	<u>341,297</u>	<u>245,403</u>	<u>201,099</u>	<u>787,799</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	1,497,359	0	137,669	1,635,028
Unavailable Revenue	969,326	323,384	568,062	1,860,772
<i>Total Deferred Inflows of Resources</i>	<u>2,466,685</u>	<u>323,384</u>	<u>705,731</u>	<u>3,495,800</u>
<b>Fund Balances</b>				
Nonspendable	190,547	0	119,684	310,231
Restricted	0	0	1,664,539	1,664,539
Committed	0	1,409,992	512,782	1,922,774
Assigned	1,381,941	0	0	1,381,941
Unassigned	1,284,113	0	0	1,284,113
<i>Total Fund Balances</i>	<u>2,856,601</u>	<u>1,409,992</u>	<u>2,297,005</u>	<u>6,563,598</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$5,664,583</u>	<u>\$1,978,779</u>	<u>\$3,203,835</u>	<u>\$10,847,197</u>

See accompanying notes to the basic financial statements

**City of Dover**  
**Tuscarawas County, Ohio**  
*Reconciliation of Total Governmental Fund Balances to*  
*Net Position of Governmental Activities*  
*December 31, 2018*

<b>Total Governmental Fund Balances</b>	\$6,563,598
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	21,482,896
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:	
Delinquent Property Taxes	20,611
Income Taxes	1,326,669
Grants	444,869
Charges for Services	58,125
Other	10,498
<b>Total</b>	<b>1,860,772</b>
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 position.	(101,661)
An internal balance is recorded in governmental activities to reflect underpayments to the internal service fund by business-type activities.	332,174
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.	(5,903)
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.	(355,240)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(1,928,333)
State Infrastructure Bank Loan	(120,977)
OPWC Loans	(61,031)
Capital Lease	(5,057)
Police and Fire Pension	(212,352)
Compensated Absences	(1,364,423)
<b>Total</b>	<b>(3,692,173)</b>
The net pension asset and net pension/OPEB liability are not due and payable in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds:	
Net Pension Asset	34,172
Deferred Outflows - Pension	2,478,592
Deferred Outflows - OPEB	1,343,223
Net Pension Liability	(11,434,028)
Net OPEB Liability	(9,831,329)
Deferred Inflows - Pension	(1,280,791)
Deferred Inflows - OPEB	(237,011)
<b>Total</b>	<b>(18,927,172)</b>
 <i>Net Position of Governmental Activities</i>	 <b>\$7,157,291</b>

See accompanying notes to the basic financial statements

**City of Dover**  
**Tuscarawas County, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2018*

	General	Master Capital	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property Taxes	\$1,621,344	\$0	\$140,203	\$1,761,547
Income Taxes	3,919,300	1,748,546	1,510,193	7,178,039
Kilowatt per Hour Tax	707,148	0	0	707,148
Intergovernmental	471,861	109,428	763,871	1,345,160
Interest	212,512	0	5,227	217,739
Fines, Licenses and Permits	34,187	0	803	34,990
Charges for Services	1,044,109	0	529,568	1,573,677
Contributions and Donations	15,208	14,125	0	29,333
Other	172,894	41,138	25,236	239,268
<i>Total Revenues</i>	<u>8,198,563</u>	<u>1,913,237</u>	<u>2,975,101</u>	<u>13,086,901</u>
<b>Expenditures</b>				
Current:				
General Government	1,474,502	0	0	1,474,502
Security of Persons and Property	4,854,291	0	690,930	5,545,221
Transportation	0	0	1,362,899	1,362,899
Public Health Services	8,266	0	817,447	825,713
Community Environment	130,524	0	0	130,524
Basic Utility Services	767,118	0	0	767,118
Leisure Time Activities	1,008,759	0	0	1,008,759
Capital Outlay	0	2,413,479	79,853	2,493,332
Debt Service:				
Principal Retirement	2,146	252,770	8,753	263,669
Interest and Fiscal Charges	329	70,928	9,292	80,549
<i>Total Expenditures</i>	<u>8,245,935</u>	<u>2,737,177</u>	<u>2,969,174</u>	<u>13,952,286</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(47,372)</u>	<u>(823,940)</u>	<u>5,927</u>	<u>(865,385)</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	1,800	0	0	1,800
Transfers Out	(300,000)	0	0	(300,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(298,200)</u>	<u>0</u>	<u>0</u>	<u>(298,200)</u>
<i>Net Change in Fund Balances</i>	<u>(345,572)</u>	<u>(823,940)</u>	<u>5,927</u>	<u>(1,163,585)</u>
<i>Fund Balances Beginning of Year</i>	<u>3,202,173</u>	<u>2,233,932</u>	<u>2,291,078</u>	<u>7,727,183</u>
<i>Fund Balances End of Year</i>	<u>\$2,856,601</u>	<u>\$1,409,992</u>	<u>\$2,297,005</u>	<u>\$6,563,598</u>

See accompanying notes to the basic financial statements

**City of Dover**  
**Tuscarawas County, 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, 2018*

<b>Net Change in Fund Balances - Total Governmental Funds</b>		(\$1,163,585)
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
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 capital asset additions exceeded depreciation in the current period:		
Capital Asset Additions:		
Capital Outlay	2,068,673	
Capital Contributions	105,869	
Current Year Depreciation	<u>(940,038)</u>	
Total		1,234,504
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.		
		(554,796)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds:		
Property Taxes	2,471	
Income Taxes	252,680	
Intergovernmental	(7,583)	
Charges for Services	8,497	
Other	<u>10,498</u>	
Total		266,563
Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		263,669
In the statement of activities, interest is accrued on outstanding notes, whereas in governmental funds, an interest expenditure is reported when due:		
Accrued Interest	1,444	
Amortization of Premium	<u>1,795</u>	
Total		3,239
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	(136,604)	
Vacation Benefits Payable	<u>(42,045)</u>	
Total		(178,649)
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 is allocated among the governmental activities:		
Change in Net Position	295,839	
Change in Internal Balance	<u>(91,062)</u>	
Total		204,777
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows:		
Pension	1,026,423	
OPEB	<u>15,628</u>	
Total		1,042,051
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB asset or liability are reported as pension/OPEB expense in the statement of activities:		
Pension	(1,669,765)	
OPEB	<u>(877,111)</u>	
Total		<u>(2,546,876)</u>
<i>Change in Net Position of Governmental Activities</i>		<u>(\$1,429,103)</u>

See accompanying notes to the basic financial statements

**City of Dover**  
**Tuscarawas County, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$1,626,000	\$1,626,000	\$1,621,932	(\$4,068)
Income Taxes	4,314,049	4,314,049	3,990,692	(323,357)
Kilowatt per Hour Tax	700,000	700,000	707,148	7,148
Intergovernmental	493,372	439,263	479,558	40,295
Interest	136,129	120,000	225,498	105,498
Fines, Licenses and Permits	29,027	25,500	33,552	8,052
Charges for Services	1,096,346	966,450	1,038,079	71,629
Contributions and Donations	13,321	13,294	15,208	1,914
Other	37,848	29,898	176,104	146,206
<i>Total Revenues</i>	<u>8,446,092</u>	<u>8,234,454</u>	<u>8,287,771</u>	<u>53,317</u>
<b>Expenditures</b>				
Current:				
General Government	1,698,556	1,735,075	1,604,336	130,739
Security of Persons and Property	5,052,569	5,103,289	4,823,341	279,948
Public Health Services	8,800	8,800	8,266	534
Community Environment	140,781	141,261	129,824	11,437
Basic Utility Services	783,000	783,000	762,829	20,171
Leisure Time Activities	1,067,578	1,075,118	1,008,082	67,036
<i>Total Expenditures</i>	<u>8,751,284</u>	<u>8,846,543</u>	<u>8,336,678</u>	<u>509,865</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(305,192)</u>	<u>(612,089)</u>	<u>(48,907)</u>	<u>563,182</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	1,800	1,800	1,800	0
Transfers Out	(600,000)	(600,000)	(300,000)	300,000
<i>Total Other Financing Sources (Uses)</i>	<u>(598,200)</u>	<u>(598,200)</u>	<u>(298,200)</u>	<u>300,000</u>
<i>Net Change in Fund Balance</i>	(903,392)	(1,210,289)	(347,107)	863,182
<i>Fund Balance Beginning of Year</i>	2,854,857	2,854,857	2,854,857	0
Prior Year Encumbrances Appropriated	17,235	17,235	17,235	0
<i>Fund Balance End of Year</i>	<u>\$1,968,700</u>	<u>\$1,661,803</u>	<u>\$2,524,985</u>	<u>\$863,182</u>

See accompanying notes to the basic financial statements



**City of Dover**  
**Tuscarawas County, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Funds*  
*December 31, 2018*

	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	\$4,291,890	\$7,070,197	\$1,830,485	\$13,192,572	\$104,160
<i>Restricted Assets:</i>					
Equity in Pooled Cash and Cash Equivalents	0	105,168	0	105,168	0
<i>Receivables:</i>					
Accounts	379,159	3,592,949	581,114	4,553,222	0
Intergovernmental	64,244	0	0	64,244	0
Regulated Asset	0	671,014	0	671,014	0
Materials and Supplies Inventory	13,306	1,023,202	224,444	1,260,952	0
Prepaid Items	65,573	253,869	35,721	355,163	0
<i>Total Current Assets</i>	<u>4,814,172</u>	<u>12,716,399</u>	<u>2,671,764</u>	<u>20,202,335</u>	<u>104,160</u>
<i>Non-Current Assets:</i>					
Investment in Joint Venture	0	346,351	0	346,351	0
Net Pension Asset	13,289	37,020	10,441	60,750	0
Land and Construction in Progress	147,534	843,187	1,400,342	2,391,063	0
Depreciable Capital Assets, Net	16,757,019	19,469,018	7,650,404	43,876,441	0
<i>Total Non-Current Assets</i>	<u>16,917,842</u>	<u>20,695,576</u>	<u>9,061,187</u>	<u>46,674,605</u>	<u>0</u>
<i>Total Assets</i>	<u>21,732,014</u>	<u>33,411,975</u>	<u>11,732,951</u>	<u>66,876,940</u>	<u>104,160</u>
<b>Deferred Outflows of Resources</b>					
Deferred Charge on Refunding	0	29,199	50,381	79,580	0
Pension	310,925	855,142	244,958	1,411,025	0
OPEB	74,706	175,340	58,698	308,744	0
<i>Total Deferred Outflows of Resources</i>	<u>385,631</u>	<u>1,059,681</u>	<u>354,037</u>	<u>1,799,349</u>	<u>0</u>
<b>Liabilities</b>					
<i>Current Liabilities:</i>					
Accounts Payable	12,304	148,457	36,460	197,221	0
Accrued Wages	43,829	115,459	32,991	192,279	0
Contracts Payable	1,875	2,757,390	111,362	2,870,627	0
Intergovernmental Payable	29,423	91,220	22,661	143,304	0
Vacation Benefits Payable	61,657	166,014	50,974	278,645	0
Compensated Absences Payable	63,898	129,415	25,661	218,974	0
Accrued Interest Payable	0	14,262	3,205	17,467	0
Customer Deposits	0	105,168	0	105,168	0
AMPGS Payable	0	167,406	0	167,406	0
General Obligation Bonds Payable	0	800,000	0	800,000	0
Revenue Bonds Payable	0	715,000	460,000	1,175,000	0
OWDA Loans Payable	663,875	0	0	663,875	0
Claims Payable	0	0	0	0	205,821
<i>Total Current Liabilities</i>	<u>876,861</u>	<u>5,209,791</u>	<u>743,314</u>	<u>6,829,966</u>	<u>205,821</u>
<i>Long-Term Liabilities (net of current portion):</i>					
Compensated Absences Payable	160,469	262,069	155,182	577,720	0
AMPGS Payable	0	503,608	0	503,608	0
General Obligation Payable	0	4,983,023	0	4,983,023	0
Revenue Bonds Payable	0	0	1,425,000	1,425,000	0
OWDA Loans Payable	7,044,301	0	0	7,044,301	0
Net Pension Liability	1,127,310	3,140,362	885,743	5,153,415	0
Net OPEB Liability	759,084	2,114,592	596,423	3,470,099	0
<i>Total Long-Term Liabilities (net of current portion)</i>	<u>9,091,164</u>	<u>11,003,654</u>	<u>3,062,348</u>	<u>23,157,166</u>	<u>0</u>
<i>Total Liabilities</i>	<u>9,968,025</u>	<u>16,213,445</u>	<u>3,805,662</u>	<u>29,987,132</u>	<u>205,821</u>
<b>Deferred Inflows of Resources</b>					
Pension	276,645	765,636	239,541	1,281,822	0
OPEB	56,547	157,523	44,430	258,500	0
<i>Total Deferred Inflows of Resources</i>	<u>333,192</u>	<u>923,159</u>	<u>283,971</u>	<u>1,540,322</u>	<u>0</u>
<b>Net Position</b>					
Net Investment in Capital Assets	9,194,502	13,858,422	7,104,765	30,157,689	0
Unrestricted (Deficit)	2,621,926	3,476,630	892,590	6,991,146	(101,661)
<i>Total Net Position</i>	<u>\$11,816,428</u>	<u>\$17,335,052</u>	<u>\$7,997,355</u>	<u>37,148,835</u>	<u>(\$101,661)</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.

(332,174)  
Net position of business-type activities \$36,816,661

See accompanying notes to the basic financial statements

**City of Dover**  
**Tuscarawas County, Ohio**  
*Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Proprietary Funds*  
*For the Year Ended December 31, 2018*

	Business-Type Activities				Governmental Activities - Internal Service Fund
	Sewer	Electric	Water	Total	
<b>Operating Revenues</b>					
Charges for Services	\$3,298,519	\$28,197,163	\$2,274,997	\$33,770,679	\$2,685,356
Other	9,923	123,651	258,290	391,864	83,099
<i>Total Operating Revenues</i>	<u>3,308,442</u>	<u>28,320,814</u>	<u>2,533,287</u>	<u>34,162,543</u>	<u>2,768,455</u>
<b>Operating Expenses</b>					
Salaries and Wages	992,265	2,704,949	752,616	4,449,830	0
Fringe Benefits	794,624	1,920,285	546,437	3,261,346	0
Purchased Services	324,474	2,709,781	165,104	3,199,359	296,166
Materials and Supplies	714,970	3,754,095	182,187	4,651,252	0
Purchased Power	0	14,996,575	0	14,996,575	0
Depreciation	1,033,243	1,102,096	346,236	2,481,575	0
Claims	0	0	0	0	2,176,450
<i>Total Operating Expenses</i>	<u>3,859,576</u>	<u>27,187,781</u>	<u>1,992,580</u>	<u>33,039,937</u>	<u>2,472,616</u>
<i>Operating Income (Loss)</i>	<u>(551,134)</u>	<u>1,133,033</u>	<u>540,707</u>	<u>1,122,606</u>	<u>295,839</u>
<b>Non-Operating Revenues (Expenses)</b>					
Interest	0	28,393	5,574	33,967	0
Loss on Investment in Joint Venture	0	(177,902)	0	(177,902)	0
Loss on Sale of Capital Assets	0	0	(19,791)	(19,791)	0
Interest and Fiscal Charges	(245,747)	(225,904)	(60,108)	(531,759)	0
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(245,747)</u>	<u>(375,413)</u>	<u>(74,325)</u>	<u>(695,485)</u>	<u>0</u>
<i>Income (Loss) before Capital Contributions and Transfers</i>	<u>(796,881)</u>	<u>757,620</u>	<u>466,382</u>	<u>427,121</u>	<u>295,839</u>
Capital Contributions	0	0	245,000	245,000	0
Transfers In	0	300,000	0	300,000	0
<i>Change in Net Position</i>	<u>(796,881)</u>	<u>1,057,620</u>	<u>711,382</u>	<u>972,121</u>	<u>295,839</u>
<i>Net Position Beginning of Year - Restated (See Note 3)</i>	<u>12,613,309</u>	<u>16,277,432</u>	<u>7,285,973</u>		<u>(397,500)</u>
<i>Net Position End of Year</i>	<u>\$11,816,428</u>	<u>\$17,335,052</u>	<u>\$7,997,355</u>		<u>(\$101,661)</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.

	91,062
Change in net position of business-type activities	\$1,063,183

See accompanying notes to the basic financial statements

**City of Dover**  
**Tuscarawas County, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2018

	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	\$3,260,033	\$28,544,094	\$2,331,810	\$34,135,937	\$0
Cash Received from Transactions with Other Funds	0	0	0	0	2,685,356
Other Cash Receipts	9,834	118,672	8,201	136,707	83,099
Electric Deposits Received	0	28,528	0	28,528	0
Cash Payments to Employees for Services	(1,589,040)	(4,101,709)	(1,141,548)	(6,832,297)	0
Cash Payments for Purchased Power	0	(15,047,136)	0	(15,047,136)	0
Cash Payments for Goods and Services	(1,064,330)	(6,630,615)	(321,683)	(8,016,628)	(296,166)
Electric Deposits Returned	0	(24,765)	0	(24,765)	0
Cash Payments for Claims	0	0	0	0	(2,430,383)
Other Cash Payments	0	(193,686)	0	(193,686)	0
<i>Net Cash Provided by Operating Activities</i>	<u>616,497</u>	<u>2,693,383</u>	<u>876,780</u>	<u>4,186,660</u>	<u>41,906</u>
<b>Cash Flows from Noncapital Financing Activities</b>					
Transfers In	0	300,000	0	300,000	0
<b>Cash Flows from Capital and Related Financing Activities</b>					
Capital Contributions	0	0	245,000	245,000	0
Principal Paid on Loans	(642,814)	0	0	(642,814)	0
Interest Paid on Loans	(245,747)	0	0	(245,747)	0
Principal Paid on Bonds	0	(1,485,000)	(455,000)	(1,940,000)	0
Interest Paid on Bonds	0	(205,152)	(48,286)	(253,438)	0
Payments for Capital Acquisitions	(80,816)	(787,531)	(537,179)	(1,405,526)	0
<i>Net Cash Used in Capital and Related Financing Activities</i>	<u>(969,377)</u>	<u>(2,477,683)</u>	<u>(795,465)</u>	<u>(4,242,525)</u>	<u>0</u>
<b>Cash Flows from Investing Activities</b>					
Interest on Investments	0	28,393	5,574	33,967	0
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(352,880)	544,093	86,889	278,102	41,906
<i>Cash and Cash Equivalents Beginning of Year</i>	4,644,770	6,631,272	1,743,596	13,019,638	62,254
<i>Cash and Cash Equivalents End of Year</i>	<u>\$4,291,890</u>	<u>\$7,175,365</u>	<u>\$1,830,485</u>	<u>\$13,297,740</u>	<u>\$104,160</u>

(continued)

**City of Dover**  
**Tuscarawas County, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
For the Year Ended December 31, 2018

	Business-Type Activities				Governmental Activities - Internal Service Fund
	Sewer	Electric	Water	Total	
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b>					
Operating Income (Loss)	(\$551,134)	\$1,133,033	\$540,707	\$1,122,606	\$295,839
Adjustments:					
Depreciation	1,033,243	1,102,096	346,236	2,481,575	0
(Increase) Decrease in Assets and Deferred Outflows:					
Accounts Receivable	(18,595)	148,266	(193,276)	(63,605)	0
Intergovernmental Receivable	(19,980)	0	0	(19,980)	0
Regulated Asset	0	172,526	0	172,526	0
Materials and Supplies Inventory	(4,727)	(118,735)	3,218	(120,244)	0
Prepaid Items	(15,959)	(50,395)	(9,629)	(75,983)	0
Net Pension Asset	(7,764)	(22,007)	(6,101)	(35,872)	0
Deferred Outflows - Pension	239,027	643,525	191,711	1,074,263	0
Deferred Outflows - OPEB	45,640	112,177	35,859	193,676	0
Increase (Decrease) in Liabilities and Deferred Inflows:					
Accounts Payable	(4,200)	4,244	32,019	32,063	0
Accrued Wages	6,119	12,836	4,149	23,104	0
Contracts Payable	0	(20,814)	0	(20,814)	0
Intergovernmental Payable	1,638	(16,473)	1,289	(13,546)	0
Vacation Benefits Payable	(3,461)	18,368	6,262	21,169	0
Compensated Absences Payable	(1,887)	29,944	8,772	36,829	0
Customer Deposits	0	3,763	0	3,763	0
AMPGS Payable	0	(172,526)	0	(172,526)	0
Net Pension Liability	24,519	68,300	19,264	112,083	0
Net OPEB Liability	41,166	114,677	32,344	188,187	0
Claims Payable	0	0	0	0	(253,933)
Deferred Inflows - Pension	(133,011)	(430,041)	(124,937)	(687,989)	0
Deferred Inflows - OPEB	(14,137)	(39,381)	(11,107)	(64,625)	0
<i>Net Cash Provided by Operating Activities</i>	<u>\$616,497</u>	<u>\$2,693,383</u>	<u>\$876,780</u>	<u>\$4,186,660</u>	<u>\$41,906</u>

**Noncash Capital Financing Activities:**

At December 31, 2017, the City had contracts payable related to the acquisition of capital assets of \$11,087 in the electric fund and \$8,255 in the water fund.

At December 31, 2018, the City had contracts payable related to the acquisition of capital assets of \$1,875 in the sewer fund, \$57,982 in the electric fund, and \$111,362 in the water fund.

See accompanying notes to the basic financial statements

**City of Dover**  
**Tuscarawas County, Ohio**  
*Statement of Fiduciary Net Position*  
*Fiduciary Fund*  
*December 31, 2018*

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	Private Purpose Trust
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$240,591
<b>Net Position</b>	
Held in Trust for Cemetery	\$240,591

See accompanying notes to the basic financial statements

**City of Dover**  
**Tuscarawas County, Ohio**  
*Statement of Changes in Fiduciary Net Position*  
*Fiduciary Fund*  
*For the Year Ended December 31, 2018*

	Private-Purpose Trust
<b>Additions</b>	
Deposits for Burial Expenses	\$20,809
Interest	4,099
	24,908
<b>Deductions</b>	
Burial Expense	24,240
	668
<i>Change in Net Position</i>	<i>668</i>
<i>Net Position Beginning of Year</i>	<i>239,923</i>
	<i>239,923</i>
<i>Net Position End of Year</i>	<i>\$240,591</i>
	<i>\$240,591</i>

See accompanying notes to the basic financial statements

**City of Dover**  
**Tuscarawas County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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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 approves the budget, the issuance of debt, or the levying of taxes and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. 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 20 and 21 of the Basic Financial Statements.

**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 as follows.

***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**  
**Tuscarawas County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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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, most significantly, the 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**  
**Tuscarawas County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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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 employee health insurance 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 the cemetery internment 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 deferred outflows of resources and all liabilities and deferred inflows of resources 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 deferred outflows of resources and current liabilities and deferred inflows of resources 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 deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net

**City of Dover**  
**Tuscarawas County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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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.

***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 outflows/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 represent 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 are reported on the government-wide statement of net position for deferred charges on refunding, pension and OPEB. 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. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 15 and 16.

**City of Dover**  
**Tuscarawas County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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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 until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2018, but which were levied to finance 2019 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, intergovernmental grants, charges for services, and other. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balances to net position of governmental activities found on page 21. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (See Notes 15 and 16).

***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 2018, the City invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB) Statement No. 79, *Certain External Investment Pools and Pool Participants*. The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2018, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of \$25 million or more. STAR Ohio reserves the right to limit the transaction to \$100 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest is distributed to the general fund, street maintenance and repair, state highway, cemetery, and revolving loan special revenue funds, the community housing improvement program capital projects fund, the cemetery interment private-purpose trust fund, and the electric and water enterprise funds. Interest revenue credited to the general fund during 2018 amounted to \$212,512 which includes \$179,333 assigned from other City funds.

**City of Dover**  
**Tuscarawas County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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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.

The City uses a fiscal agent to hold retainage on construction contracts. The balances in these accounts are presented on the financial statements as “cash and cash equivalents with fiscal agents” and represent deposits.

***Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2018, 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.

***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 general fund include unclaimed monies. Restricted assets in the master capital capital projects fund represents money set aside as retainage payable on construction projects. 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 acquisition values as of the date received. The City maintains a capitalization threshold of five 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.

**City of Dover**  
**Tuscarawas County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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.

***Interfund Balances***

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables." 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.

Deferred inflows of resources and deferred outflows of resources from the change in internal proportionate share related to pension items are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity wide statement of net position.

***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.

***Pensions/Other Postemployment Benefits (OPEB)***

For purposes of measuring the net pension/OPEB asset/liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have

**City of Dover**  
**Tuscarawas County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

***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 and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, long-term loans, and capital leases are recognized as a liability on the governmental fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

***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.

***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 legally 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) 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

**City of Dover**  
**Tuscarawas County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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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 is 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 for law enforcement, for police and fire uniforms and equipment, and to cover a gap between estimated revenue and appropriations in the 2019 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 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, sewer, 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.

**City of Dover**  
**Tuscarawas County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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***Bond Premiums***

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. Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

***Contributions of Capital***

Contributions of capital in the governmental activities and proprietary fund statements arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

***Interfund Activity***

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated.

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

***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.

***Regulated Asset***

As determined by the City's Utility Board, electric rates are designed to recover the cost of providing electric service and it is reasonable to assume that those rates can be charged to and collected from electric customers. In 2013, the City incurred a share of the impaired costs related to the AMP Generating Station project (see Note 12). This specific amount will be included in future electric rates through an automatic rate adjustment clause in order for the City to recover these impaired costs from electric customers and therefore has been recorded as a regulated asset on the City's financial statements.



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***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 in 2018 as there was no budgetary activity for 2018. 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.

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 – Changes in Accounting Principles and Restatement of Net Position**

For fiscal year 2018, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 85, *Omnibus 2017*, Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, and related guidance from (GASB) Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*.

For 2018, the City also implemented the Governmental Accounting Standards Board's (GASB) *Implementation Guide No. 2017-1*. These changes were incorporated in the City's 2018 financial statements; however, there was no effect on beginning net position/fund balance.

GASB 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits (OPEB)). These changes were incorporated in the City's fiscal year 2018 financial statements; however, there was no effect on beginning net position/fund balance.

GASB 89 establishes accounting requirements for interest cost incurred before the end of a construction period. These changes were incorporated in the City's 2018 financial statements; however, there was no effect on beginning net position.

GASB 75 established standards for measuring and recognizing Postemployment benefit liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported December 31, 2017:

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	Governmental Activities	Business - Type Activities
Net Position December 31, 2017	\$16,450,028	\$38,856,095
Adjustments:		
Net OPEB Liability	(7,902,801)	(3,148,680)
Deferred Outflow - Payments Subsequent to Measurement Date	39,167	46,063
Restated Net Position December 31, 2017	<u>\$8,586,394</u>	<u>\$35,753,478</u>

	Sewer	Electric	Water	Total Enterprise
Net Position December 31, 2017	\$13,281,565	\$18,186,734	\$7,811,032	\$39,279,331
Adjustments:				
Net OPEB Liability	(678,177)	(1,937,649)	(532,854)	(3,148,680)
Deferred Outflow - Payments Subsequent to Measurement Date	9,921	28,347	7,795	46,063
Restated Net Position December 31, 2017	<u>\$12,613,309</u>	<u>\$16,277,432</u>	<u>\$7,285,973</u>	36,176,714
			Internal Balance	<u>(423,236)</u>
			Restated Net Position December 31, 2017	<u>\$35,753,478</u>

Other than employer contributions subsequent to the measurement date, the City made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

**Note 4 – Accountability**

As of December 31, 2018, the employee health insurance internal service fund had a net position deficit of \$101,661. The deficit was the result of the application of generally accepted accounting principles. The general fund provides transfers to cover deficit balances in other funds; however, this is done when cash is needed rather than when accruals occur. The City is reviewing employee contributions, copays, and deductibles for both medical and prescription coverage in order to address this deficit.

**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).

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2. 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.
3. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
4. Encumbrances are treated as expenditures (budget) rather than as restricted, committed, or assigned fund balance for the portion of outstanding encumbrances not already recognized as accounts payable. (GAAP).

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	(\$345,572)
Net Adjustment for Revenue Accruals	104,808
Beginning Unrecorded Cash	15,271
Ending Unrecorded Cash	(30,871)
Net Adjustment for Expenditure Accruals	(65,383)
Encumbrances	(25,360)
Budget Basis	<u><u>(\$347,107)</u></u>

**Note 6 – Deposits and Investments**

The City has chosen to follow State statutes and classify monies held by the City into three categories.

Active deposits are public deposits determined to be necessary to meet current demands upon the City treasury. Active 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, or by the financial institution's participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

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Interim monies held by the City can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, 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, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited.

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

**Investments**

As of December 31, 2018, the City had investments in STAR Ohio in the amount of \$13,948,097 with an average maturity of 44.9 days. The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio.

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**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** 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.

**Note 7 – Receivables**

Receivables at December 31, 2018, 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 Activities	\$168,868	\$0	\$168,868
Business-Type Activities	4,838,228	285,006	4,553,222

**Property Taxes**

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2018 for real and public utility property taxes represents collections of the 2017 taxes.

2018 real property taxes are levied after October 1, 2018, on the assessed value as of January 1, 2018, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2018 real property taxes are collected in and intended to finance 2019.

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. 2018 public utility property taxes which became a lien December 31, 2017, are levied after October 1, 2018, and are collected in 2019 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2018, was \$7.00 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2018 property tax receipts were based are as follows:

Real Property	\$259,298,370
Public Utility Property	1,185,700
Total	\$260,484,070

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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, 2018, and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2018 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 2018, 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 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	\$245,392
Local Government	150,836
Homestead and Rollback	61,828
Motor Vehicle Tax	53,360
Task Force Wage Reimbursement	10,498
Worker's Compensation Refund	5,433
Recycling Grant	5,354
Compost Grant	2,137
<i>Total Governmental Activities</i>	\$534,838
<b>Business-Type Activities</b>	
Sewer	\$64,244

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**Note 8 – Tax Abatements**

As of December 31, 2018, the City provides tax abatements through Enterprise Zone Tax Exemptions. Pursuant to Ohio Revised Code Chapter 5709, the City established an Enterprise Zone to provide property tax abatements to encourage new investment and job creation or retention. Abatements are obtained through application by the property owner, including annual verification that the improvements have been made and job commitments have been fulfilled, and equal up to 100 percent of the increase in assessed value resulting from the improvement. The amount of the abatement is a reduction of the taxable assessed valuation thus reducing the recipient's tax bill. If a property owner does not meet at least 75 percent of the job creation or retention commitment during any three-year period, the property owner can be required to repay the tax benefits received during that three-year period based on the enterprise zone agreement. The City also contracts with the overlapping school districts for payments in lieu of taxes when required by Ohio Revised Code. The City's 2018 taxes abated under enterprise zone tax exemptions amounted to \$15,367.

**Note 9 – Internal Activity**

***Interfund Transfers***

During 2018, the City transferred \$300,000 of the kilowatt per hour tax from the general fund to the electric enterprise fund as allowed by State statute.

***Internal Balances – Change in Proportionate Share***

The City uses an internal proportionate share to allocate its net pension liability and corresponding deferred outflows/inflows of resources and pension expense to its various funds. This allocation creates a change in internal proportionate share. The effects of the internal proportionate share are eliminated from the pension deferred outflows/inflows of resources in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity wide statement of net position, thus allowing the total column to present the change in proportionate share for the City as a whole.

Eliminations made in the business-type activities column totaled \$39,481 and include deferred outflows of resources related to pension for the sewer, electric, and water enterprise funds in the amounts of \$2,967, \$33,527, and \$2,987, respectively, and deferred inflows of resources related to pension for the sewer, electric, and water enterprise funds in the amounts of \$6,355, \$5,954, and \$27,172, respectively.

Eliminations made in the total column of the entity wide statement of net position totaled \$20,966 and include deferred outflows of resources related to pension for the business-type activities (related to the electric enterprise fund) and the governmental activities in the amounts of \$15,106 and \$5,860, respectively, and deferred inflows of resources related to pension for the governmental activities and the business-type activities (related to the electric enterprise fund) in the amounts of \$15,106 and \$5,860, respectively.

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**Note 10 – Capital Assets**

Capital asset activity for the year ended December 31, 2018, was as follows:

	Balance 12/31/17	Additions	Deductions	Balance 12/31/18
<b>Governmental Activities</b>				
Capital Assets, not being Depreciated:				
Land	\$2,343,940	\$29,531	\$0	\$2,373,471
Construction in Progress	2,774,344	1,626,005	(2,413,085)	1,987,264
Total Capital Assets, not being Depreciated	<u>5,118,284</u>	<u>1,655,536</u>	<u>(2,413,085)</u>	<u>4,360,735</u>
Capital Assets, being Depreciated:				
Buildings	3,830,867	151,881	(514,389)	3,468,359
Improvements Other Than Buildings	2,554,594	20,536	0	2,575,130
Equipment and Machinery	2,589,186	78,574	(28,585)	2,639,175
Furniture and Fixtures	11,455	0	0	11,455
Vehicles	3,949,854	401,383	(181,190)	4,170,047
Infrastructure	23,039,719	2,279,717	(1,212,334)	24,107,102
Total Capital Assets, being Depreciated	<u>35,975,675</u>	<u>2,932,091</u>	<u>(1,936,498)</u>	<u>36,971,268</u>
Less Accumulated Depreciation:				
Buildings	(1,351,241)	(71,064)	86,289	(1,336,016)
Improvements Other Than Buildings	(1,250,084)	(96,979)	0	(1,347,063)
Equipment and Machinery	(1,349,442)	(134,495)	22,360	(1,461,577)
Furniture and Fixtures	(11,455)	0	0	(11,455)
Vehicles	(3,341,220)	(251,243)	135,333	(3,457,130)
Infrastructure	(12,987,329)	(386,257)	1,137,720	(12,235,866)
Total Accumulated Depreciation	<u>(20,290,771)</u>	<u>(940,038) *</u>	<u>1,381,702</u>	<u>(19,849,107)</u>
Total Capital Assets, being Depreciated, Net	<u>15,684,904</u>	<u>1,992,053</u>	<u>(554,796)</u>	<u>17,122,161</u>
Governmental Activities Capital Assets, Net	<u>\$20,803,188</u>	<u>\$3,647,589</u>	<u>(\$2,967,881)</u>	<u>\$21,482,896</u>

During 2018, the City received a roof replacement valued at \$105,869. The City has recorded this as a capital contribution.

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

General Government	\$27,315
Security of Persons and Property	190,335
Transportation	535,644
Public Health Services	26,714
Leisure Time Activities	160,030
Total Governmental Depreciation Expense	<u>\$940,038</u>



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	Balance 12/31/17	Additions	Deductions	Balance 12/31/18
<b>Business-Type Activities</b>				
Capital Assets, not being Depreciated:				
Land	\$1,197,605	\$0	\$0	\$1,197,605
Construction in Progress	211,398	1,188,008	(205,948)	1,193,458
Total Capital Assets, not being Depreciated	<u>1,409,003</u>	<u>1,188,008</u>	<u>(205,948)</u>	<u>2,391,063</u>
Capital Assets, being Depreciated:				
Buildings	30,096,838	19,537	0	30,116,375
Improvements Other Than Buildings	3,553,497	49,880	0	3,603,377
Equipment and Machinery	28,060,071	129,895	(12,901)	28,177,065
Furniture and Fixtures	95,013	0	0	95,013
Vehicles	2,526,787	28,941	0	2,555,728
Infrastructure	34,340,666	347,090	(20,436)	34,667,320
Total Capital Assets, being Depreciated	<u>98,672,872</u>	<u>575,343</u>	<u>(33,337)</u>	<u>99,214,878</u>
Less Accumulated Depreciation:				
Buildings	(11,551,966)	(645,921)	0	(12,197,887)
Improvements Other Than Buildings	(2,113,137)	(146,986)	0	(2,260,123)
Equipment and Machinery	(19,024,264)	(884,073)	11,264	(19,897,073)
Furniture and Fixtures	(72,678)	(2,178)	0	(74,856)
Vehicles	(1,974,952)	(172,835)	0	(2,147,787)
Infrastructure	(18,133,411)	(629,582)	2,282	(18,760,711)
Total Accumulated Depreciation	<u>(52,870,408)</u>	<u>(2,481,575)</u>	<u>13,546</u>	<u>(55,338,437)</u>
Total Capital Assets, being Depreciated, Net	<u>45,802,464</u>	<u>(1,906,232)</u>	<u>(19,791)</u>	<u>43,876,441</u>
Business-Type Activities Capital Assets, Net	<u>\$47,211,467</u>	<u>(\$718,224)</u>	<u>(\$225,739)</u>	<u>\$46,267,504</u>

**Note 11 – 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 2018, the City contracted with the Hartford Steam Boiler for boiler and machinery insurance. EMC covers the general liability and property insurance. Auto Owners covers electronic data processing, while police and professional liability are protected by Hudson Insurance Group 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 Selective 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.

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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 \$175,000 per employee and an aggregate of \$3,011,239 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 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 2012, a resolution was adopted which allows an additional \$500 premium to be paid for each employee monthly on an as needed basis.

The claims liability of \$205,821 reported in the fund at December 31, 2018, 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 2017 and 2018 were as follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2017	\$507,118	\$2,394,011	\$2,441,375	\$459,754
2018	459,754	2,176,450	2,430,383	205,821

**Note 12 – 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 - 2010	3.00	902,165	September 22, 2019
Extension of Wills Avenue Storm Sewer OPWC Loan - 2011	0.00	100,000	January 1, 2022
Reconstruction of Oxford & Prospect Streets OPWC Loan - 2016	0.00	51,717	January 1, 2022
<b>Business-Type Activities</b>			
Waterworks System Refunding Revenue Bonds - 2014	2.04	3,010,000	December 1, 2022
Waterworks Land Purchase Bonds - 2014	2.04	820,000	December 1, 2022
Municipal Electric System Refunding Revenue Bonds - 2014	1.35	3,745,000	December 1, 2019
Various Purpose General Obligation Bonds - 2011	2.0-3.25	6,975,000	December 1, 2031
Municipal Electric System Improvement Bonds - 2015	1.72	2,245,000	December 1, 2020
OWDA Loan - 2006	3.25	13,292,114	January 1, 2029

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A schedule of changes in bonds and other long-term obligations of the City during 2018 follows:

	Amount Outstanding 12/31/17	Additions	Deletions	Amount Outstanding 12/31/18	Amounts Due in One Year
<b>Governmental Activities</b>					
<u>General Obligation Bonds:</u>					
Various Purpose General Obligation Bonds	\$2,020,000	\$0	\$115,000	\$1,905,000	\$120,000
Premium on Various Purpose Bonds	25,128	0	1,795	23,333	0
Total General Obligation Bonds	<u>2,045,128</u>	<u>0</u>	<u>116,795</u>	<u>1,928,333</u>	<u>120,000</u>
<u>Loans:</u>					
State Infrastructure Bank Loan	238,404	0	117,427	120,977	120,977
<u>OPWC Loans:</u>					
Extension of Wills Avenue Storm Sewer	40,000	0	10,000	30,000	10,000
Reconstruction of Oxford & Prospect Streets	41,374	0	10,343	31,031	10,343
Total OPWC Loans	<u>81,374</u>	<u>0</u>	<u>20,343</u>	<u>61,031</u>	<u>20,343</u>
Total Loans	<u>319,778</u>	<u>0</u>	<u>137,770</u>	<u>182,008</u>	<u>141,320</u>
<u>Other Long-Term Liabilities:</u>					
Capital Lease	7,203	0	2,146	5,057	2,262
Police and Fire Pension	221,105	0	8,753	212,352	9,129
Compensated Absences	1,227,819	384,822	248,218	1,364,423	344,195
Total Other Long-Term Liabilities	<u>1,456,127</u>	<u>384,822</u>	<u>259,117</u>	<u>1,581,832</u>	<u>355,586</u>
<u>Net Pension Liability:</u>					
OPERS	3,905,680	0	1,006,884	2,898,796	0
OP&F	8,282,840	252,392	0	8,535,232	0
Total Net Pension Liability	<u>12,188,520</u>	<u>252,392</u>	<u>1,006,884</u>	<u>11,434,028</u>	<u>0</u>
<u>Net OPEB Liability:</u>					
OPERS	1,695,443	256,488	0	1,951,931	0
OP&F	6,207,358	1,672,040	0	7,879,398	0
Total Net OPEB Liability	<u>7,902,801</u>	<u>1,928,528</u>	<u>0</u>	<u>9,831,329</u>	<u>0</u>
Total Governmental Activities	<u>\$23,912,354</u>	<u>\$2,565,742</u>	<u>\$1,520,566</u>	<u>\$24,957,530</u>	<u>\$616,906</u>
<b>Business-Type Activities</b>					
<u>Revenue Bonds:</u>					
Waterworks System Refunding 2014	\$1,830,000	\$0	\$355,000	\$1,475,000	\$360,000
Waterworks Land Purchase Bonds	510,000	0	100,000	410,000	100,000
Municipal Electric System Refunding 2014	1,415,000	0	700,000	715,000	715,000
Total Revenue Bonds	<u>3,755,000</u>	<u>0</u>	<u>1,155,000</u>	<u>2,600,000</u>	<u>1,175,000</u>
<u>General Obligation Bonds:</u>					
Various Purpose General Obligation Bonds	5,120,000	0	335,000	4,785,000	340,000
Premium on Various Purpose Bonds	78,640	0	5,617	73,023	0
Municipal Electric System Improvement Bonds	1,375,000	0	450,000	925,000	460,000
Total General Obligation Bonds	<u>6,573,640</u>	<u>0</u>	<u>790,617</u>	<u>5,783,023</u>	<u>800,000</u>
<u>Other Long-Term Obligations:</u>					
OWDA Loan Payable	8,350,990	0	642,814	7,708,176	663,875
AMPGS Payable	843,540	21,160	193,686	671,014	167,406
Compensated Absences	759,865	204,497	167,668	796,694	218,974
Total Other Long-Term Obligations	<u>\$9,954,395</u>	<u>\$225,657</u>	<u>\$1,004,168</u>	<u>\$9,175,884</u>	<u>\$1,050,255</u>

(continued)

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	Amount Outstanding 12/31/17	Additions	Deletions	Amount Outstanding 12/31/18	Amounts Due in One Year
<b>Business-Type Activities (continued)</b>					
<u>Net Pension Liability - OPERS:</u>					
Sewer	\$1,562,272	\$0	\$434,962	\$1,127,310	\$0
Electric	4,463,634	0	1,323,272	3,140,362	0
Water	1,227,500	0	341,757	885,743	0
Total Net Pension Liability - OPERS	<u>7,253,406</u>	<u>0</u>	<u>2,099,991</u>	<u>5,153,415</u>	<u>0</u>
<u>Net OPEB Liability - OPERS:</u>					
Sewer	678,177	80,907	0	759,084	0
Electric	1,937,649	176,943	0	2,114,592	0
Water	532,854	63,569	0	596,423	0
Total Net OPEB Liability - OPERS	<u>3,148,680</u>	<u>321,419</u>	<u>0</u>	<u>3,470,099</u>	<u>0</u>
Total Business-Type Activities	<u><u>\$30,685,121</u></u>	<u><u>\$547,076</u></u>	<u><u>\$5,049,776</u></u>	<u><u>\$26,182,421</u></u>	<u><u>\$3,025,255</u></u>

The revenue bonds and the enterprise general obligation bonds will be paid from charges for services revenue in the enterprise funds. The AMPGS payable will be paid from the electric enterprise fund and the enterprise OWDA loan payable will be paid from the sewer enterprise fund.

The police and fire pension liability will be paid from taxes receipted in the police and fire pension special revenue fund. The governmental various purpose general obligation bonds, State Infrastructure Bank Loan and OPWC loans will be paid from taxes receipted in the master capital capital projects fund. The capital lease will be paid from the general fund.

There is no repayment schedule for the net pension liability and the net OPEB liability. However, employer pension and OPEB contributions are made from the following funds: the general fund, the street maintenance and repair, cemetery, and police and fire pension special revenue funds, and the sewer, electric and water enterprise funds. For additional information related to the net pension liability and the net OPEB liability, see Notes 15 and 16. Compensated absences will be paid from the general fund, the street maintenance and repair and cemetery special revenue funds, and the sewer, electric and water enterprise funds.

The state infrastructure bank loan was issued for the City's share of the costs related to the Tuscarawas Avenue Bridge project; the bridge belongs to the Ohio Department of Transportation.

***General Obligation Bonds***

On December 3, 2015, the City issued \$2,245,000 in Municipal Electric System Improvement Bonds for the purpose of improving the municipal electric system by acquiring, constructing, installing and equipping pollution control facilities. The bonds were issued with an interest rate of 1.72 percent. The bonds were issued for a five year period with final maturity on December 1, 2020.

***Revenue Bonds***

The City has pledged future water revenues to repay the Waterworks System Refunding and Waterworks Land Purchase Bonds. The bonds are payable solely from net revenues and are payable through 2022. Net revenues include operating revenues, transfers, and interest income received by the water utility less all operating expenses other than depreciation expense. Annual principal and interest payments on the loans are

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expected to require about 56 percent of net revenues and about 20 percent of total revenues. The total principal and interest remaining to be paid on the bonds is \$1,981,900. Principal and interest paid for the current year were \$503,286, net revenues were \$892,517 and total revenues were \$2,538,861.

The City has pledged future electric 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 operating revenues, transfers, and interest income received by the electric utility less all operating expenses other than depreciation expense. Annual principal and interest payments on the bonds are expected to require about 28 percent of net revenues and less than 3 percent of total revenues. The total principal and interest remaining to be paid on the bonds is \$724,653. Principal and interest paid for the current year were \$718,973, net revenues were \$2,563,522 and total revenues were \$28,649,207.

As of December 31, 2018, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$25,384,796 and the unvoted legal debt margin was \$12,360,593. Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2018, are as follows:

Governmental Activities							
Year Ending December 31	Various Purpose General Obligation Bonds		State Infrastructure Bank Loan		OPWC Loans	Police and Fire Pension	
	Principal	Interest	Principal	Interest	Principal	Principal	Interest
	2019	\$120,000	\$58,900	\$120,977	\$2,729	\$20,343	\$9,129
2020	120,000	56,200	0	0	20,344	9,521	8,524
2021	125,000	53,200	0	0	20,344	9,929	8,116
2022	130,000	49,919	0	0	0	10,356	7,689
2023	135,000	46,344	0	0	0	10,801	7,244
2024-2028	750,000	167,675	0	0	0	61,376	28,849
2029-2033	525,000	37,775	0	0	0	75,738	14,487
2034-2035	0	0	0	0	0	25,502	1,062
Total	<u>\$1,905,000</u>	<u>\$470,013</u>	<u>\$120,977</u>	<u>\$2,729</u>	<u>\$61,031</u>	<u>\$212,352</u>	<u>\$84,887</u>

Business-Type Activities						
Year Ending December 31	Waterworks System Revenue and Land Purchase Bonds		Municipal Electric System Revenue Bonds		Municipal Electric System General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
	2019	\$460,000	\$38,454	\$715,000	\$9,653	\$800,000
2020	465,000	29,070	0	0	815,000	145,929
2021	480,000	19,584	0	0	360,000	129,182
2022	480,000	9,792	0	0	370,000	119,731
2023	0	0	0	0	380,000	109,556
2024-2028	0	0	0	0	1,890,000	370,670
2029-2031	0	0	0	0	1,095,000	79,125
Total	<u>\$1,885,000</u>	<u>\$96,900</u>	<u>\$715,000</u>	<u>\$9,653</u>	<u>\$5,710,000</u>	<u>\$1,115,684</u>

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Year Ending December 31	Business-Type Activities		
	OWDA Loan		AMPGS Payable
	Principal	Interest	Principal
2019	\$663,875	\$226,306	\$167,406
2020	685,626	206,228	167,406
2021	708,090	185,492	167,406
2022	731,290	164,077	167,406
2023	755,250	141,960	1,390
2024-2028	4,164,045	351,837	0
Total	\$7,708,176	\$1,275,900	\$671,014

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

The City is a member of American Municipal Power (AMP) and has participated in the AMP Generating Station (AMPGS) Project. This project was intended to develop a pulverized coal power plant in Meigs County, Ohio. The City’s project share was 21,000 kilowatts (kW) of a total 771,281 kW, giving the City a 2.72 percent project share. The AMPGS Project required participants to sign “take or pay” contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. In November 2009, the participants voted to terminate the AMPGS Project due to projected escalating costs. All project costs incurred prior to the cancellation and related to the cancellation were therefore deemed *impaired*, and participants were obligated to pay those incurred costs. As a result of a March 2014 legal ruling, the AMP Board of Trustees on April 15, 2014, and the AMPGS participants on April 16, 2014, approved the collection of the impaired costs and provided the participants with an estimate of their liability. The City’s estimated share of the impaired costs at March 31, 2014, was \$3,638,459. The City received a credit of \$1,182,083 related to the City’s participation in the AMP Freemont Energy Center (AFEC) Project, and another credit of \$949,722 related to the AMPGS costs deemed to have future benefit for the project participants, classified as Plant Held for Future Use (PHFU), leaving an initial net impaired cost estimate of \$1,506,654, which was reported as an AMPGS Payable in the electric enterprise fund as of December 31, 2013. AMP financed these costs on its revolving line of credit. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact the City’s liability. These amounts will be recorded as they become estimable.

In late 2016, AMP reached a settlement in the Bechtel Corporation litigation. On December 8, 2016, at the AMPGS participants meeting, options for the allocation of the settlement funds were approved. The AMPGS participants and the AMP Board of Trustees voted to allocate the settlement among the participants and the AMP general fund based on each participant’s original project share in kW, including the AMP general fund’s project share.

Since March 31, 2014, the City has made payments of \$955,503 to AMP toward its net impaired cost estimate. Also since March 31, 2014, the City’s allocation of additional costs incurred by the project is \$43,618 and interest expense incurred on AMP’s line-of-credit of \$76,245, resulting in a net impaired cost estimate at December 31, 2018, of \$671,014. The City does have a potential PHFU liability of \$1,023,707 resulting in a net total potential liability of \$1,694,721, assuming the assets making up the PHFU (principally the land comprising the Meigs County site) have no value and also assuming the City’s credit balance would earn zero interest. Stranded costs as well as PHFU costs are subject to change, including future borrowing costs on the AMP line of credit. Activities include negative items such as property taxes, as well as positive items such as revenue from leases or sale of all or a portion of the Meigs County site property.

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The City intends to recover these costs and repay AMP over the next five years through a power cost adjustment; thus this incurred cost has been capitalized and reported as a regulated asset.

**Note 13 – Capital Lease Payable**

In 2016, the City entered into a capital lease for a copier. This lease meets the criteria of a capital lease. The asset was capitalized at the present value of the minimum lease payments at the time the lease was entered into.

The asset acquired through the capital lease is as follows:

	Governmental Activities
Machinery and Equipment	\$10,856
Less: Accumulated Depreciation	(1,629)
Current Book Value	\$9,227

Such agreement provides for minimum, annual lease payments as follows:

Year Ending December 31	Governmental Activities
2019	\$2,475
2020	2,475
2021	413
Total Minimum Lease Payments	5,363
Less: Amount Representing Interest	(306)
Present Value of Minimum Lease Payments	\$5,057

**Note 14 – Contingent Liabilities**

***Litigation***

On June 20, 2016, the City approved a settlement with the Tuscarawas County Metropolitan Sewer District (TCMSD) to transfer the Lowden, Parral and Willow Glens/Ridgewood collection system, as well as the Ridgewood water system, to the City to operate and maintain. The City had agreed to pay Tuscarawas County \$1.32 million for the assets. After discovery of some additional information, this agreement was revoked, and the City and the County continued discussion on the transfer. On December 17, 2018, the City approved a new settlement. This time, the settlement involved the City paying no money for both the collection and water systems. The City is expected to take full ownership of the systems by late 2019.

***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. 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.

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**Note 15 – Defined Benefit Pension Plans**

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

***Net Pension Liability (Asset)/Net OPEB Liability***

The net pension liability (asset) and the net OPEB liability reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions/OPEB are provided to an employee – on a deferred-payment basis – as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension/OPEB liabilities (asset) represent the City’s proportionate share of each pension/OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan’s fiduciary net position. The net pension/OPEB liabilities (asset) calculations are dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost-of-living adjustments (COLA) and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits the City’s obligation for these liabilities to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liabilities are solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also include pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liabilities (asset). Resulting adjustments to the net pension/OPEB liabilities (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code (ORC) permits, but does not require the retirement systems to provide health care to eligible benefit recipients.

The proportionate share of each plan’s unfunded benefits is presented as a *net pension/OPEB asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 16 for the required OPEB disclosures.

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

Plan Description – City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System. 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, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan.



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OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (800) 222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (See OPERS' financial report referenced previously for additional information, including requirements for reduced and unreduced benefits):

<b>Group A</b> Eligible to retire prior to January 7, 2013, or 5 years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013, or eligible to retire 10 years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

Final average salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a traditional plan benefit recipient has received benefits for 12 months, an annual COLA is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a COLA of the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in

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the combined plan consists of the members' contributions plus or minus the investment gains or losses resulting from the members' investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions as follows:

	State and Local
<b>2018 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee *	10.0 %
 <b>2018 Actual Contribution Rates</b>	
Employer:	
Pension **	14.0 %
Post-employment Health Care Benefits **	0.0
Total Employer	14.0 %
Employee	10.0 %

\* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For 2018, the City's contractually required contribution was \$951,724 for the traditional plan and \$40,046 for the combined plan. The City did not have any employees participating in the member-directed plan during 2018. Of these amounts, \$111,596 is reported as an intergovernmental payable for the traditional plan and \$4,699 for the combined plan.

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***Plan Description – Ohio Police & Fire Pension Fund (OP&F)***

Plan Description – City full-time police and firefighters participate in Ohio Police and Fire Pension Fund, a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments (COLA), 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 and detailed information about OP&F's fiduciary net position. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the members' average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next 5 years of service credit, and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit (See OP&F's financial report referenced previously for additional information, including requirements for Deferred Retirement Option Plan (DROP) provisions and reduced and unreduced benefits).

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit, surviving beneficiaries, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will receive a COLA equal to a percentage of the members' base pension benefit where the percentage is the lesser of three percent or the percentage increase in the consumer price index, if any, over the 12 month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions as follows:

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	<u>Police</u>	<u>Firefighters</u>
<b>2018 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
<b>2018 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$669,385 for 2018. Of this amount, \$88,896 is reported as an intergovernmental payable.

In addition to current contributions, the City pays installments on a specific liability the City incurred when the State of Ohio established the statewide pension system for police and firefighters in 1967. As of December 31, 2018, the specific liability of the City was \$212,352 payable in semi-annual payments through the year 2035.

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

The net pension liability (asset) for OPERS was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2017, and was determined by rolling forward the total pension liability as of January 1, 2017, to December 31, 2017. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the City's defined benefit pension plans:

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.05132700%	0.06972800%	0.13906800%	
Prior Measurement Date	<u>0.04914100%</u>	<u>0.07018700%</u>	<u>0.13077000%</u>	
Change in Proportionate Share	<u>0.00218600%</u>	<u>-0.00045900%</u>	<u>0.00829800%</u>	
Proportionate Share of the:				
Net Pension Liability	\$8,052,211	\$0	\$8,535,232	\$16,587,443
Net Pension Asset	0	94,922	0	94,922
Pension Expense	1,796,929	(60,186)	1,030,239	2,766,982

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At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
<b>Deferred Outflows of Resources</b>				
Differences between expected and actual experience	\$8,223	\$0	\$129,528	\$137,751
Changes of assumptions	962,293	8,295	371,925	1,342,513
Changes in proportion and differences between City contributions and proportionate share of contributions	228,910	223	458,618	687,751
City contributions subsequent to the measurement date	951,724	40,046	669,385	1,661,155
<b>Total Deferred Outflows of Resources</b>	<b>\$2,151,150</b>	<b>\$48,564</b>	<b>\$1,629,456</b>	<b>\$3,829,170</b>
<b>Deferred Inflows of Resources</b>				
Differences between expected and actual experience	\$158,684	\$28,278	\$15,441	\$202,403
Net difference between projected and actual earnings on pension plan investments	1,728,704	14,976	295,253	2,038,933
Changes in proportion and differences between City contributions and proportionate share of contributions	46,270	0	214,560	260,830
<b>Total Deferred Inflows of Resources</b>	<b>\$1,933,658</b>	<b>\$43,254</b>	<b>\$525,254</b>	<b>\$2,502,166</b>

\$1,661,155 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Year Ending December 31:				
2019	\$795,683	(\$4,734)	\$257,231	\$1,048,180
2020	(58,335)	(5,143)	179,606	116,128
2021	(761,228)	(8,498)	(126,206)	(895,932)
2022	(710,352)	(8,145)	(83,314)	(801,811)
2023	0	(2,886)	166,336	163,450
Thereafter	0	(5,330)	41,164	35,834
<b>Total</b>	<b>(\$734,232)</b>	<b>(\$34,736)</b>	<b>\$434,817</b>	<b>(\$334,151)</b>

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***Actuarial Assumptions – OPERS***

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2017, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2017, are presented as follows:

	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.15 percent, simple
Investment Rate of Return	7.5 percent	7.5 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the previously described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

During 2017, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the traditional pension plan, the defined benefit component of the combined plan and the annuitized accounts of the member-directed plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month.

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Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 16.82 percent for 2017.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table that follows displays the Board-approved asset allocation policy for 2017 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.20 %
Domestic Equities	19.00	6.37
Real Estate	10.00	5.26
Private Equity	10.00	8.97
International Equities	20.00	7.88
Other investments	18.00	5.26
<b>Total</b>	<b>100.00 %</b>	<b>5.66 %</b>

**Discount Rate** The discount rate used to measure the total pension liability was 7.5 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members; therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate** The following table presents the City's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 7.5 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.5 percent) or one percentage point higher (8.5 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
	<b>City's proportionate share of the net pension liability (asset):</b>		
OPERS Traditional Plan	\$14,298,676	\$8,052,211	\$2,844,542
OPERS Combined Plan	(51,599)	(94,922)	(124,813)

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***Changes between Measurement Date and Report Date***

In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 7.5 percent to 7.2 percent. This change will be effective for the 2018 valuation. The exact amount of the impact to the City's net pension liability (asset) is not known.

***Actuarial Assumptions – OP&F***

OP&F's total pension liability as of December 31, 2017, is based on the results of an actuarial valuation date of January 1, 2017, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2017, compared with January 1, 2016, are presented as follows:

	January 1, 2017	January 1, 2016
Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost-of-Living Adjustments	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increases based on the lesser of the increase in CPI and 3 percent

For the January 1, 2017, valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

Age	Police	Fire
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

For the January 1, 2017, valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.



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Age	Police	Fire
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

For the January 1, 2016, valuation, rates of death were based on the RP-2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed for the five year period ended December 31, 2016; the prior experience study was completed December 31, 2011.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2017, are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	- %	0.00 %
Domestic Equity	16.00	5.21
Non-US Equity	16.00	5.40
Core Fixed Income *	20.00	2.37
Global Inflation Protected Securities*	20.00	2.33
High Yield	15.00	4.48
Real Estate	12.00	5.65
Private Markets	8.00	7.99
Timber	5.00	6.87
Master Limited Partnerships	8.00	7.36
Total	<u>120.00 %</u>	

Note: Assumptions are geometric.

\* levered 2x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective in the preceding table, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

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**Discount Rate** For 2017, the total pension liability was calculated using the discount rate of 8.00 percent. The discount rate used for 2016 was 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members; therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the City’s proportionate share of the net pension liability calculated using the discount rate of 8.00 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00 percent) or one percentage point higher (9.00 percent) than the current rate.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$11,832,068	\$8,535,232	\$5,846,359

**Note 16 – Defined Benefit OPEB Plans**

See Note 15 for a description of the net OPEB liability.

**Plan Description – Ohio Public Employees Retirement System (OPERS)**

Plan Description – The Ohio Public Employees Retirement System 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 trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member-directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS’ financial report referenced later for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

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Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer’s contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2018, state and local employers contributed at a rate of 14.0 percent of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the traditional pension plan and combined plan was 1.0 percent during calendar year 2017. As recommended by OPERS’ actuary, the portion of employer contributions allocated to health care beginning January 1, 2018, decreased to 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2018 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City had no contractually required contributions for 2018.

***Plan Description – Ohio Police and Fire Pension Fund (OP&F)***

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund sponsored health care program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. OP&F provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B Premium to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an OPEB as described in GASB Statement No. 75.

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. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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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 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 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. There is one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. An Internal Revenue Code 401(h) account is maintained for Medicare Part B reimbursements.

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 2018, the portion of employer contributions allocated to health care was 0.5 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).

The OP&F Board of Trustees is also 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 contractually required contribution to OP&F was \$15,628 for 2018. Of this amount, \$2,066 is reported as an intergovernmental payable.

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2017, and was determined by rolling forward the total OPEB liability as of January 1, 2017, to December 31, 2017. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.049930%	0.139068%	
Prior Measurement Date	<u>0.047960%</u>	<u>0.130770%</u>	
Change in Proportionate Share	<u>0.001970%</u>	<u>0.008298%</u>	
Proportionate Share of the Net OPEB Liability	\$5,422,030	\$7,879,398	\$13,301,428
OPEB Expense	519,057	675,292	1,194,349

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At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$4,224	\$0	\$4,224
Changes of assumptions	394,781	768,862	1,163,643
Changes in proportion and differences between City contributions and proportionate share of contributions	134,616	333,856	468,472
City contributions subsequent to the measurement date	<u>0</u>	<u>15,628</u>	<u>15,628</u>
<b>Total Deferred Outflows of Resources</b>	<u><u>\$533,621</u></u>	<u><u>\$1,118,346</u></u>	<u><u>\$1,651,967</u></u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$0	\$39,740	\$39,740
Net difference between projected and actual earnings on OPEB plan investments	<u>403,905</u>	<u>51,866</u>	<u>455,771</u>
<b>Total Deferred Inflows of Resources</b>	<u><u>\$403,905</u></u>	<u><u>\$91,606</u></u>	<u><u>\$495,511</u></u>

\$15,628 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Year Ending December 31:			
2019	\$154,150	\$142,440	\$296,590
2020	154,150	142,440	296,590
2021	(77,607)	142,440	64,833
2022	(100,977)	142,440	41,463
2023	0	155,406	155,406
Thereafter	<u>0</u>	<u>285,946</u>	<u>285,946</u>
<b>Total</b>	<u><u>\$129,716</u></u>	<u><u>\$1,011,112</u></u>	<u><u>\$1,140,828</u></u>

***Actuarial Assumptions – OPERS***

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

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Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.85 percent
Prior measurement date	4.23 percent
Investment Rate of Return	6.50 percent
Municipal Bond Rate	3.31 percent
Health Care Cost Trend Rate	7.5 percent, initial 3.25 percent, ultimate in 2028
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the previously described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

During 2017, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the traditional pension plan, combined plan and member-directed plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is 15.2 percent for 2017.

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The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The following table displays the Board-approved asset allocation policy for 2017 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.88 %
Domestic Equities	21.00	6.37
Real Estate Investment Trust	6.00	5.91
International Equities	22.00	7.88
Other Investments	17.00	5.39
<b>Total</b>	<b>100.00 %</b>	<b>4.98 %</b>

**Discount Rate** A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. A single discount rate of 4.23 percent was used to measure the OPEB liability on the measurement date of December 31, 2016. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.50 percent and a municipal bond rate of 3.31 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

**Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate**

The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.85 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.85 percent) or one percentage point higher (4.85 percent) than the current rate:

	1% Decrease (2.85%)	Current Discount Rate (3.85%)	1% Increase (4.85%)
City's proportionate share of the net OPEB liability	\$7,203,401	\$5,422,030	\$3,980,919

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***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate*** Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the City's proportionate share of the net OPEB liability calculated using the assumed trend rates, and the City's proportionate share of the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2018 is 7.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

	Current Health Care Cost Trend Rate		
	1% Decrease	Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$5,187,727	\$5,422,030	\$5,664,059

***Changes between Measurement Date and Report Date***

In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 6.5 percent to 6.0 percent. This change will be effective for the 2018 valuation. The exact amount of the impact to the City's net OPEB liability is not known.

***Actuarial Assumptions – OP&F***

OP&F's total OPEB liability as of December 31, 2017, is based on the results of an actuarial valuation date of January 1, 2017, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.



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Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented as follows:

Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Single Discount Rate:	
Current Measurement Date	3.24 percent
Prior Measurement Date	3.79 percent
Cost-of-Living Adjustments	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

Age	Police	Fire
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

The most recent experience study was completed for the five year period ended December 31, 2016; the prior experience study was completed December 31, 2011.

The OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan (See Note 15).

**Discount Rate** The total OPEB liability was calculated using the discount rate of 3.24 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able

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to make all future benefit payments of current plan members; therefore, a municipal bond rate of 3.16 percent at December 31, 2017, and 3.71 percent at December 31, 2016, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.24 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2025. The long-term expected rate of return on health care investments was applied to projected costs through 2025, and the municipal bond rate was applied to all health care costs after that date.

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate***  
Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the City's proportionate share of the net OPEB liability calculated using the discount rate of 3.24 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.24 percent), or one percentage point higher (4.24 percent) than the current rate:

	1% Decrease (2.24%)	Current Discount Rate (3.24%)	1% Increase (4.24%)
City's proportionate share of the net OPEB liability	\$9,849,343	\$7,879,398	\$6,363,598

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate***  
Net OPEB liability is sensitive to changes in the health care cost trend rate. The trend rate is the annual rate at which the cost of covered medical services is assumed to increase from the current year to the next year. Beginning in 2017, the per-capita costs are assumed to change by the following percentages each year:

Year	Non-Medicare	Non-AARP	AARP	Rx Drug	Medicare Part B
2017	-0.47%	-2.50%	4.50%	-0.47%	5.20%
2018	7.00%	7.00%	4.50%	7.00%	5.10%
2019	6.50%	6.50%	4.50%	6.50%	5.00%
2020	6.00%	6.00%	4.50%	6.00%	5.00%
2021	5.50%	5.50%	4.50%	5.50%	5.00%
2022	5.00%	5.00%	4.50%	5.00%	5.00%
2023 and Later	4.50%	4.50%	4.50%	4.50%	5.00%

To illustrate the potential impact, the following table presents the City's proportionate share of the net OPEB liability calculated using the current health care cost trend current rates as outlined in the previous table, a one percent decrease in the trend rates, and a one percent increase in the trend rates:

	1% Decrease	Current Rates	1% Increase
City's proportionate share of the net OPEB liability	\$6,120,858	\$7,879,398	\$10,249,315

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***Changes between Measurement Date and Report Date***

In March 2018, the OP&F Board of Trustees approved the implementation date and framework for a new health care model. Beginning January 1, 2019, the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. The impact to the City’s net OPEB liability is not known.

**Note 17 – 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 and administration hired after January 1, 2015, who can receive a maximum of 1,542 hours and 720 hours, respectively.

***Life Insurance***

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

**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:

<b><i>Governmental Funds:</i></b>		<b><i>Proprietary Funds:</i></b>	
General	\$25,360	Sewer	\$271,448
Master Capital	857,871	Electric	598,338
Other Governmental Funds	382,125	Water	58,854
Total	<u>\$1,265,356</u>	Total	<u>\$928,640</u>

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**Note 19 – 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 as follows:

Fund Balances	General	Master Capital	Other Governmental Funds	Total
<u>Nonspendable:</u>				
Inventory	\$21,850	\$0	\$87,386	\$109,236
Prepays	151,660	0	32,298	183,958
Unclaimed Monies	17,037	0	0	17,037
<i>Total Nonspendable</i>	<u>190,547</u>	<u>0</u>	<u>119,684</u>	<u>310,231</u>
<u>Restricted for:</u>				
Cemetery	0	0	829,635	829,635
Street Maintenance and Repair	0	0	258,355	258,355
Police and Fire Pension	0	0	41,968	41,968
Revolving Loan Program	0	0	449,021	449,021
Law Enforcement and Education	0	0	44,715	44,715
Capital Projects	0	0	40,845	40,845
<i>Total Restricted</i>	<u>0</u>	<u>0</u>	<u>1,664,539</u>	<u>1,664,539</u>
<u>Committed to:</u>				
Ambulance	0	0	510,045	510,045
Shade Tree	0	0	2,737	2,737
Capital Improvements	0	1,409,992	0	1,409,992
<i>Total Committed</i>	<u>0</u>	<u>1,409,992</u>	<u>512,782</u>	<u>1,922,774</u>
<u>Assigned to:</u>				
Law Enforcement	9,625	0	0	9,625
Police and Fire Uniforms and Equipment	28,626	0	0	28,626
Purchases on Order for:				
General Government	20,700	0	0	20,700
Security of Persons and Property	4,660	0	0	4,660
2019 Operations	1,318,330	0	0	1,318,330
<i>Total Assigned</i>	<u>1,381,941</u>	<u>0</u>	<u>0</u>	<u>1,381,941</u>
Unassigned	<u>1,284,113</u>	<u>0</u>	<u>0</u>	<u>1,284,113</u>
<b>Total Fund Balances</b>	<u><u>\$2,856,601</u></u>	<u><u>\$1,409,992</u></u>	<u><u>\$2,297,005</u></u>	<u><u>\$6,563,598</u></u>

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**Note 20 – Jointly Governed Organizations**

***Community Improvement Corporation of Tuscarawas County (Corporation)***

The City is associated with the Community Improvement Corporation of Tuscarawas County (Corporation) 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 twenty-five trustees consisting of the three County Commissioners, the mayor of each participating city and fifteen elected trustees. Each member's control over the operation of the Corporation is limited to its representation on the board. 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 2018, the City made no contributions to the Corporation.

***Tuscarawas County Regional Planning Commission (the Commission)***

The City is associated with the Tuscarawas County Regional Planning Commission (the 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 fifty-nine board members, the City appoints three. Each member's control over the operation of the Commission is limited to its representation on the board. The board exercises total control over the operation of the Commission including budgeting, appropriating, contracting, and designating management. 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 2018, the City contributed \$2,052.

***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. Each member's control over the operation of the Association is limited to its representation on the board. The board has total control over the operation of OMEGA, including budgeting, personnel and financial matters. Each member currently pays a per capita membership fee based on the most recent United States census. During 2018, OMEGA received \$1,924 from the City of Dover for an annual fee. OMEGA has no outstanding debt.

**Note 21 – 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

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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, 2018, there was no outstanding debt. 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 \$346,351 at December 31, 2018. 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).

**City of Dover**  
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*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Liability*  
*Ohio Public Employees Retirement System - Traditional Plan*  
*Last Five Years (1) \**

	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.051327%	0.049141%	0.050168%	0.050310%	0.050310%
City's Proportionate Share of the Net Pension Liability	\$8,052,211	\$11,159,086	\$8,689,730	\$6,067,948	\$5,930,894
City's Covered Payroll	\$6,787,315	\$6,347,775	\$6,243,950	\$6,168,050	\$5,859,373
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	118.64%	175.80%	139.17%	98.38%	101.22%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.66%	77.25%	81.08%	86.45%	86.36%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

\* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information.

**City of Dover**  
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*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Asset*  
*Ohio Public Employees Retirement System - Combined Plan*  
2018 (1) \*

	<u>2018</u>
City's Proportion of the Net Pension Asset	0.069728%
City's Proportionate Share of the Net Pension Asset	\$94,922
City's Covered Payroll	\$285,569
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	-33.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	137.28%

(1) Amounts for the combined plan are not presented prior to 2018 as the City's participation in this plan was considered immaterial in previous years.

\* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information.



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*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net OPEB Liability*  
*Ohio Public Employees Retirement System - OPEB Plan*  
*Last Two Years (1) \**

	2018	2017
City's Proportion of the Net OPEB Liability	0.049930%	0.047960%
City's Proportionate Share of the Net OPEB Liability	\$5,422,030	\$4,844,123
City's Covered Payroll	\$7,076,309	\$6,623,383
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	76.62%	73.14%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	54.14%	54.04%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

\* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information.

**City of Dover**  
**Tuscarawas County, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Liability*  
*Ohio Police and Fire Pension Fund*  
*Last Five Years (1) \**

	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.1390680%	0.1307700%	0.1366770%	0.1343562%	0.1343562%
City's Proportionate Share of the Net Pension Liability	\$8,535,232	\$8,282,840	\$8,792,528	\$6,960,211	\$6,543,568
City's Covered Payroll	\$2,872,766	\$2,792,670	\$2,758,835	\$2,645,273	\$2,474,047
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	297.11%	296.59%	318.70%	263.12%	264.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.91%	68.36%	66.77%	71.71%	73.00%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

\* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information.

**City of Dover**  
**Tuscarawas County, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net OPEB Liability*  
*Ohio Police and Fire Pension Fund*  
*Last Two Years (1) \**

	2018	2017
City's Proportion of the Net OPEB Liability	0.1390680%	0.1307700%
City's Proportionate Share of the Net OPEB Liability	\$7,879,398	\$6,207,358
City's Covered Payroll	\$2,872,766	\$2,792,670
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	274.28%	222.27%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	14.13%	15.96%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

\* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information.

**City of Dover**  
**Tuscarawas County, Ohio**  
*Required Supplementary Information*  
*Schedule of City Contributions*  
*Ohio Public Employees Retirement System*  
*Last Six Years (1) (2)*

	2018	2017	2016
<b>Net Pension Liability - Traditional Plan</b>			
Contractually Required Contribution	\$951,724	\$882,351	\$761,733
Contributions in Relation to the Contractually Required Contribution	(951,724)	(882,351)	(761,733)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$6,798,029	\$6,787,315	\$6,347,775
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>13.00%</u>	<u>12.00%</u>
<b>Net Pension Asset - Combined Plan</b>			
Contractually Required Contribution	\$40,046	\$37,124	\$32,785
Contributions in Relation to the Contractually Required Contribution	(40,046)	(37,124)	(32,785)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$286,043	\$285,569	\$273,208
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>13.00%</u>	<u>12.00%</u>
<b>Net OPEB Liability - OPEB Plan (2)</b>			
Contractually Required Contribution	\$0	\$70,866	\$132,516
Contributions in Relation to the Contractually Required Contribution	0	(70,866)	(132,516)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (3)	\$7,084,072	\$7,076,309	\$6,623,383
OPEB Contributions as a Percentage of Covered Payroll	<u>0.00%</u>	<u>1.00%</u>	<u>2.00%</u>

(1) Although this schedule is intended to reflect information for ten years, information prior to 2013 is not available. An additional column will be added each year.

(2) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented.

(3) The OPEB plan includes the members from the traditional plan, the combined plan and the member-directed plan. The member-directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

See accompanying notes to the required supplementary information.

<u>2015</u>	<u>2014</u>	<u>2013</u>
\$749,274	\$740,166	\$761,718
<u>(749,274)</u>	<u>(740,166)</u>	<u>(761,718)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$6,243,950	\$6,168,050	\$5,859,373
<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$31,945	\$31,611	\$17,169
<u>(31,945)</u>	<u>(31,611)</u>	<u>(17,169)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$266,208	\$263,425	\$132,069
<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>

**City of Dover**  
**Tuscarawas County, Ohio**  
*Required Supplementary Information*  
*Schedule of City Contributions*  
*Ohio Police and Fire Pension Fund*  
*Last Ten Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Net Pension Liability</b>				
Contractually Required Contribution	\$669,385	\$612,937	\$593,111	\$587,816
Contributions in Relation to the Contractually Required Contribution	<u>(669,385)</u>	<u>(612,937)</u>	<u>(593,111)</u>	<u>(587,816)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (1)	\$3,125,571	\$2,872,766	\$2,792,670	\$2,758,835
Pension Contributions as a Percentage of Covered Payroll	<u>21.42%</u>	<u>21.34%</u>	<u>21.24%</u>	<u>21.31%</u>
<b>Net OPEB Liability</b>				
Contractually Required Contribution	\$15,628	\$14,364	\$13,964	\$13,794
Contributions in Relation to the Contractually Required Contribution	<u>(15,628)</u>	<u>(14,364)</u>	<u>(13,964)</u>	<u>(13,794)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>
Total Contributions as a Percentage of Covered Payroll	<u>21.92%</u>	<u>21.84%</u>	<u>21.74%</u>	<u>21.81%</u>

(1) The City's covered payroll is the same for Pension and OPEB.

See accompanying notes to the required supplementary information.

2014	2013	2012	2011	2010	2009
\$562,272	\$448,347	\$366,827	\$372,079	\$374,823	\$349,342
(562,272)	(448,347)	(366,827)	(372,079)	(374,823)	(349,342)
\$0	\$0	\$0	\$0	\$0	\$0
\$2,645,273	\$2,474,047	\$2,451,108	\$2,479,887	\$2,501,840	\$2,335,743
21.26%	18.12%	14.97%	15.00%	14.98%	14.96%
\$13,226	\$89,478	\$165,450	\$167,392	\$168,875	\$157,662
(13,226)	(89,478)	(165,450)	(167,392)	(168,875)	(157,662)
\$0	\$0	\$0	\$0	\$0	\$0
0.50%	3.62%	6.75%	6.75%	6.75%	6.75%
21.76%	21.74%	21.72%	21.75%	21.73%	21.71%

**City of Dover**  
**Tuscarawas County, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Year Ended December 31, 2018*

**Changes in Assumptions – OPERS Pension**

Amounts reported beginning in 2017 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2016 and prior are presented as follows:

	2017	2016 and Prior
Wage Inflation	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant Mortality Table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the previously described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 Mortality Table with no projections. For males, 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

**Changes in Assumptions – OP&F Pension**

Amounts reported for 2018 incorporate changes in assumptions used by OP&F in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented as follows:

	2018	2017 and Prior
Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increase based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increase based on the lesser of the increase in CPI and 3 percent



**City of Dover**  
**Tuscarawas County, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Year Ended December 31, 2018*

Amounts reported for 2018 use valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

Age	Police	Fire
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Amounts reported for 2018 use valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

Amounts reported for 2017 and prior use valuation, rates of death were based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

**Changes in Assumptions – OPERS OPEB**

For 2018, the single discount rate changed from 4.23 percent to 3.85 percent.

**Changes in Assumptions – OP&F OPEB**

For 2018, the single discount rate changed from 3.79 percent to 3.24 percent.

**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 had no budgetary activity for 2018.

***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.

### ***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.

***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**  
**Tuscarawas County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2018*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$2,133,866	\$35,823	\$2,169,689
Materials and Supplies Inventory	87,386	0	87,386
Accrued Interest Receivable	630	0	630
Accounts Receivable	57,778	5,022	62,800
Intergovernmental Receivable	309,840	0	309,840
Prepaid Items	32,298	0	32,298
Income Taxes Receivable	401,705	0	401,705
Property Taxes Receivable	139,487	0	139,487
<i>Total Assets</i>	<u>\$3,162,990</u>	<u>\$40,845</u>	<u>\$3,203,835</u>
<b>Liabilities</b>			
Accounts Payable	\$29,632	\$0	\$29,632
Accrued Wages	49,965	0	49,965
Intergovernmental Payable	121,502	0	121,502
<i>Total Liabilities</i>	<u>201,099</u>	<u>0</u>	<u>201,099</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	137,669	0	137,669
Unavailable Revenue	568,062	0	568,062
<i>Total Deferred Inflows of Resources</i>	<u>705,731</u>	<u>0</u>	<u>705,731</u>
<b>Fund Balances</b>			
Nonspendable	119,684	0	119,684
Restricted	1,623,694	40,845	1,664,539
Committed	512,782	0	512,782
<i>Total Fund Balances</i>	<u>2,256,160</u>	<u>40,845</u>	<u>2,297,005</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$3,162,990</u>	<u>\$40,845</u>	<u>\$3,203,835</u>

**City of Dover**  
**Tuscarawas County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2018*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Property Taxes	\$140,203	\$0	\$140,203
Income Taxes	1,510,193	0	1,510,193
Intergovernmental	684,018	79,853	763,871
Interest	5,164	63	5,227
Fines, Licenses and Permits	803	0	803
Charges for Services	529,568	0	529,568
Other	9,943	15,293	25,236
<i>Total Revenues</i>	<u>2,879,892</u>	<u>95,209</u>	<u>2,975,101</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property	690,930	0	690,930
Transportation	1,362,899	0	1,362,899
Public Health Services	817,447	0	817,447
Capital Outlay	0	79,853	79,853
Debt Service:			
Principal Retirement	8,753	0	8,753
Interest and Fiscal Charges	9,292	0	9,292
<i>Total Expenditures</i>	<u>2,889,321</u>	<u>79,853</u>	<u>2,969,174</u>
<i>Net Change in Fund Balances</i>	(9,429)	15,356	5,927
<i>Fund Balances Beginning of Year</i>	<u>2,265,589</u>	<u>25,489</u>	<u>2,291,078</u>
<i>Fund Balances End of Year</i>	<u><u>\$2,256,160</u></u>	<u><u>\$40,845</u></u>	<u><u>\$2,297,005</u></u>

**City of Dover**  
**Tuscarawas County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2018*

	Street Maintenance and Repair	State Highway	Police and Fire Pension	Ambulance	Cemetery
<b>Assets</b>					
Equity in Pooled Cash and					
Cash Equivalents	\$178,067	\$48,659	\$84,838	\$502,727	\$823,102
Materials and Supplies Inventory	87,386	0	0	0	0
Accrued Interest Receivable	0	0	0	0	630
Accounts Receivable	0	0	0	57,778	0
Intergovernmental Receivable	278,483	22,406	8,951	0	0
Prepaid Items	22,044	0	0	1,145	9,109
Income Taxes Receivable	152,967	0	152,967	0	95,771
Property Taxes Receivable	0	0	139,487	0	0
<i>Total Assets</i>	<u>\$718,947</u>	<u>\$71,065</u>	<u>\$386,243</u>	<u>\$561,650</u>	<u>\$928,612</u>
<b>Liabilities</b>					
Accounts Payable	\$16,639	\$0	\$0	\$12,815	\$178
Accrued Wages	27,339	0	0	7,344	15,282
Intergovernmental Payable	21,545	0	90,962	249	8,746
<i>Total Liabilities</i>	<u>65,523</u>	<u>0</u>	<u>90,962</u>	<u>20,408</u>	<u>24,206</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes	0	0	137,669	0	0
Unavailable Revenue	337,977	18,727	115,644	30,052	65,662
<i>Total Deferred Inflows of Resources</i>	<u>337,977</u>	<u>18,727</u>	<u>253,313</u>	<u>30,052</u>	<u>65,662</u>
<b>Fund Balances</b>					
Nonspendable	109,430	0	0	1,145	9,109
Restricted	206,017	52,338	41,968	0	829,635
Committed	0	0	0	510,045	0
<i>Total Fund Balances</i>	<u>315,447</u>	<u>52,338</u>	<u>41,968</u>	<u>511,190</u>	<u>838,744</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$718,947</u>	<u>\$71,065</u>	<u>\$386,243</u>	<u>\$561,650</u>	<u>\$928,612</u>

Revolving Loan	Drug Law Enforcement	Law Enforcement Block Grant	Enforcement and Education	Shade Tree	Total Nonmajor Special Revenue Funds
\$449,021	\$10,765	\$427	\$33,523	\$2,737	\$2,133,866
0	0	0	0	0	87,386
0	0	0	0	0	630
0	0	0	0	0	57,778
0	0	0	0	0	309,840
0	0	0	0	0	32,298
0	0	0	0	0	401,705
0	0	0	0	0	139,487
<u>\$449,021</u>	<u>\$10,765</u>	<u>\$427</u>	<u>\$33,523</u>	<u>\$2,737</u>	<u>\$3,162,990</u>
\$0	\$0	\$0	\$0	\$0	\$29,632
0	0	0	0	0	49,965
0	0	0	0	0	121,502
0	0	0	0	0	201,099
0	0	0	0	0	137,669
0	0	0	0	0	568,062
0	0	0	0	0	705,731
0	0	0	0	0	119,684
449,021	10,765	427	33,523	0	1,623,694
0	0	0	0	2,737	512,782
<u>449,021</u>	<u>10,765</u>	<u>427</u>	<u>33,523</u>	<u>2,737</u>	<u>2,256,160</u>
<u>\$449,021</u>	<u>\$10,765</u>	<u>\$427</u>	<u>\$33,523</u>	<u>\$2,737</u>	<u>\$3,162,990</u>

**City of Dover**  
**Tuscarawas County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2018*

	Street Maintenance and Repair	State Highway	Police and Fire Pension	Ambulance	Cemetery
<b>Revenues</b>					
Property Taxes	\$0	\$0	\$140,203	\$0	\$0
Income Taxes	572,143	0	578,511	0	359,539
Intergovernmental	616,826	49,290	17,902	0	0
Interest	2,870	601	0	0	1,044
Fines, Licenses and Permits	0	0	0	0	0
Charges for Services	0	0	0	364,947	164,621
Other	6,493	0	0	0	3,450
<i>Total Revenues</i>	<u>1,198,332</u>	<u>49,891</u>	<u>736,616</u>	<u>364,947</u>	<u>528,654</u>
<b>Expenditures</b>					
Current:					
Security of Persons and Property	0	0	690,930	0	0
Transportation	1,307,844	55,055	0	0	0
Public Health Services	0	0	0	291,819	525,628
Debt Service:					
Principal Retirement	0	0	8,753	0	0
Interest and Fiscal Charges	0	0	9,292	0	0
<i>Total Expenditures</i>	<u>1,307,844</u>	<u>55,055</u>	<u>708,975</u>	<u>291,819</u>	<u>525,628</u>
<i>Net Change in Fund Balances</i>	(109,512)	(5,164)	27,641	73,128	3,026
<i>Fund Balances Beginning of Year</i>	<u>424,959</u>	<u>57,502</u>	<u>14,327</u>	<u>438,062</u>	<u>835,718</u>
<i>Fund Balances End of Year</i>	<u>\$315,447</u>	<u>\$52,338</u>	<u>\$41,968</u>	<u>\$511,190</u>	<u>\$838,744</u>



<u>Revolving Loan</u>	<u>Drug Law Enforcement</u>	<u>Law Enforcement Block Grant</u>	<u>Enforcement and Education</u>	<u>Shade Tree</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$0	\$0	\$0	\$0	\$0	\$140,203
0	0	0	0	0	1,510,193
0	0	0	0	0	684,018
649	0	0	0	0	5,164
0	0	0	803	0	803
0	0	0	0	0	529,568
0	0	0	0	0	9,943
<u>649</u>	<u>0</u>	<u>0</u>	<u>803</u>	<u>0</u>	<u>2,879,892</u>
0	0	0	0	0	690,930
0	0	0	0	0	1,362,899
0	0	0	0	0	817,447
0	0	0	0	0	8,753
0	0	0	0	0	9,292
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,889,321</u>
649	0	0	803	0	(9,429)
<u>448,372</u>	<u>10,765</u>	<u>427</u>	<u>32,720</u>	<u>2,737</u>	<u>2,265,589</u>
<u>\$449,021</u>	<u>\$10,765</u>	<u>\$427</u>	<u>\$33,523</u>	<u>\$2,737</u>	<u>\$2,256,160</u>

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

**City of Dover**  
**Tuscarawas County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Property Taxes	\$1,626,000	\$1,626,000	\$1,621,932	(\$4,068)
Income Taxes	4,314,049	4,314,049	3,990,692	(323,357)
Kilowatt per Hour Tax	700,000	700,000	707,148	7,148
Intergovernmental	493,372	439,263	479,558	40,295
Interest	136,129	120,000	225,498	105,498
Fines, Licenses and Permits	29,027	25,500	33,552	8,052
Charges for Services	1,096,346	966,450	1,038,079	71,629
Contributions and Donations	13,321	13,294	15,208	1,914
Other	37,848	29,898	176,104	146,206
<i>Total Revenues</i>	<u>8,446,092</u>	<u>8,234,454</u>	<u>8,287,771</u>	<u>53,317</u>
<b>Expenditures</b>				
Current:				
General Government:				
Mayor:				
Salaries and Wages	138,500	138,604	137,704	900
Fringe Benefits	79,580	81,268	78,320	2,948
Purchased Services	8,850	9,700	8,986	714
Materials and Supplies	4,700	5,000	3,960	1,040
Total Mayor	<u>231,630</u>	<u>234,572</u>	<u>228,970</u>	<u>5,602</u>
Auditor:				
Salaries and Wages	146,296	146,359	145,524	835
Fringe Benefits	107,429	110,340	105,531	4,809
Purchased Services	22,000	22,000	21,552	448
Materials and Supplies	6,000	6,000	5,165	835
Total Auditor	<u>281,725</u>	<u>284,699</u>	<u>277,772</u>	<u>6,927</u>
Treasurer:				
Salaries and Wages	16,673	16,673	16,673	0
Fringe Benefits	4,956	5,026	4,916	110
Purchased Services	3,150	3,150	3,143	7
Materials and Supplies	50	50	4	46
Total Treasurer	<u>24,829</u>	<u>24,899</u>	<u>24,736</u>	<u>163</u>
Law Director:				
Salaries and Wages	82,999	82,999	82,999	0
Fringe Benefits	44,566	45,716	43,966	1,750
Purchased Services	98,550	108,550	95,737	12,813
Materials and Supplies	1,500	1,500	184	1,316
Total Law Director	<u>\$227,615</u>	<u>\$238,765</u>	<u>\$222,886</u>	<u>\$15,879</u>

(continued)

**City of Dover**  
**Tuscarawas County, 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, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Civil Service Commission:</b>				
Salaries and Wages	\$3,000	\$3,000	\$3,000	\$0
Fringe Benefits	559	559	556	3
Purchased Services	15,030	15,030	11,290	3,740
Materials and Supplies	100	100	60	40
<b>Total Civil Service Commission</b>	<b>18,689</b>	<b>18,689</b>	<b>14,906</b>	<b>3,783</b>
<b>Income Tax Department:</b>				
Salaries and Wages	110,219	110,219	102,217	8,002
Fringe Benefits	64,029	64,029	59,541	4,488
Purchased Services	9,349	21,299	16,892	4,407
Materials and Supplies	7,000	7,000	3,006	3,994
<b>Total Income Tax Department</b>	<b>190,597</b>	<b>202,547</b>	<b>181,656</b>	<b>20,891</b>
<b>Council:</b>				
Salaries and Wages	61,810	61,810	59,142	2,668
Fringe Benefits	18,035	18,035	17,709	326
Purchased Services	17,000	17,000	13,307	3,693
Materials and Supplies	450	450	227	223
<b>Total Council</b>	<b>97,295</b>	<b>97,295</b>	<b>90,385</b>	<b>6,910</b>
<b>Clerk of Council:</b>				
Salaries and Wages	7,550	7,550	7,460	90
Fringe Benefits	2,250	2,250	2,203	47
Purchased Services	3,010	3,010	2,759	251
Materials and Supplies	150	150	98	52
<b>Total Clerk of Council</b>	<b>12,960</b>	<b>12,960</b>	<b>12,520</b>	<b>440</b>
<b>Service Director:</b>				
Salaries and Wages	19,259	20,142	18,005	2,137
Fringe Benefits	68,033	71,683	67,398	4,285
Purchased Services	6,700	6,700	6,211	489
Materials and Supplies	7,081	7,081	5,855	1,226
<b>Total Service Director</b>	<b>101,073</b>	<b>105,606</b>	<b>97,469</b>	<b>8,137</b>
<b>Rubbish-Janitor-City Hall:</b>				
Salaries and Wages	40,298	40,298	39,200	1,098
Fringe Benefits	23,536	23,536	21,699	1,837
Purchased Services	57,660	57,660	45,757	11,903
<b>Total Rubbish-Janitor-City Hall</b>	<b>\$121,494</b>	<b>\$121,494</b>	<b>\$106,656</b>	<b>\$14,838</b>

(continued)

**City of Dover**  
**Tuscarawas County, 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, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Other:				
Purchased Services	\$226,382	\$229,282	\$216,998	\$12,284
Materials and Supplies	54,000	54,000	44,927	9,073
Capital Outlay	56,575	56,575	53,408	3,167
Other	53,692	53,692	31,047	22,645
<b>Total Other</b>	<b>390,649</b>	<b>393,549</b>	<b>346,380</b>	<b>47,169</b>
<b>Total General Government</b>	<b>1,698,556</b>	<b>1,735,075</b>	<b>1,604,336</b>	<b>130,739</b>
Security of Persons and Property:				
Police:				
Salaries and Wages	1,592,733	1,583,690	1,581,172	2,518
Fringe Benefits	510,363	539,767	507,915	31,852
Purchased Services	83,700	79,325	67,756	11,569
Materials and Supplies	71,500	100,000	91,364	8,636
<b>Total Police</b>	<b>2,258,296</b>	<b>2,302,782</b>	<b>2,248,207</b>	<b>54,575</b>
Traffic Safety:				
Salaries and Wages	152,770	156,770	154,957	1,813
Fringe Benefits	101,809	100,809	83,585	17,224
Purchased Services	2,450	2,450	2,026	424
Materials and Supplies	39,750	39,750	35,550	4,200
<b>Total Traffic Safety</b>	<b>296,779</b>	<b>299,779</b>	<b>276,118</b>	<b>23,661</b>
Fire Prevention:				
Salaries and Wages	1,676,733	1,660,113	1,530,563	129,550
Fringe Benefits	521,984	538,603	513,937	24,666
Purchased Services	108,075	110,010	105,377	4,633
Materials and Supplies	71,000	71,000	52,240	18,760
<b>Total Fire Prevention</b>	<b>2,377,792</b>	<b>2,379,726</b>	<b>2,202,117</b>	<b>177,609</b>
Director of Public Safety:				
Salaries and Wages	75,400	75,400	61,288	14,112
Fringe Benefits	41,727	41,727	32,466	9,261
Purchased Services	2,225	2,825	2,447	378
Materials and Supplies	350	1,050	698	352
<b>Total Director of Public Safety</b>	<b>119,702</b>	<b>121,002</b>	<b>96,899</b>	<b>24,103</b>
<b>Total Security of Persons and Property</b>	<b>5,052,569</b>	<b>5,103,289</b>	<b>4,823,341</b>	<b>279,948</b>
Public Health Services:				
County Health Services:				
Purchased Services	\$8,800	\$8,800	\$8,266	\$534

(continued)

**City of Dover**  
**Tuscarawas County, 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, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Community Environment:				
Demolition and Mowing:				
Purchased Services	\$25,000	\$25,000	\$17,224	\$7,776
Building Inspector:				
Salaries and Wages	71,989	71,989	71,490	499
Fringe Benefits	38,742	39,222	37,712	1,510
Purchased Services	3,450	3,450	2,899	551
Materials and Supplies	1,600	1,600	499	1,101
Total Building Inspector	115,781	116,261	112,600	3,661
Total Community Environment	140,781	141,261	129,824	11,437
Basic Utility Services:				
Refuse Collections and Disposals:				
Purchased Services	783,000	783,000	762,829	20,171
Leisure Time Activities:				
Parks and Recreation:				
Salaries and Wages	578,243	575,364	542,687	32,677
Fringe Benefits	263,485	269,904	257,047	12,857
Purchased Services	112,850	112,850	100,879	11,971
Materials and Supplies	113,000	117,000	107,469	9,531
Total Leisure Time Activities	1,067,578	1,075,118	1,008,082	67,036
<i>Total Expenditures</i>	8,751,284	8,846,543	8,336,678	509,865
<i>Excess of Revenues Under Expenditures</i>	(305,192)	(612,089)	(48,907)	563,182
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	1,800	1,800	1,800	0
Transfers Out	(600,000)	(600,000)	(300,000)	300,000
<i>Total Other Financing Sources (Uses)</i>	(598,200)	(598,200)	(298,200)	300,000
<i>Net Change in Fund Balance</i>	(903,392)	(1,210,289)	(347,107)	863,182
<i>Fund Balance Beginning of Year</i>	2,854,857	2,854,857	2,854,857	0
Prior Year Encumbrances Appropriated	17,235	17,235	17,235	0
<i>Fund Balance End of Year</i>	\$1,968,700	\$1,661,803	\$2,524,985	\$863,182

**City of Dover**  
**Tuscarawas County, 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, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Income Taxes	\$1,892,456	\$1,965,000	\$1,773,013	(\$191,987)
Intergovernmental	94,347	98,500	117,614	19,114
Contributions and Donations	14,125	14,125	14,125	0
Other	99,072	102,875	41,144	(61,731)
<i>Total Revenues</i>	<u>2,100,000</u>	<u>2,180,500</u>	<u>1,945,896</u>	<u>(234,604)</u>
<b>Expenditures</b>				
Capital Outlay	3,279,023	3,948,155	3,133,641	814,514
Debt Service:				
Principal Retirement	252,770	252,770	252,770	0
Interest and Fiscal Charges	70,928	70,928	70,928	0
Total Debt Service	<u>323,698</u>	<u>323,698</u>	<u>323,698</u>	<u>0</u>
<i>Total Expenditures</i>	<u>3,602,721</u>	<u>4,271,853</u>	<u>3,457,339</u>	<u>814,514</u>
<i>Net Change in Fund Balance</i>	(1,502,721)	(2,091,353)	(1,511,443)	579,910
<i>Fund Balance Beginning of Year</i>	1,489,053	1,489,053	1,489,053	0
Prior Year Encumbrances Appropriated	<u>602,721</u>	<u>602,721</u>	<u>602,721</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$589,053</u>	<u>\$421</u>	<u>\$580,331</u>	<u>\$579,910</u>

**City of Dover**  
**Tuscarawas County, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Sewer Fund*  
*For the Year Ended December 31, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for Services	\$3,040,166	\$3,117,366	\$3,259,513	\$142,147
Other	9,834	9,834	9,834	0
<i>Total Revenues</i>	<u>3,050,000</u>	<u>3,127,200</u>	<u>3,269,347</u>	<u>142,147</u>
<b>Expenses</b>				
Salaries and Wages:				
Sewer Office	63,082	63,082	61,239	1,843
Sewer Disposal Plant	996,504	986,604	928,368	58,236
Total Salaries and Wages	<u>1,059,586</u>	<u>1,049,686</u>	<u>989,607</u>	<u>60,079</u>
Fringe Benefits:				
Sewer Office	39,800	39,800	32,796	7,004
Sewer Disposal Plant	624,433	634,333	566,637	67,696
Total Fringe Benefits	<u>664,233</u>	<u>674,133</u>	<u>599,433</u>	<u>74,700</u>
Purchased Services:				
Sewer Office	71,273	71,273	62,934	8,339
Sewer Disposal Plant	374,423	384,423	302,378	82,045
Total Purchased Services	<u>445,696</u>	<u>455,696</u>	<u>365,312</u>	<u>90,384</u>
Materials and Supplies:				
Sewer Office	4,000	4,000	2,652	1,348
Sewer Disposal Plant	745,630	745,630	725,568	20,062
Total Materials and Supplies	<u>749,630</u>	<u>749,630</u>	<u>728,220</u>	<u>21,410</u>
Capital Outlay:				
Sewer Office	21,250	21,250	0	21,250
Sewer Disposal Plant	1,235,471	1,235,471	70,973	1,164,498
Wastewater Reserve	1,006,810	1,006,810	252,089	754,721
Total Capital Outlay	<u>2,263,531</u>	<u>2,263,531</u>	<u>323,062</u>	<u>1,940,469</u>
Debt Service:				
Principal Retirement	642,814	642,814	642,814	0
Interest and Fiscal Charges	245,747	245,747	245,747	0
Total Debt Service	<u>888,561</u>	<u>888,561</u>	<u>888,561</u>	<u>0</u>
<i>Total Expenses</i>	<u>6,071,237</u>	<u>6,081,237</u>	<u>3,894,195</u>	<u>2,187,042</u>
<i>Net Change in Fund Equity</i>	(3,021,237)	(2,954,037)	(624,848)	2,329,189
<i>Fund Equity Beginning of Year</i>	4,612,676	4,612,676	4,612,676	0
Prior Year Encumbrances Appropriated	<u>20,202</u>	<u>20,202</u>	<u>20,202</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$1,611,641</u>	<u>\$1,678,841</u>	<u>\$4,008,030</u>	<u>\$2,329,189</u>



**City of Dover**  
**Tuscarawas County, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Electric Fund*  
*For the Year Ended December 31, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for Services	\$26,350,166	\$26,929,000	\$28,500,631	\$1,571,631
Electric Deposits Received	1,957	2,000	28,428	26,428
Interest	5,064	5,175	27,052	21,877
Other	345,813	360,000	118,296	(241,704)
<i>Total Revenues</i>	<u>26,703,000</u>	<u>27,296,175</u>	<u>28,674,407</u>	<u>1,378,232</u>
<b>Expenses</b>				
Salaries and Wages:				
Electric Office	75,159	75,493	74,937	556
Electric Distribution	1,035,060	1,027,927	991,435	36,492
Electric Plant	1,658,454	1,627,383	1,607,373	20,010
Total Salaries and Wages	<u>2,768,673</u>	<u>2,730,803</u>	<u>2,673,745</u>	<u>57,058</u>
Fringe Benefits:				
Electric Office	48,251	49,989	47,331	2,658
Electric Distribution	570,190	578,191	545,841	32,350
Electric Plant	883,199	914,269	835,146	79,123
Total Fringe Benefits	<u>1,501,640</u>	<u>1,542,449</u>	<u>1,428,318</u>	<u>114,131</u>
Purchased Services:				
Electric Office	121,823	121,823	98,923	22,900
Electric Distribution	551,473	551,473	333,747	217,726
Electric Plant	3,499,234	3,499,234	2,479,743	1,019,491
Total Purchased Services	<u>4,172,530</u>	<u>4,172,530</u>	<u>2,912,413</u>	<u>1,260,117</u>
Materials and Supplies:				
Electric Office	7,600	7,600	5,303	2,297
Electric Distribution	363,541	363,541	331,743	31,798
Electric Plant	3,631,543	3,771,543	3,710,335	61,208
Total Materials and Supplies	<u>4,002,684</u>	<u>4,142,684</u>	<u>4,047,381</u>	<u>95,303</u>
Purchased Power:				
Electric Plant	\$14,547,421	\$15,051,421	\$15,047,136	\$4,285

(continued)

**City of Dover**  
**Tuscarawas County, 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, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Capital Outlay:				
Electric Capital Reserve	\$100,000	\$100,000	\$0	\$100,000
Electric Surplus	250,000	250,000	0	250,000
Electric Office	42,000	42,000	0	42,000
Municipal Electric Improvement	9,272	9,272	0	9,272
Electric Distribution	340,887	390,887	221,109	169,778
Electric Plant	1,448,783	1,448,783	821,276	627,507
<b>Total Capital Outlay</b>	<b>2,190,942</b>	<b>2,240,942</b>	<b>1,042,385</b>	<b>1,198,557</b>
Debt Service:				
Principal Retirement	1,692,889	1,692,889	1,692,637	252
Interest and Fiscal Charges	205,951	205,951	205,152	799
<b>Total Debt Service</b>	<b>1,898,840</b>	<b>1,898,840</b>	<b>1,897,789</b>	<b>1,051</b>
Electric Deposits Returned:				
Refunds	40,000	40,000	24,765	15,235
<b>Total Expenses</b>	<b>31,122,730</b>	<b>31,819,669</b>	<b>29,073,932</b>	<b>2,745,737</b>
<i>Excess of Revenues Under Expenses before Transfers</i>	(4,419,730)	(4,523,494)	(399,525)	4,123,969
Transfers In	300,000	300,000	300,000	0
<b>Net Change in Fund Equity</b>	<b>(4,119,730)</b>	<b>(4,223,494)</b>	<b>(99,525)</b>	<b>4,123,969</b>
<i>Fund Equity Beginning of Year</i>	5,389,641	5,389,641	5,389,641	0
Prior Year Encumbrances Appropriated	1,181,037	1,181,037	1,181,037	0
<b>Fund Equity End of Year</b>	<b>\$2,450,948</b>	<b>\$2,347,184</b>	<b>\$6,471,153</b>	<b>\$4,123,969</b>

**City of Dover**  
**Tuscarawas County, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Water Fund*  
*For the Year Ended December 31, 2018*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$1,994,195	\$1,973,000	\$2,330,785	\$357,785
Intergovernmental	0	0	245,000	245,000
Interest	757	750	5,309	4,559
Other	5,048	5,000	8,201	3,201
<i>Total Revenues</i>	<u>2,000,000</u>	<u>1,978,750</u>	<u>2,589,295</u>	<u>610,545</u>
<b>Expenses</b>				
Salaries and Wages:				
Water Office	58,682	58,682	58,539	143
Water Plant	647,504	688,904	683,666	5,238
Total Salaries and Wages	<u>706,186</u>	<u>747,586</u>	<u>742,205</u>	<u>5,381</u>
Fringe Benefits:				
Water Office	39,149	39,149	32,364	6,785
Water Plant	416,354	403,554	366,979	36,575
Total Fringe Benefits	<u>455,503</u>	<u>442,703</u>	<u>399,343</u>	<u>43,360</u>
Purchased Services:				
Water Office	71,273	71,273	62,876	8,397
Water Plant	165,312	165,312	113,610	51,702
Total Purchased Services	<u>236,585</u>	<u>236,585</u>	<u>176,486</u>	<u>60,099</u>
Materials and Supplies:				
Water Office	4,000	4,000	2,652	1,348
Water Plant	208,550	208,550	165,767	42,783
Total Materials and Supplies	<u>212,550</u>	<u>212,550</u>	<u>168,419</u>	<u>44,131</u>
Capital Outlay:				
Water Office	21,000	21,000	0	21,000
Water Plant	199,088	249,088	45,988	203,100
Water Surplus	564,219	564,219	526,823	37,396
Total Capital Outlay	<u>\$784,307</u>	<u>\$834,307</u>	<u>\$572,811</u>	<u>\$261,496</u>

(continued)

**City of Dover**  
**Tuscarawas County, 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, 2018*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Debt Service:				
Principal Retirement	\$455,000	\$455,000	\$455,000	\$0
Interest and Fiscal Charges	45,154	49,454	48,286	1,168
<b>Total Debt Service</b>	<u>500,154</u>	<u>504,454</u>	<u>503,286</u>	<u>1,168</u>
<i>Total Expenses</i>	<u>2,895,285</u>	<u>2,978,185</u>	<u>2,562,550</u>	<u>415,635</u>
<i>Net Change in Fund Equity</i>	(895,285)	(999,435)	26,745	1,026,180
<i>Fund Equity Beginning of Year</i>	1,668,841	1,668,841	1,668,841	0
Prior Year Encumbrances Appropriated	<u>66,466</u>	<u>66,466</u>	<u>66,466</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$840,022</u></u>	<u><u>\$735,872</u></u>	<u><u>\$1,762,052</u></u>	<u><u>\$1,026,180</u></u>

**City of Dover**  
**Tuscarawas County, 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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Income Taxes	\$575,000	\$575,000	\$0
Intergovernmental	592,288	614,550	22,262
Interest	1,000	2,870	1,870
Other	6,712	6,493	(219)
<i>Total Revenues</i>	<u>1,175,000</u>	<u>1,198,913</u>	<u>23,913</u>
<b>Expenditures</b>			
Current:			
Transportation:			
Street Construction and Reconstruction:			
Salaries and Wages	674,481	631,644	42,837
Fringe Benefits	427,077	386,080	40,997
Purchased Services	146,170	134,458	11,712
Materials and Supplies	159,573	151,561	8,012
<i>Total Expenditures</i>	<u>1,407,301</u>	<u>1,303,743</u>	<u>103,558</u>
<i>Excess of Revenues Under Expenditures</i>	(232,301)	(104,830)	127,471
<b>Other Financing Sources</b>			
Insurance Recovery	0	23,850	23,850
<i>Net Change in Fund Balance</i>	(232,301)	(80,980)	151,321
<i>Fund Balance Beginning of Year</i>	226,139	226,139	0
Prior Year Encumbrances Appropriated	4,838	4,838	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$1,324)</u>	<u>\$149,997</u>	<u>\$151,321</u>

**City of Dover**  
**Tuscarawas County, 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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$43,000	\$48,832	\$5,832
Interest	65	601	536
<i>Total Revenues</i>	43,065	49,433	6,368
<b>Expenditures</b>			
Current:			
Transportation:			
Street Construction and Reconstruction:			
Materials and Supplies	60,000	59,110	890
<i>Net Change in Fund Balance</i>	(16,935)	(9,677)	7,258
<i>Fund Balance Beginning of Year</i>	54,281	54,281	0
<i>Fund Balance End of Year</i>	\$37,346	\$44,604	\$7,258

**City of Dover**  
**Tuscarawas County, 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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$136,700	\$140,203	\$3,503
Income Taxes	575,000	575,000	0
Intergovernmental	17,500	17,902	402
Other	50	0	(50)
<i>Total Revenues</i>	<u>729,250</u>	<u>733,105</u>	<u>3,855</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Police Disability and Pension:			
Fringe Benefits	305,000	288,447	16,553
Fire Disability and Pension:			
Fringe Benefits	415,000	409,756	5,244
<i>Total Expenditures</i>	<u>720,000</u>	<u>698,203</u>	<u>21,797</u>
<i>Net Change in Fund Balance</i>	9,250	34,902	25,652
<i>Fund Balance Beginning of Year</i>	<u>49,936</u>	<u>49,936</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$59,186</u></u>	<u><u>\$84,838</u></u>	<u><u>\$25,652</u></u>

**City of Dover**  
**Tuscarawas County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Ambulance Fund*  
*For the Year Ended December 31, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$325,000	\$360,750	\$35,750
Other	25	0	(25)
<i>Total Revenues</i>	<u>325,025</u>	<u>360,750</u>	<u>35,725</u>
<b>Expenditures</b>			
Current:			
Public Health Services:			
Ambulance:			
Salaries and Wages	152,500	150,430	2,070
Purchased Services	37,300	32,322	4,978
Materials and Supplies	100,000	99,949	51
Capital Outlay	350,000	350,000	0
<i>Total Expenditures</i>	<u>639,800</u>	<u>632,701</u>	<u>7,099</u>
<i>Net Change in Fund Balance</i>	(314,775)	(271,951)	42,824
<i>Fund Balance Beginning of Year</i>	<u>424,678</u>	<u>424,678</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$109,903</u></u>	<u><u>\$152,727</u></u>	<u><u>\$42,824</u></u>



**City of Dover**  
**Tuscarawas County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cemetery Fund*  
*For the Year Ended December 31, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Income Taxes	\$360,000	\$360,000	\$0
Interest	2,000	7,955	5,955
Charges for Services	138,000	164,621	26,621
Other	100	3,450	3,350
<i>Total Revenues</i>	<u>500,100</u>	<u>536,026</u>	<u>35,926</u>
<b>Expenditures</b>			
Current:			
Public Health Services:			
Cemetery:			
Salaries and Wages	315,370	309,175	6,195
Fringe Benefits	180,882	169,160	11,722
Purchased Services	20,175	18,656	1,519
Materials and Supplies	29,200	27,716	1,484
Capital Outlay	3,000	2,458	542
Other	25,000	0	25,000
<i>Total Expenditures</i>	<u>573,627</u>	<u>527,165</u>	<u>46,462</u>
<i>Net Change in Fund Balance</i>	(73,527)	8,861	82,388
<i>Fund Balance Beginning of Year</i>	813,821	813,821	0
Prior Year Encumbrances Appropriated	<u>375</u>	<u>375</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$740,669</u></u>	<u><u>\$823,057</u></u>	<u><u>\$82,388</u></u>

**City of Dover**  
**Tuscarawas County, 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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$100	\$530	\$430
Charges for Services	11,455	16,925	5,470
<i>Total Revenues</i>	11,555	17,455	5,900
<b>Expenditures</b>			
Current:			
Community Environment:			
Other Community Environment:			
Purchased Services	250,000	0	250,000
<i>Net Change in Fund Balance</i>	(238,445)	17,455	255,900
<i>Fund Balance Beginning of Year</i>	431,425	431,425	0
<i>Fund Balance End of Year</i>	\$192,980	\$448,880	\$255,900

**City of Dover**  
**Tuscarawas County, 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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Drug Law Enforcement:			
Materials and Supplies	9,000	0	9,000
<i>Net Change in Fund Balance</i>	(9,000)	0	9,000
<i>Fund Balance Beginning of Year</i>	10,765	10,765	0
<i>Fund Balance End of Year</i>	\$1,765	\$10,765	\$9,000

**City of Dover**  
**Tuscarawas County, 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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines, Licenses and Permits	\$600	\$803	\$203
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Enforcement and Education:			
Materials and Supplies	30,000	0	30,000
<i>Net Change in Fund Balance</i>	(29,400)	803	30,203
<i>Fund Balance Beginning of Year</i>	32,720	32,720	0
<i>Fund Balance End of Year</i>	\$3,320	\$33,523	\$30,203

**City of Dover**  
**Tuscarawas County, 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, 2018*

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

**City of Dover**  
**Tuscarawas County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**CHIP Fund**  
*For the Year Ended December 31, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$175,000	\$79,853	(\$95,147)
Interest	0	97	97
Other	0	10,271	10,271
<i>Total Revenues</i>	175,000	90,221	(84,779)
<b>Expenditures</b>			
Capital Outlay	175,000	79,853	95,147
<i>Net Change in Fund Balance</i>	0	10,368	10,368
<i>Fund Balance Beginning of Year</i>	25,449	25,449	0
<i>Fund Balance End of Year</i>	\$25,449	\$35,817	\$10,368

**City of Dover**  
**Tuscarawas County, 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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$2,970,000	\$2,685,356	(\$284,644)
Other	50,000	83,099	33,099
<i>Total Revenues</i>	<u>3,020,000</u>	<u>2,768,455</u>	<u>(251,545)</u>
<b>Expenses</b>			
Purchased Services	297,000	296,166	834
Claims	2,688,000	2,430,383	257,617
<i>Total Expenses</i>	<u>2,985,000</u>	<u>2,726,549</u>	<u>258,451</u>
<i>Net Change in Fund Equity</i>	35,000	41,906	6,906
<i>Fund Equity Beginning of Year</i>	<u>62,254</u>	<u>62,254</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$97,254</u></u>	<u><u>\$104,160</u></u>	<u><u>\$6,906</u></u>

**City of Dover**  
**Tuscarawas County, 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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Deposits for Burial Expenses	\$18,500	\$20,809	\$2,309
Interest	1,550	4,099	2,549
<i>Total Revenues</i>	<u>20,050</u>	<u>24,908</u>	<u>4,858</u>
<b>Expenses</b>			
Purchased Services	500	125	375
Other	25,000	24,115	885
<i>Total Expenditures</i>	<u>25,500</u>	<u>24,240</u>	<u>1,260</u>
<i>Net Change in Fund Equity</i>	(5,450)	668	6,118
<i>Fund Equity Beginning of Year</i>	<u>239,923</u>	<u>239,923</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$234,473</u></u>	<u><u>\$240,591</u></u>	<u><u>\$6,118</u></u>





*Comprehensive Annual Financial Report*

# STATISTICAL *Section*

For the Year Ended **DECEMBER 31, 2018**

Wooster Avenue, Canal Dover, Ohio.



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# City of Dover Tuscarawas County, 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-S20
<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**  
**Tuscarawas County, Ohio**  
*Net Position By Component*  
*Last Ten Years*  
*(Accrual Basis of Accounting)*

	2018	(Restated) 2017	2016	2015
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$19,271,647	\$18,599,070	\$17,768,347	\$14,280,928
Restricted	2,038,631	2,044,327	2,152,807	2,000,347
Unrestricted (Deficit) (1)	(14,152,987)	(12,057,003)	(3,416,062)	(2,031,153)
<i>Total Governmental Activities Net Position</i>	<u>7,157,291</u>	<u>8,586,394</u>	<u>16,505,092</u>	<u>14,250,122</u>
<b>Business-Type Activities</b>				
Net Investment in Capital Assets	30,157,689	29,156,990	28,026,128	25,937,921
Restricted	0	0	0	0
Unrestricted (1)	6,658,972	6,596,488	9,819,626	9,460,161
<i>Total Business-Type Activities Net Position</i>	<u>36,816,661</u>	<u>35,753,478</u>	<u>37,845,754</u>	<u>35,398,082</u>
<b>Primary Government</b>				
Net Investment in Capital Assets	49,429,336	47,756,060	45,794,475	40,218,849
Restricted	2,038,631	2,044,327	2,152,807	2,000,347
Unrestricted (Deficit) (1)	(7,494,015)	(5,460,515)	6,403,564	7,429,008
<i>Total Primary Government Net Position</i>	<u>\$43,973,952</u>	<u>\$44,339,872</u>	<u>\$54,350,846</u>	<u>\$49,648,204</u>

(1) The City reported the impact of GASB Statement No. 75 on net position beginning in 2017 and the impact of GASB Statement No. 68 on net position beginning in 2014.

(Restated) 2014	2013	2012	2011	2010	2009
\$14,349,226	\$14,665,693	\$14,711,043	\$14,781,422	\$14,068,739	\$14,563,145
2,124,886	1,947,165	1,691,379	1,737,344	2,230,639	3,060,273
(3,079,845)	4,465,268	3,306,443	3,398,807	1,060,512	(528,355)
<u>13,394,267</u>	<u>21,078,126</u>	<u>19,708,865</u>	<u>19,917,573</u>	<u>17,359,890</u>	<u>17,095,063</u>
25,686,770	23,029,114	22,222,982	22,166,479	22,616,181	22,607,499
0	4,560,733	4,135,673	4,002,175	3,941,464	3,960,033
7,538,328	7,710,001	8,820,517	9,853,852	9,925,626	7,656,769
<u>33,225,098</u>	<u>35,299,848</u>	<u>35,179,172</u>	<u>36,022,506</u>	<u>36,483,271</u>	<u>34,224,301</u>
40,035,996	37,694,807	36,934,025	36,947,901	36,684,920	37,170,644
2,124,886	6,507,898	5,827,052	5,739,519	6,172,103	7,020,306
4,458,483	12,175,269	12,126,960	13,252,659	10,986,138	7,128,414
<u>\$46,619,365</u>	<u>\$56,377,974</u>	<u>\$54,888,037</u>	<u>\$55,940,079</u>	<u>\$53,843,161</u>	<u>\$51,319,364</u>

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

	2018 (1)	2017	2016	2015 (2)
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$439	\$197,651	\$190,038	\$193,071
Security of Persons and Property	127,490	581,978	578,568	605,856
Transportation	0	0	0	0
Public Health Services	526,888	465,738	453,630	481,290
Community Environment	793	16,868	16,473	13,972
Basic Utility Services	801,718	88,969	77,505	103,846
Leisure Time Activities	159,836	124,324	124,958	133,193
Subtotal - Charges for Services	<u>1,617,164</u>	<u>1,475,528</u>	<u>1,441,172</u>	<u>1,531,228</u>
Operating Grants and Contributions:				
Security of Persons and Property	17,905	17,898	17,882	17,282
Transportation	661,929	661,532	653,132	636,667
Public Health Services	0	2,832	0	0
Community Environment	0	0	0	0
Subtotal - Operating Grants and Contributions	<u>679,834</u>	<u>682,262</u>	<u>671,014</u>	<u>653,949</u>
Capital Grants and Contributions:				
General Government	105,869	0	0	0
Security of Persons and Property	0	0	0	0
Transportation	96,929	415,536	1,544,265	562,235
Public Health Services	0	6,018	0	0
Community Environment	79,853	0	85,420	45,078
Leisure Time Activities	17,797	261,970	812,053	0
Subtotal - Capital Grants and Contributions	<u>300,448</u>	<u>683,524</u>	<u>2,441,738</u>	<u>607,313</u>
<i>Total Governmental Activities Program Revenues</i>	<u>2,597,446</u>	<u>2,841,314</u>	<u>4,553,924</u>	<u>2,792,490</u>
Business-Type Activities:				
Charges for Services:				
Sewer	3,298,519	3,189,962	3,445,743	3,345,235
Electric	28,197,163	26,987,344	25,761,590	22,789,108
Water	2,274,997	2,298,881	2,312,007	2,255,453
Subtotal - Charges for Services	<u>33,770,679</u>	<u>32,476,187</u>	<u>31,519,340</u>	<u>28,389,796</u>
Capital Grants and Contributions				
Sewer	0	0	78,397	0
Water	245,000	0	65,400	0
Subtotal - Capital Grants and Contributions	<u>245,000</u>	<u>0</u>	<u>143,797</u>	<u>0</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>34,015,679</u>	<u>32,476,187</u>	<u>31,663,137</u>	<u>28,389,796</u>
<i>Total Primary Government Program Revenues</i>	<u>\$36,613,125</u>	<u>\$35,317,501</u>	<u>\$36,217,061</u>	<u>\$31,182,286</u>

2014	2013	2012	2011	2010	2009
\$341	\$378	\$0	\$0	\$0	\$0
125,303	128,140	60,609	55,291	53,280	39,557
0	0	0	195	12	132
462,782	461,183	467,755	802,036	355,597	419,193
24,165	24,705	0	0	0	0
625,544	752,629	841,032	806,117	813,825	785,970
118,183	123,229	0	0	0	0
<u>1,356,318</u>	<u>1,490,264</u>	<u>1,369,396</u>	<u>1,663,639</u>	<u>1,222,714</u>	<u>1,244,852</u>
17,424	17,519	8,357	8,930	18,328	9,928
663,548	598,721	605,844	593,393	681,292	548,731
0	0	0	0	0	0
42,000	5,636	48,000	94,400	0	276,833
<u>722,972</u>	<u>621,876</u>	<u>662,201</u>	<u>696,723</u>	<u>699,620</u>	<u>835,492</u>
0	0	0	0	0	0
0	423,951	0	0	0	0
0	0	207,769	850,056	32,174	0
0	0	0	0	0	0
197,621	312,730	213,863	315,058	305,251	0
0	0	0	0	0	0
<u>197,621</u>	<u>736,681</u>	<u>421,632</u>	<u>1,165,114</u>	<u>337,425</u>	<u>0</u>
2,276,911	2,848,821	2,453,229	3,525,476	2,259,759	2,080,344
3,357,098	3,352,604	3,147,970	3,055,858	3,160,156	3,187,337
22,521,381	23,065,550	21,496,934	20,123,656	20,680,073	18,748,969
2,114,210	2,104,759	2,124,001	1,993,661	2,021,476	1,962,129
<u>27,992,689</u>	<u>28,522,913</u>	<u>26,768,905</u>	<u>25,173,175</u>	<u>25,861,705</u>	<u>23,898,435</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>27,992,689</u>	<u>28,522,913</u>	<u>26,768,905</u>	<u>25,173,175</u>	<u>25,861,705</u>	<u>23,898,435</u>
<u>\$30,269,600</u>	<u>\$31,371,734</u>	<u>\$29,222,134</u>	<u>\$28,698,651</u>	<u>\$28,121,464</u>	<u>\$25,978,779</u>

(continued)

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

	<u>2018 (1)</u>	<u>2017</u>	<u>2016</u>	<u>2015 (2)</u>
<b>Expenses</b>				
Governmental Activities:				
General Government	\$2,026,104	\$1,898,611	\$1,667,919	\$1,340,412
Security of Persons and Property	6,901,037	5,613,851	5,923,090	4,899,426
Transportation	2,388,755	2,334,839	2,172,494	2,704,103
Public Health Services	918,470	869,210	765,011	711,562
Community Environment	222,825	148,743	136,628	130,931
Basic Utility Services	767,118	697,490	603,309	708,629
Leisure Time Activities	1,369,916	1,209,073	1,157,740	1,046,395
Interest and Fiscal Charges	77,310	85,950	96,888	99,907
<i>Total Governmental Activities Expenses</i>	<u>14,671,535</u>	<u>12,857,767</u>	<u>12,523,079</u>	<u>11,641,365</u>
Business-Type Activities				
Sewer	4,081,380	3,544,431	3,349,740	3,282,367
Electric	27,539,776	26,714,336	24,598,405	21,929,834
Water	2,057,171	1,982,129	2,026,537	1,814,774
<i>Total Business-Type Activities Expenses</i>	<u>33,678,327</u>	<u>32,240,896</u>	<u>29,974,682</u>	<u>27,026,975</u>
<i>Total Primary Government Expenses</i>	<u>48,349,862</u>	<u>45,098,663</u>	<u>42,497,761</u>	<u>38,668,340</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(12,074,089)	(10,016,453)	(7,969,155)	(8,848,875)
Business-Type Activities	337,352	235,291	1,688,455	1,362,821
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$11,736,737)</u>	<u>(\$9,781,162)</u>	<u>(\$6,280,700)</u>	<u>(\$7,486,054)</u>



2014	2013	2012	2011	2010	2009
\$1,912,267	\$2,313,710	\$1,809,857	\$1,284,689	\$1,396,691	\$1,394,202
5,190,764	5,082,413	5,094,116	4,647,659	4,566,373	4,637,683
1,925,102	1,928,227	1,879,829	2,186,664	842,745	3,666,602
1,481,578	762,721	808,220	788,705	1,078,392	757,168
130,344	268,923	188,273	115,729	106,332	108,259
783,122	672,945	629,555	570,453	610,467	532,610
1,121,296	1,291,658	1,134,362	1,007,014	2,474,704	1,010,371
99,979	113,423	164,403	40,903	9,673	73,248
12,644,452	12,434,020	11,708,615	10,641,816	11,085,377	12,180,143
3,107,960	3,727,710	3,670,590	3,518,361	2,886,179	2,839,223
22,381,043	23,723,046	22,992,501	20,818,346	19,311,806	18,429,586
1,840,661	1,802,403	1,854,651	1,931,539	2,047,070	1,715,425
27,329,664	29,253,159	28,517,742	26,268,246	24,245,055	22,984,234
39,974,116	41,687,179	40,226,357	36,910,062	35,330,432	35,164,377
(10,367,541)	(9,585,199)	(9,255,386)	(7,116,340)	(8,825,618)	(10,099,799)
663,025	(730,246)	(1,748,837)	(1,095,071)	1,616,650	914,201
(\$9,704,516)	(\$10,315,445)	(\$11,004,223)	(\$8,211,411)	(\$7,208,968)	(\$9,185,598)

(continued)

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

	2018 (1)	2017	2016	2015 (2)
<b>General Revenues</b>				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$1,623,618	\$1,624,958	\$889,470	\$885,041
Police and Fire Pension	140,400	139,231	127,726	131,174
Kilowatt per Hour Taxes Levied for				
General Purposes (3)	707,148	678,961	707,221	717,005
Income Taxes levied for:				
General Purposes	4,027,835	4,217,363	4,826,664	4,693,691
Street Maintenance and Repair	599,508	513,677	647,687	632,321
Cemetery	378,696	318,691	368,074	289,661
Police and Fire Pension	615,566	480,120	504,270	296,468
Capital Outlay	1,809,114	1,791,360	2,055,521	1,928,981
Grants and Entitlements not Restricted to				
Specific Programs	477,289	516,440	446,054	441,197
Unrestricted Contributions	15,208	14,805	20,616	13,771
Investment Earnings	217,739	169,451	53,653	25,514
Miscellaneous	332,865	116,572	249,524	249,906
<i>Total Governmental Activities General Revenues</i>	<u>10,944,986</u>	<u>10,581,629</u>	<u>10,896,480</u>	<u>10,304,730</u>
Business-Type Activities				
Investment Earnings	33,967	18,386	9,485	1,649
Miscellaneous	391,864	136,424	77,377	208,514
<i>Total Business-Type Activities General Revenues</i>	<u>425,831</u>	<u>154,810</u>	<u>86,862</u>	<u>210,163</u>
<i>Total Primary Government General Revenues</i>	<u>11,370,817</u>	<u>10,736,439</u>	<u>10,983,342</u>	<u>10,514,893</u>
<b>Transfers</b>				
Governmental Activities	(300,000)	(620,240)	(672,355)	(600,000)
Business-Type Activities	300,000	620,240	672,355	600,000
<b>Change in Net Position</b>				
Governmental Activities	(1,429,103)	(55,064)	2,254,970	855,855
Business-Type Activities	1,063,183	1,010,341	2,447,672	2,172,984
<i>Total Primary Government Change in Net Position</i>	<u>(\$365,920)</u>	<u>\$955,277</u>	<u>\$4,702,642</u>	<u>\$3,028,839</u>

(1) The City reported the impact of GASB Statement No. 75 on expenses beginning in 2018.

(2) The City reported the impact of GASB Statement No. 68 on expenses beginning in 2015.

(3) Prior to 2014, Kilowatt per Hour Tax was reported as Grants and Entitlements not Restricted to Specific Programs.

2014	2013	2012	2011	2010	2009
\$897,494	\$875,654	\$748,044	\$756,066	\$785,909	\$1,027,642
132,413	130,611	135,398	143,431	155,799	155,866
712,312	0	0	0	0	0
5,131,043	4,700,061	3,377,249	4,018,591	3,802,963	2,257,720
677,859	560,660	469,110	522,226	611,838	438,574
392,274	360,872	316,019	348,053	356,637	316,676
569,628	579,482	409,554	405,322	482,557	340,000
2,187,243	2,005,426	1,607,109	1,283,425	896,384	2,138,200
401,495	1,352,561	1,406,047	1,868,255	1,627,904	1,243,082
20,108	14,700	0	0	0	0
11,633	18,961	29,144	61,496	81,244	333,594
275,643	355,472	549,004	267,158	289,210	187,094
11,409,145	10,954,460	9,046,678	9,674,023	9,090,445	8,438,448
4,976	1,153	913	975	4,417	21,616
699,450	849,769	904,590	633,331	637,903	287,546
704,426	850,922	905,503	634,306	642,320	309,162
12,113,571	11,805,382	9,952,181	10,308,329	9,732,765	8,747,610
0	0	0	0	0	0
0	0	0	0	0	0
1,041,604	1,369,261	(208,708)	2,557,683	264,827	(1,661,351)
1,367,451	120,676	(843,334)	(460,765)	2,258,970	1,223,363
\$2,409,055	\$1,489,937	(\$1,052,042)	\$2,096,918	\$2,523,797	(\$437,988)

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

	2018	2017	2016	2015
<b>General Fund</b>				
Nonspendable	\$190,547	\$122,337	\$123,849	\$122,239
Assigned	1,381,941	1,164,409	848,548	993,022
Unassigned	1,284,113	1,915,427	1,814,711	1,736,876
Unreserved	N/A	N/A	N/A	N/A
<b>Total General Fund</b>	<b>2,856,601</b>	<b>3,202,173</b>	<b>2,787,108</b>	<b>2,852,137</b>
<b>All Other Governmental Funds</b>				
Nonspendable	119,684	134,459	135,626	161,080
Restricted	1,664,539	1,717,633	1,672,921	1,600,840
Committed	1,922,774	2,672,918	2,242,418	2,693,533
Unassigned (Deficit)	0	0	(24,187)	0
Reserved	N/A	N/A	N/A	N/A
Unreserved, Undesignated, Reported in:				
Special Revenue funds	N/A	N/A	N/A	N/A
Capital Projects funds	N/A	N/A	N/A	N/A
<b>Total All Other Governmental Funds</b>	<b>3,706,997</b>	<b>4,525,010</b>	<b>4,026,778</b>	<b>4,455,453</b>
<b>Total Governmental Funds</b>	<b>\$6,563,598</b>	<b>\$7,727,183</b>	<b>\$6,813,886</b>	<b>\$7,307,590</b>

Note: During 2010, the City implemented GASB Statement No. 54.

2014	2013	2012	2011	2010	2009
\$109,557	\$115,155	\$103,704	\$76,178	\$105,973	N/A
475,892	1,085,489	1,042,593	103,666	90,960	N/A
1,417,828	1,073,477	791,688	1,925,702	963,133	N/A
N/A	N/A	N/A	N/A	N/A	\$573,465
2,003,277	2,274,121	1,937,985	2,105,546	1,160,066	573,465
142,542	131,692	164,478	169,337	137,508	N/A
1,564,315	1,577,064	1,444,346	1,439,977	1,262,129	N/A
2,279,900	2,324,688	1,906,934	1,473,463	1,039,249	N/A
(41,200)	(45,780)	(75,785)	(123,350)	(116,296)	N/A
N/A	N/A	N/A	N/A	N/A	625,665
N/A	N/A	N/A	N/A	N/A	1,175,161
N/A	N/A	N/A	N/A	N/A	846,252
3,945,557	3,987,664	3,439,973	2,959,427	2,322,590	2,647,078
\$5,948,834	\$6,261,785	\$5,377,958	\$5,064,973	\$3,482,656	\$3,220,543

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

	2018	2017	2016	2015
<b>Revenues</b>				
Property Taxes	\$1,761,547	\$1,765,821	\$1,018,015	\$1,018,379
Income Taxes	7,178,039	8,348,725	7,957,334	9,061,247
Kilowatt per Hour Tax (1)	707,148	678,961	707,221	717,005
Intergovernmental	1,345,160	1,758,870	3,509,108	1,553,872
Interest	217,739	169,451	53,653	25,514
Fines, Licenses and Permits	34,990	34,503	33,901	32,586
Charges for Services	1,573,677	1,462,778	1,408,617	1,455,957
Contributions and Donations	29,333	103,345	22,721	89,671
Other	239,268	67,025	206,458	207,323
<b>Total Revenues</b>	<b>13,086,901</b>	<b>14,389,479</b>	<b>14,917,028</b>	<b>14,161,554</b>
<b>Expenditures</b>				
Current:				
General Government	1,474,502	1,552,030	1,461,851	1,321,341
Security of Persons and Property	5,545,221	5,042,819	4,748,834	4,613,982
Transportation	1,362,899	1,282,274	1,188,000	1,231,769
Public Health Services	825,713	777,355	717,291	695,417
Community Environment	130,524	131,686	126,128	132,555
Basic Utility Services	767,118	697,490	603,309	708,629
Leisure Time Activities	1,008,759	1,032,391	940,840	911,380
Capital Outlay	2,493,332	2,058,238	4,740,298	2,246,225
Debt Service:				
Principal Retirement	263,669	259,754	240,301	240,107
Interest and Fiscal Charges	80,549	89,065	96,061	101,393
Issuance Costs	0	0	0	0
<b>Total Expenditures</b>	<b>13,952,286</b>	<b>12,923,102</b>	<b>14,862,913</b>	<b>12,202,798</b>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(865,385)</u>	<u>1,466,377</u>	<u>54,115</u>	<u>1,958,756</u>
<b>Other Financing Sources (Uses)</b>				
Inception of Capital Lease	0	0	10,856	0
Sale of Capital Assets	1,800	12,678	0	0
General Obligation Bonds Issued	0	0	0	0
Notes Issued	0	0	0	0
Loans Issued	0	10,392	41,325	0
Premium on Debt Issuance	0	0	0	0
Payment to Refund Notes	0	0	0	0
Insurance Recoveries	0	23,850	0	0
Transfers In	0	0	0	0
Transfers Out	(300,000)	(600,000)	(600,000)	(600,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(298,200)</b>	<b>(553,080)</b>	<b>(547,819)</b>	<b>(600,000)</b>
<b>Net Change in Fund Balances</b>	<b><u>(\$1,163,585)</u></b>	<b><u>\$913,297</u></b>	<b><u>(\$493,704)</u></b>	<b><u>\$1,358,756</u></b>
Debt Service as a Percentage of Noncapital Expenditures	2.9%	3.1%	3.2%	3.1%

Note: The large increase in debt service in 2011 is due to issuing general obligation bonds to retire notes.  
(1) Prior to 2014, Kilowatt per Hour Tax was reported as Intergovernmental.

2014	2013	2012	2011	2010	2009
\$1,034,679	\$1,009,800	\$890,268	\$898,970	\$944,163	\$1,175,280
7,589,555	7,626,454	6,609,398	6,416,265	5,641,156	5,618,512
712,312	0	0	0	0	0
1,450,826	2,776,288	2,722,755	3,648,133	2,417,233	2,179,043
11,633	18,961	29,144	61,496	81,244	333,594
32,803	35,640	60,609	55,486	53,292	39,689
1,391,234	1,419,987	1,261,803	1,215,871	1,188,938	1,163,085
20,108	14,700	0	2,740	0	0
240,256	352,689	472,561	127,081	146,375	187,094
12,483,406	13,254,519	12,046,538	12,426,042	10,472,401	10,696,297
1,840,339	2,124,429	1,717,237	1,115,260	1,114,329	1,218,905
4,674,192	4,272,192	4,396,320	4,331,070	4,041,571	4,092,027
1,300,051	1,158,730	1,157,078	1,037,961	1,212,992	1,181,395
994,453	735,189	751,935	707,902	804,618	703,975
127,164	259,771	190,316	111,227	103,808	98,389
783,122	672,945	629,555	570,453	610,467	532,610
973,292	831,149	913,126	829,489	823,753	837,296
1,769,293	1,989,870	1,639,805	2,528,446	2,543,177	2,959,903
231,639	210,334	208,377	2,646,521	106,252	105,995
102,812	116,083	129,804	63,678	20,181	76,284
0	0	0	36,229	0	0
12,796,357	12,370,692	11,733,553	13,978,236	11,381,148	11,806,779
(312,951)	883,827	312,985	(1,552,194)	(908,747)	(1,110,482)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	2,670,000	0	0
0	0	0	0	2,640,000	2,100,000
0	0	0	428,614	530,860	0
0	0	0	35,897	0	0
0	0	0	0	(2,000,000)	(2,100,000)
0	0	0	0	0	0
24,000	0	0	0	0	0
(24,000)	0	0	0	0	0
0	0	0	3,134,511	1,170,860	0
(\$312,951)	\$883,827	\$312,985	\$1,582,317	\$262,113	(\$1,110,482)
3.0%	2.9%	3.2%	22.0%	1.2%	1.6%

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

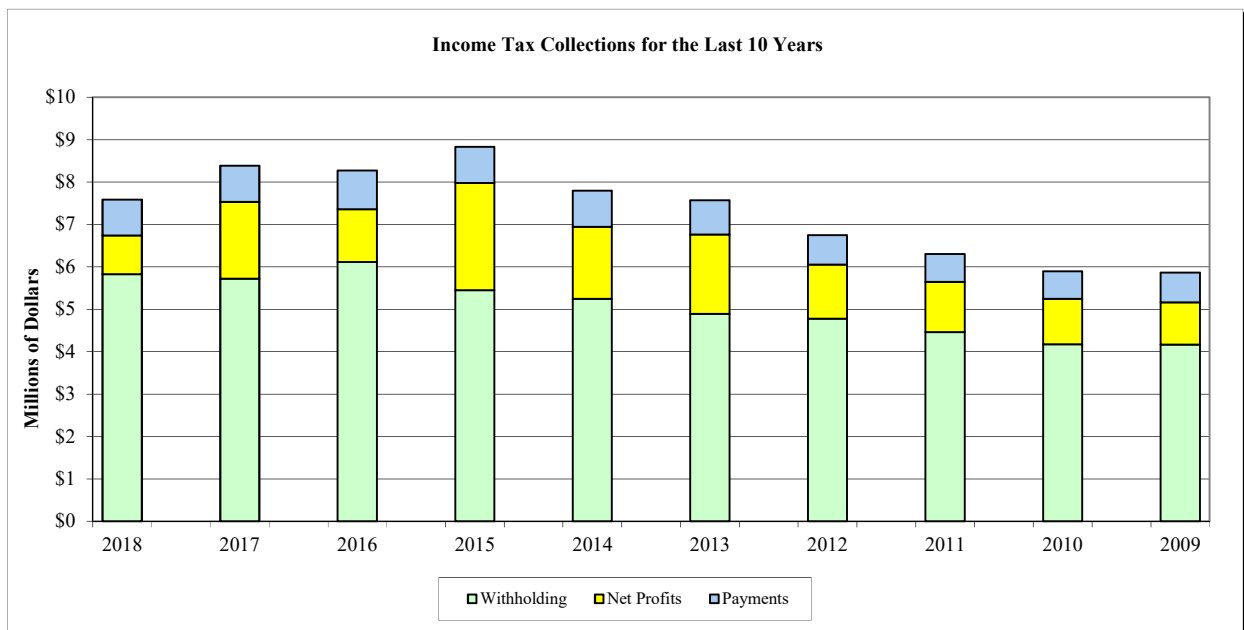
Tax Year	Tax Rate (1)	Total Tax Collected (2)	Taxes From Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes from Individual Payments	Percentage of Taxes from Individual Payments
2018	1.50%	\$7,584,656	\$5,823,574	76.78%	\$915,430	12.07%	\$845,652	11.15%
2017	1.50	8,382,969	5,719,736	68.23	1,813,333	21.63	849,900	10.14
2016	1.50	8,274,560	6,110,563	73.85	1,249,684	15.10	914,313	11.05
2015	1.50	8,828,196	5,447,276	61.70	2,529,964	28.66	850,956	9.64
2014	1.50	7,795,811	5,248,140	67.32	1,693,250	21.72	854,421	10.96
2013	1.50	7,571,745	4,894,478	64.64	1,869,111	24.69	808,156	10.67
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	4,174,421	70.77	1,072,951	18.19	651,203	11.04
2009	1.50	5,865,095	4,164,218	71.00	997,066	17.00	703,811	12.00

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**  
**Tuscarawas County, Ohio**  
*Electric Sales (in MWH) and Number of Customers by Type*  
*Last Ten Years*

	2018	2017	2016	2015
<b>Electric Sold (MWH) (000)</b>				
Residential	57,729	53,000	57,572	57,404
Commercial	29,641	27,935	30,907	30,546
Industrial	145,542	141,185	142,506	143,035
<b>Total</b>	<b>232,912</b>	<b>222,120</b>	<b>230,985</b>	<b>230,985</b>
<b>Number of Customers</b>				
Residential	5,813	5,817	5,828	5,831
Commercial	892	891	888	879
Industrial	111	110	107	103
<b>Total</b>	<b>6,816</b>	<b>6,818</b>	<b>6,823</b>	<b>6,813</b>

Source: City Records

2014	2013	2012	2011	2010	2009
58,765	56,788	58,606	59,323	60,813	55,830
31,189	30,044	30,049	30,758	30,437	27,042
146,636	140,649	141,896	138,487	141,090	128,300
<u>236,590</u>	<u>227,481</u>	<u>230,551</u>	<u>228,568</u>	<u>232,340</u>	<u>211,172</u>
5,794	5,777	5,772	5,775	5,770	5,762
871	871	862	848	841	836
103	102	102	113	117	122
<u>6,768</u>	<u>6,750</u>	<u>6,736</u>	<u>6,736</u>	<u>6,728</u>	<u>6,720</u>

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

<b>Type of Customer:</b>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Residential:</b>				
Customer Charge	\$6.99000	\$6.92000	\$6.85000	\$6.78000
First 800 KWH	0.12711	0.12585	0.12460	0.12337
Next 700 KWH - per KWH	0.12129	0.12009	0.11890	0.11772
All Over 1500 KWH - per KWH	0.11356	0.11244	0.11133	0.11023
<b>Commercial:</b>				
Customer Charge	6.62000	6.55000	6.49000	6.43000
First 50 KWH per KW of demand - per KWH	0.16275	0.16114	0.15954	0.15796
Next 150 KWH per KW of demand - per KWH				
First 3,000 KWH per KWH	0.14161	0.14021	0.13882	0.13745
Over 3,000 KWH per KWH	0.11912	0.11794	0.11677	0.11561
For all remaining KWH per KWH	0.10503	0.10399	0.10296	0.10194
<b>Industrial (per KVA):</b>				
Minimum Charge - per KVA of demand	2.75000	2.75000	2.75000	2.75000
First 30 KWH per KVA of demand - per KWH	0.18142	0.17962	0.17784	0.17608
Next 170 KWH per KVA of demand				
2,000 KWH - per KWH	0.13668	0.13535	0.13399	0.13266
8,000 KWH - per KWH	0.12337	0.12215	0.12094	0.11974
90,000 KWH - per KWH	0.11087	0.10977	0.10868	0.10760
Over 100,000 KWH - per KWH	0.10232	0.10131	0.10031	0.09932
Over 200 KWH per KVA of demand				
First 200,000 KWH - per KWH	0.09206	0.09113	0.09025	0.08936
All remaining KWH - per KWH	0.08609	0.08524	0.08440	0.08356

Source: City Records

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

2014	2013	2012	2011	2010	2009
\$6.71000	\$5.97000	\$5.97000	\$5.97000	\$5.97000	\$5.97000
0.12215	0.06107	0.06107	0.06107	0.06107	0.06107
0.11655	0.05609	0.05609	0.05609	0.05609	0.05609
0.10914	0.04950	0.04950	0.04950	0.04950	0.04950
6.37000	5.97000	5.97000	5.97000	5.97000	5.97000
0.15640	0.09900	0.09900	0.09900	0.09900	0.09900
0.13609	0.07997	0.07997	0.07997	0.07997	0.07997
0.11447	0.05970	0.05970	0.05970	0.05970	0.05970
0.10093	0.04701	0.04701	0.04701	0.04701	0.04701
2.75000	2.75000	2.75000	2.75000	2.75000	2.75000
0.17434	0.12189	0.12189	0.12189	0.12189	0.12189
0.13135	0.08010	0.08010	0.08010	0.08010	0.08010
0.11855	0.06765	0.06765	0.06765	0.06765	0.06765
0.10653	0.05597	0.05597	0.05597	0.05597	0.05597
0.09834	0.04801	0.04801	0.04801	0.04801	0.04801
0.08848	0.03842	0.03842	0.03842	0.03842	0.03842
0.08273	0.03283	0.03283	0.03283	0.03283	0.03283

**City of Dover**  
**Tuscarawas County, Ohio**  
*Principal Electric Customers*  
2018 and 2009

Customer	2018	
	MWH Sold	Percentage of Total MWH Sold
Dover Chemical Corporation	20,650	8.87 %
Kraton Chemical Corporation	20,268	8.70
Allied Machine and Engineering Corporation	11,371	4.88
Meteor Sealing Systems, LLC	10,866	4.67
Cleveland Clinic Union Hospital	10,253	4.40
Deflecto Corporation	9,696	4.16
Zimmer Patient Care Division	5,277	2.27
Buehlers Food Market, Incorporated	3,978	1.71
Inca Presswood Pallets, Ltd	3,730	1.60
Giant Eagle, Incorporated	3,264	1.40
Totals	99,353	42.66 %
Total MWH Sold	232,912	

Customer	2009	
	MWH Sold	Percentage of Total MWH Sold
Arizona Chemical Corporation	28,578	13.53 %
Dover Chemical Corporation	21,009	9.95
Allied Machine and Engineering Corporation	10,860	5.14
Union Hospital	10,711	5.07
Inca Presswood Pallets, Ltd	6,647	3.15
Meteor Sealing Systems, LLC	5,898	2.79
Zimmer Patient Care Division	5,124	2.43
Rolite Plastics, Incorporated	4,971	2.35
Buehlers Food Market, Incorporated	4,574	2.17
Giant Eagle, Incorporated	4,153	1.97
Totals	102,525	48.55 %
Total MWH Sold	211,172	

Source: City Records

**City of Dover**  
**Tuscarawas County, Ohio**  
*Computation of Direct and Overlapping Debt Attributable to Governmental Activities*  
*December 31, 2018*

	Debt Attributable to Governmental Activities	Overlapping Percentage Applicable to Dover (1)	Amount of Direct and Overlapping Debt
<u>Direct Debt:</u>			
City of Dover			
General Obligation Bonds	\$1,928,333	100.00 %	\$1,928,333
State Infrastructure Bank Loan	120,977	100.00	120,977
OPWC Loans	61,031	100.00	61,031
Capital Lease	5,057	100.00	5,057
	<u>2,115,398</u>		<u>2,115,398</u>
<u>Overlapping Debt:</u>			
Payable from Property Taxes			
Dover City School District Bonds	25,541,149	69.06	17,638,717
Tuscarawas County General Obligation Bonds	817,167	13.58	110,971
Tuscarawas County Bond Anticipation Notes	456,000	13.58	61,925
Payable from Other Sources			
Dover City School District Capital Leases	134,589	69.06	92,947
Tuscarawas County Capital Lease	7,770,921	13.58	1,055,291
	<u>34,719,826</u>		<u>18,959,851</u>
Total	<u>\$36,835,224</u>		<u>\$21,075,249</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**  
**Tuscarawas County, Ohio**  
*Ratios of Outstanding Debt by Type*  
*Last Ten Years*

Governmental Activities								
Year	General Obligation Bonds	Bond Anticipation Notes	Loans	Capital Lease	Total	Actual Taxable Value of Property	Percentage of Actual Taxable Value of Property	Per Capita (1)
2018	\$1,928,333	\$0	\$182,008	\$5,057	\$2,115,398	\$744,240,200	0.28 %	\$166
2017	2,045,128	0	319,778	7,203	2,372,109	730,826,143	0.32	185
2016	2,161,923	0	443,712	9,239	2,614,874	684,167,229	0.38	203
2015	2,273,717	0	523,024	0	2,796,741	679,827,000	0.41	218
2014	2,385,512	0	645,416	0	3,030,928	674,320,771	0.45	235
2013	2,497,307	0	759,657	0	3,256,964	666,952,486	0.49	252
2012	2,604,102	0	857,898	0	3,462,000	668,288,486	0.52	268
2011	2,705,897	0	959,474	0	3,665,371	714,079,200	0.51	286
2010	0	2,640,000	530,860	0	3,170,860	729,445,967	0.43	247
2009	0	2,100,000	0	0	2,100,000	898,534,287	0.23	154
Business-Type Activities								
Year	General Obligation Bonds	OWDA Loans	Revenue Bonds	Bond Anticipation Notes	Total Debt (2)	Percentage of Personal Income (1)	Per Capita (1)	
2018	\$5,783,023	\$7,708,176	\$2,600,000	\$0	\$18,206,597	5.09 %	\$1,426	
2017	6,573,640	8,350,990	3,755,000	0	21,051,739	6.19	1,639	
2016	7,344,257	8,973,411	4,900,000	0	23,832,542	7.49	1,848	
2015	8,099,875	9,576,086	6,020,000	0	26,492,702	8.45	2,061	
2014	6,175,492	10,159,641	7,110,000	0	26,476,061	9.51	2,052	
2013	6,486,109	10,641,507	8,619,848	0	29,004,428	10.42	2,248	
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	

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 Obligation Bonds	Percentage of Actual Taxable Value of Property	Per Capita (1)
\$7,711,356	1.04 %	\$604
8,618,768	1.18	671
9,506,180	1.39	737
10,373,592	1.53	807
8,561,004	1.27	663
8,983,416	1.35	696
9,400,828	1.41	729
9,793,240	1.37	764
0	0.00	0
0	0.00	0

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

	2018	2017	2016	2015
Overall Legal Debt Limit (10.5% of Assessed Valuation)	\$27,350,827	\$26,857,861	\$25,143,146	\$24,983,642
Net Debt Applicable to Debt Limit	1,966,031	2,101,374	2,226,325	2,305,000
Overall Legal Debt Margin (10.5% of Assessed Valuation)	<u>\$25,384,796</u>	<u>\$24,756,487</u>	<u>\$22,916,821</u>	<u>\$22,678,642</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>92.81%</u>	<u>92.18%</u>	<u>91.15%</u>	<u>90.77%</u>
Unvoted Legal Debt Limit (5.5% of Assessed Valuation)	\$14,326,624	\$14,068,403	\$13,170,219	\$13,086,670
Net Debt Applicable to Debt Limit	1,966,031	2,101,374	2,226,325	2,305,000
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	<u>\$12,360,593</u>	<u>\$11,967,029</u>	<u>\$10,943,894</u>	<u>\$10,781,670</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>86.28%</u>	<u>85.06%</u>	<u>83.10%</u>	<u>82.39%</u>

**Legal Debt Margin Calculation for the Year Ended December 31, 2018**

	Overall Margin Within 10.5%	Unvoted Margin Within 5.5%
Assessed property value	<u>\$260,484,070</u>	<u>\$260,484,070</u>
Debt Limitation (percentage of assessed property value)	<u>\$27,350,827</u>	<u>\$14,326,624</u>
Gross Indebtedness	18,317,536	18,317,536
Less: Revenue Bonds	(2,600,000)	(2,600,000)
General Obligation Bonds - Enterprise Funds	(5,710,000)	(5,710,000)
SIB Loan	(120,977)	(120,977)
OWDA Loan	(7,708,176)	(7,708,176)
Police and Fire Pension	<u>(212,352)</u>	<u>(212,352)</u>
Net Debt Applicable to Debt Limit	<u>1,966,031</u>	<u>1,966,031</u>
Legal Debt Margin Within Limitations	<u>\$25,384,796</u>	<u>\$12,360,593</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.

2014	2013	2012	2011	2010	2009
\$24,781,288	\$24,510,504	\$24,559,602	\$24,559,602	\$26,242,211	\$27,400,427
2,430,000	2,550,000	2,665,000	2,770,000	2,740,000	2,200,000
<u>\$22,351,288</u>	<u>\$21,960,504</u>	<u>\$21,894,602</u>	<u>\$21,789,602</u>	<u>\$23,502,211</u>	<u>\$25,200,427</u>
90.19%	89.60%	89.15%	88.72%	89.56%	91.97%
\$12,980,675	\$12,838,835	\$12,864,553	\$12,864,553	\$13,746,025	\$14,352,605
2,430,000	2,550,000	2,665,000	2,770,000	2,740,000	2,200,000
<u>\$10,550,675</u>	<u>\$10,288,835</u>	<u>\$10,199,553</u>	<u>\$10,094,553</u>	<u>\$11,006,025</u>	<u>\$12,152,605</u>
81.28%	80.14%	79.28%	78.47%	80.07%	84.67%

**City of Dover**  
**Tuscarawas County, 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 (3)		Coverage
				Principal	Interest	
2018	\$2,538,861	\$1,646,344	\$892,517	\$455,000	\$48,286	1.77
2017	2,317,707	1,525,346	792,361	455,000	58,718	1.54
2016	2,317,258	1,516,551	800,707	440,000	67,694	1.58
2015	2,261,075	1,318,507	942,568	425,000	75,664	1.88
2014	2,131,554	1,218,259	913,295	170,000	99,734	3.39
2013	2,118,602	1,130,110	988,492	330,000	165,533	1.99
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

(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**  
**Tuscarawas County, 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 (3)		Coverage
				Principal	Interest	
2018	\$28,649,207	\$26,085,685	\$2,563,522	\$700,000	\$18,973	3.57
2017	27,714,175	25,258,029	2,456,146	690,000	28,265	3.42
2016	26,443,201	23,065,791	3,377,410	680,000	37,548	4.71
2015	23,593,649	20,480,922	3,112,727	665,000	46,575	4.37
2014	23,192,677	20,894,165	2,298,512	600,000	309,300	2.53
2013	23,880,871	22,250,673	1,630,198	700,000	236,897	1.74
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

(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**  
**Tuscarawas County, 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 (1)</u>	<u>Median Household Income (1)</u>	<u>Unemployment Rate (3)</u>
2018	12,766	\$357,843,746	\$28,031	\$48,828	4.6%
2017	12,843	340,056,954	26,478	47,451	4.7
2016	12,899	318,050,643	24,657	44,083	4.9
2015	12,857	313,479,374	24,382	44,223	5.4
2014	12,904	278,390,896	21,574	43,951	4.8
2013	12,904	278,390,896	21,574	43,951	6.2
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

(1) Source: U.S. Census Bureau

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

(3) Source: Ohio Department of Job and Family Services

**City of Dover**  
**Tuscarawas County, Ohio**  
*Principal Employers*  
*2018 and 2009*

<b>2018</b>	
Employer	Employees
Cleveland Clinic Union Hospital	1,274
Allied Machine and Engineering Corporation	500
Meteor Sealing Systems, LLC	463
Zimmer Patient Care Division	392
Hennis Care Center, Incorporated	335
Park Village Health Care Center	296
Dover City School District	289
New Dawn Health Care	262
Marlite, Incorporated	172
City of Dover	155
<b>Total</b>	<b>4,138</b>
<b>Total Employment within the City</b>	<b>n/a</b>

<b>2009</b>	
Employer	Employees
Union Hospital	745
Allied Machine and Engineering Corporation	320
Zimmer Patient Care Division	249
Dover City School District	242
Buehlers Food Market, Incorporated	222
Marlite, Incorporated	159
Park Village Health Care Center	157
City of Dover	152
Hennis Care Center, Incorporated	150
New Dawn Health Care	135
<b>Total</b>	<b>2,531</b>
<b>Total Employment within the City</b>	<b>n/a</b>

Source: City Records  
n/a - Information not available

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

Function/Program	2018	2017	2016	2015	2014
<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	3.0	1.5	1.0	1.5
Income Tax Department	2.5	2.5	2.5	2.5	2.5
Service Director	2.0	2.0	2.0	2.0	2.0
Janitor	1.0	1.0	1.0	1.0	1.0
<b>Security of Persons and Property</b>					
Police	25.0	25.0	23.0	23.0	23.0
Fire	24.0	22.0	19.0	19.0	19.0
Safety Director	1.0	0.0	1.0	1.0	1.0
Traffic Safety	8.5	8.5	11.0	10.5	8.0
<b>Transportation</b>					
Service/Street M&R	15.0	13.5	12.0	11.5	13.5
<b>Public Health Services</b>					
Cemetery	8.0	8.0	8.0	7.0	7.0
<b>Community Environment</b>					
Building	1.0	1.0	1.0	1.0	1.0
<b>Leisure Time Activities</b>					
Parks and Recreation	33.0	34.5	36.5	34.5	32.5
<b>Basic Utility Services</b>					
Sewer	18.0	18.0	16.5	16.5	18.5
Electric	41.0	40.5	42.5	43.5	41.0
Water	12.0	13.0	11.0	11.5	12.0
Totals	<u>209.0</u>	<u>208.0</u>	<u>204.0</u>	<u>201.0</u>	<u>199.0</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>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
11.0	11.0	11.0	11.0	11.0
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
1.5	1.5	1.5	3.0	3.0
3.5	2.5	2.0	2.5	2.5
2.0	2.0	2.0	2.5	2.5
1.0	1.0	0.0	0.0	1.0
23.0	22.0	22.0	20.0	22.0
18.0	18.0	17.0	19.0	18.0
0.5	0.5	0.5	0.5	0.5
6.5	7.5	7.0	11.0	9.0
15.0	15.0	14.0	14.0	14.0
7.0	7.0	7.0	7.5	7.5
1.0	1.0	1.0	1.0	1.0
32.0	26.0	23.0	23.0	23.5
19.5	19.5	17.0	18.0	17.0
42.0	39.0	41.0	44.0	47.5
13.0	12.0	12.0	13.5	14.0
<u>201.0</u>	<u>190.0</u>	<u>182.5</u>	<u>195.0</u>	<u>198.5</u>

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

Function/Program	2018	2017	2016	2015
<b>General Government</b>				
<i><b>Council and Clerk</b></i>				
Number of ordinances passed	54	52	52	51
Number of resolutions passed	15	20	14	30
<i><b>Planning Commission</b></i>				
Number of Planning Commission docket items	15	36	14	28
<i><b>Finance Department</b></i>				
Number of checks/vouchers issued	4,517	4,337	4,189	4,292
Amount of checks written	\$51,738,120	\$48,290,720	\$48,564,187	\$43,126,613
Interest earnings for fiscal year (cash basis)	\$273,594	\$147,706	\$62,354	\$19,961
Number of receipts issued	471	499	551	534
General fund receipts (cash basis)	\$8,717,583	\$8,932,334	\$8,137,259	\$8,490,271
General fund expenditures (cash basis)	\$9,033,412	\$8,544,407	\$8,273,160	\$7,894,249
<i><b>Income Tax Department</b></i>				
Number of business net profit forms processed	1,378	1,338	1,357	1,339
Number of individual forms processed	2,793	2,754	2,973	3,150
Amount of penalties and interest collected	\$95,990	\$94,796	\$63,502	\$57,534
<i><b>Civil Service</b></i>				
Number of police entry tests administered	1	1	0	1
Number of fire entry tests administered	2	0	1	1
Number of police promotional tests administered	0	1	0	2
Number of hires of police officers from certified lists	1	2	0	2
Number of hires of fire/medics from certified lists	2	3	0	2
Number of promotions from police certified lists	0	1	0	0
<i><b>Building and Zoning</b></i>				
Estimated value of construction	\$43,907,442	\$5,754,058	\$16,314,458	\$33,278,239
Number of permits issued (all types)	212	244	217	207
Amount of revenue generated from permits	\$10,915	\$13,220	\$12,566	\$11,400
Number of contractor licenses	224	296	269	290
Zoning Board of Appeals hearings	14	24	13	13

2014	2013	2012	2011	2010	2009
65	67	63	57	66	70
27	26	16	19	22	22
28	25	15	25	16	36
4,197	3,782	3,818	4,037	3,981	4,048
\$55,183,032	\$52,888,467	\$49,211,053	\$58,220,483	\$54,842,028	\$50,816,846
\$9,152	\$14,515	\$21,504	\$51,834	\$69,653	\$210,568
555	564	540	557	543	584
\$7,902,413	\$8,055,961	\$7,184,714	\$7,500,648	\$6,777,345	\$6,167,226
\$7,967,437	\$7,644,025	\$7,448,613	\$6,652,344	\$6,347,883	\$6,321,992
1,333	1,374	1,265	1,294	1,238	1,261
2,902	4,817	4,394	2,557	2,564	2,590
\$51,179	\$45,894	\$32,544	\$38,627	\$37,362	\$29,725
0	1	1	0	1	0
1	0	0	1	1	1
0	1	0	0	2	0
0	0	0	3	0	0
1	0	1	0	0	0
0	1	0	3	0	0
\$19,135,419	\$12,799,960	\$20,454,790	\$8,490,640	\$2,838,874	\$5,884,436
223	275	280	240	225	228
\$11,800	\$8,884	\$9,730	\$13,595	\$10,115	\$21,478
267	295	319	261	278	285
28	28	27	26	22	29

(continued)

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

Function/Program	2018	2017	2016	2015
<b>Security of Persons and Property</b>				
<i>Police</i>				
Total calls for services	12,838	13,277	11,256	9,770
Number of traffic citations issued	1,207	981	736	532
Number of parking citations issued	121	61	74	57
Number of felony arrests	131	47	50	28
Number of misdemeanor arrests	619	562	477	374
Number of traffic accidents investigated	281	311	527	432
Number of injury accidents	43	17	41	44
Number of fatal accidents	0	0	0	0
Prisoners	95	87	82	90
Total miles driven	172,160	173,494	176,323	163,503
Total gasoline used	16,188	17,895	20,077	16,915
<i>Fire</i>				
EMS calls	1,754	1,615	1,531	1,454
Fire calls	77	92	78	99
Training hours	1,723	1,636	1,750	1,369
<b>Leisure Time Activities</b>				
<i>Recreation</i>				
Recreation League fees	\$16,585	\$18,060	\$19,815	\$19,960
<b>Transportation</b>				
Tons of asphalt	5,010	5,079	4,500	3,759
Tons of limestone	500	600	500	500
Paint striping (gallons of paint)	840	775	600	475
Street sweeping (days)	85	140	106	150
Man hours of leaf pick-up	1,362	944	1,100	970
Tons of salt	1,125	1,222	893	2,062
<b>Water Department</b>				
Average residential gallons of water billed monthly	3,900	3,900	4,200	4,000
<b>Wastewater Department</b>				
Average residential gallons of sewer billed monthly	3,700	3,700	4,000	3,900

Source: City Records

2014	2013	2012	2011	2010	2009
8,989	8,616	8,721	9,367	10,443	10,802
483	450	559	694	851	887
91	79	52	111	154	183
34	37	30	68	27	79
383	512	497	504	447	590
402	477	351	393	366	343
48	56	44	32	68	50
0	0	0	1	1	0
101	97	120	95	64	88
154,886	143,688	152,166	157,409	161,908	162,104
16,132	13,991	14,079	14,249	14,892	14,438
1,385	1,405	1,274	1,349	1,316	1,238
87	84	91	86	105	131
1,583	1,339	1,657	1,074	1,674	1,338
\$19,909	\$22,040	\$22,225	\$18,910	\$15,550	\$21,475
5,636	3,396	2,744	3,037	6,500	4,593
560	540	1,000	1,213	1,149	1,357
475	475	430	430	475	375
127	109	127	138	145	144
1,312	848	936	1,048	992	1,120
1,942	1,800	748	2,027	2,125	1,575
4,300	4,100	3,750	3,500	3,240	4,599
4,100	3,900	3,750	3,350	3,392	4,599

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

Function/Program	2018	2017	2016	2015
<b>General Government</b>				
Square Footage Occupied	1,932	1,932	1,932	1,932
Vehicles	2	2	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	11	11	12	10
<b>Fire</b>				
Stations	1	1	1	1
Square Footage of Building	6,900	6,900	6,900	6,900
Fire Hydrants	647	644	640	636
Vehicles	15	15	15	15
<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	72	72
Street Lights	2,485	2,466	2,466	2,442
Storm Sewers (miles)	34	34	34	34
<b>Utility Services</b>				
Sanitary Sewers (miles)	68	68	68	67
Electric Lines (miles)	382	367	367	367
Water Lines (miles)	86	86	85	85

Source: City Records

2014	2013	2012	2011	2010	2009
1,932 3	1,932 2	1,932 4	1,932 3	1,932 3	1,932 3
1 6,468 9	1 6,468 9	1 6,468 9	1 6,468 10	1 6,468 10	1 6,468 13
1 6,900 636 15	1 6,900 634 14	1 6,900 634 13	1 6,900 633 12	1 6,900 633 12	1 6,900 633 12
2 2 8 10	2 2 8 10	2 2 8 10	2 2 8 10	2 2 8 10	2 2 8 10
72 2,555 34	72 2,461 34	72 2,448 34	72 2,438 34	71 2,437 33	71 2,397 33
67 377 85	67 377 85	67 376 85	67 375 85	67 359 85	67 357 85

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**The City of Dover • OH**

**C • A • F • R**

for the Year Ended 12/31/2018

OHIO AUDITOR OF STATE  
**KEITH FABER**



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  
AUGUST 27, 2019