



**Auditor of State  
Betty Montgomery**



**CITY OF DOVER  
TUSCARAWAS COUNTY**

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

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

To the Members of City Council:

We have audited the basic financial statements of the City of Dover, Tuscarawas County, Ohio, (the City) as of and for the year ended December 31, 2003, and have issued our report thereon dated June 11, 2004. 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.

**Compliance**

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

However, we noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated June 11, 2004.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the City in a separate letter dated June 11, 2004.

This report is intended for the information and use of the management and City Council, and is not intended to be and should not be used by anyone other than these specified parties.

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

**Betty Montgomery**  
Auditor of State

June 11, 2004

**CITY OF DOVER  
TUSCARAWAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2003**

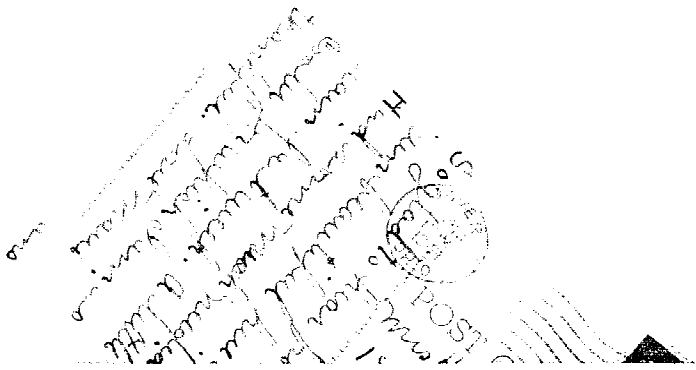
Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain:</i></b>
2002-001	Ohio Rev. Code Section 5705.41(D) - expenditures were not properly certified	No	Partially correct. Refer to Management Letter citation.
2002-002	Bank reconciliations for 2002 contained various unresolved variances	Yes	Fully corrected. All bank reconciliations for 2003 were prepared and all variances were resolved.





CITY OF DOVER, OHIO

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



Third Street Looking West, Dover, Ohio

9A540-N

- FOR THE YEAR ENDED DECEMBER 31, 2003 -



**CITY of DOVER, OHIO**

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**- FOR THE YEAR ENDED DECEMBER 31, 2003 -**



Prepared by the City of Dover Auditor's Office

Mary J. Fox • Dover City Auditor  
Joyce Ray • Assistant Auditor  
Debra Edwards • Office Assistant

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## **Introductory Section**



**City of Dover, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2003*  
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# City Of Dover

## Auditor's Office

122 EAST THIRD STREET • DOVER, OHIO 44622

(330) 343-6385

Mary J. Fox, Auditor  
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Fax (330) 343-2775

June 11, 2004

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

The purpose of this letter is to acquaint you with the City of Dover's Comprehensive Annual Financial Report (CAFR), prepared by the City Auditor's Office. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data as presented is accurate in all material respects, that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activity have been included. This report will provide the taxpayers of the City of Dover with comprehensive financial data in a format which will enable them to gain an understanding of the City of Dover's financial affairs. Copies will be made available to the Chamber of Commerce, major taxpayers, Dover Public Library, financial rating services and other interested parties.

The comprehensive annual financial report is presented in three sections as follows:

1. The Introductory Section contains the table of contents, letter of transmittal, GFOA Certificate of Achievement, elected and principal officials of the City, and the City's organizational chart.
2. The Financial Section begins with the Independent Accountant's Report, and includes Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the City's financial position and operating results, the Combining Statements for nonmajor funds and other schedules that provide detailed information relative to the Basic Financial Statements.
3. The Statistical Section presents various tables reflecting social and economic information, financial trends, and fiscal capacity of the City.

### City Organization

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 1901. By December 18, 1915, the City was officially referred to by its original name of Dover.



TREE CITY USA

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 council members-at-large and four ward council members. A safety director, service director, auditor, treasurer, and law director are responsible for various departments of City business.

## **Reporting Entity and Services Provided**

For financial reporting purposes, the City has considered all departments and organizations making up the City of Dover (the primary government).

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, the Southeastern Ohio Narcotics Team and the Ohio Mid-Eastern Governments Association are reported as jointly governed organizations. The City is also associated with one joint venture, the Ohio Municipal Electric Generation Agency (JV2).

The City provides the full range of municipal services. These services include police, fire, health care, recreation programs (including parks), transportation programs (including streets), water treatment and distribution and 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.

## **Economic Condition and Outlook**

Dover covers an area of 5.71 square miles in northeastern Ohio and is located to the south of Cleveland and Canton. The City is easily accessible from Interstate 77. This popular and expanding residential community is noted for its older elegant homes built on quiet tree-lined streets. Dover is a highly desirable City to live in Tuscarawas County, as property values outpace inflation. The underlying strength of Dover's growing economy comes from its diversity. Dover does not depend on one firm for local employment; as many as six corporations employ in excess of 200 people each, lending to the City's diversification.

Five banks (Huntington National, Bank One, First National Bank of Dennison, Citizens Bank, First Federal Bank) are located in the City. Financial institutions located in the County had total deposits of \$247,585,000 on December 31, 2003.

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 Adelphia Cable Company provides digital cable TV services. Three AM and FM radio stations are located in the County (one within the City).

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

Union Hospital continues to be a great asset to the City of Dover. The Hospital has an active staff of 180 primary care physicians and specialists, with physicians traveling from Canton to see patients on certain days of the week. A 50,000 square foot Boulevard South Addition was completed in 2003, and the growing cardiology and vascular testing services have been relocated to this area. This addition allowed for expansion of inpatient rooms which have grown from 110 to 158. Union Hospital is the City's largest employer with more than 900 employees at year end. Recruitment of additional staff is ongoing. The emergency department has also been expanded with the addition of the Emergency Express area, which can

treat one-third of the patients with minor illnesses. The wait time for emergency treatment has decreased drastically as a result of the expansion. The emergency department treated 36,000 patients in 2003. State of the art technology equipment and quality doctors enable residents to receive medical treatment locally.

A goal has become a reality for two local businessmen when in the summer of 2003, Precision Material Handling opened its doors to become the only fully dedicated forklift and material handling product sales and service company in Tuscarawas County. The new business employs nine and offers a full array of products and pricing, with a solid inventory for both sales and rentals. In addition, the company has three vans fully equipped for onsite maintenance available 24 hours a day.

A well-established family owned business, Allied Machine & Engineering Corporation (AMEC) has developed new tooling. The tooling is for producing SAE port forms in addition to a new line of indexable carbide inserts and super abrasives/verified grinding wheels. The business was founded in 1941 as a job shop through government contracts and helped with the war effort by providing specific components for M-1 tanks. The company has expanded and changed its focus many times throughout the years. A European office was opened in 1995 under the name of Allied Maxcut United Kingdom. New products continue to be developed.

The Tuscarawas Port Authority bought the former AK Steel complex on January 9, 2003, for nearly \$1.5 million dollars. The 700,000 square feet of buildings on 44 acres of land had been empty for nearly three years. The intention to fill this complex with new and existing businesses is on its way to being realized. Owens Corning became the first resident in February of 2003, with others following. These include Rolite, Inc. and McKeever Decorating. A business incubator is being added with the goal of new businesses, either service related, light manufacturing or assembly, to have start up space. The businesses are given space for start up in a 29,000 square foot facility and stay of up to 5 years to establish themselves before venturing out into the community.

Marlite a corporation that manufactures and sells a variety of rigid wall coverings to be used in commercial buildings has spent 2003 gearing up for success. The Marlite Operations and Systems Transition task force was formed. The 40 member force was divided into four focus groups. Each group was responsible for specific goals which were primarily accomplished in 2003 resulting in changes in daily operations. The year's goal was to lay the groundwork for increased efficiency and performance with an aggressive approach to bringing new products to the markets they serve. The newest addition is the brand Connection. Connection consists of full panels with face mounted trim, dividing the walls into a decorative grid. In March of 2004 the company was sold. Two Marlite executives competed with other interested investors to purchase the company. Marlite employs more than 200 employees at its Dover location.

With help from an approved tax abatement by the City of Dover, Meteor Sealing Systems, Inc. is planning a \$14 million expansion to its Dover facility. This investment includes the creation of 113 new jobs in Dover by the year 2005 according to the plans submitted by the company. These jobs will create an estimated \$2.4 million in new payroll for the years 2003, 2004, and 2005.

Dover is very proud of one of its more unique residents. Dover was the home of Ernest "Mooney" Warther and is still home to many of his descendants. Mooney Warther was a master carver, who began whittling at age 5. Throughout his life he carved the history of the steam engine. He also carved high quality knives. One hundred and one years after Mooney Warther carved his first kitchen knife, the family continues to manufacture the fine cutlery, as well as operating the museum that houses Mooney's many carvings. A \$1.5 million dollar addition that doubled the size of the museum and gift shop was completed in June 2002. The museum now includes a 50 seat theater and conference room. Frieda Warther collected buttons and the "button house" showcases 73,000 buttons. The museum offers guided tours daily. Dinner tours are also available, with a catered dinner served in the Ivory Room of the museum. This is offered to tours of 25 or more.

## Major Initiatives

**For the Year** The City of Dover has been actively involved in many issues that will affect the City for many years to come. Agressive annexations and new housing developments are providing the City with expected growth economically as well as expanding the City's size.

The City has a keen interest in the legislation that affects the municipal electric industry. Our Mayor Richard P. Homrighausen serves as the president of the Ohio Municipal Electric Association. He has been asked to testify in Washington D. C., at Senate Sub Committee hearings in recent years and continues to be a voice in Washington, advocating the needs of small municipal generating plants in Ohio.

Construction is in progress of a 69 KV line from the Northern Intertie to the Light Plant that will provide a loop feed. This loop will greatly increase our reliability and provide ease of maintenance of the system. A new distribution substation at the Northern Intertie is being constructed, and the existing substation equipment at that site is being upgraded and relocated to the site of the current south substation. This project was scheduled for completion in 2002, however, due to unforeseen issues, the project continues into 2004.

It is the City's intention not only to improve the quality of our electric system, but to also provide the City with state of the art communications with the use of fiber optic cable. This goal was achieved late in 2003, when the City of Dover departments were linked through a fiber network maintained in house. This network provides the City with a state of the art phone system as well as internet access. The ability to provide local business a fiber optic connection will be realized in 2004. The administration and City Council are exploring the many opportunities this telecommunication link can provide, and will continue to research the most cost effective way to utilize this valuable asset.

In 2003, the baseball and softball fields had more than 500 league tournament games. Improvements to the park included new carpet for the bocce courts, cement around the pool area and the Dover Rotary donated two swings and two picnic tables for the area surrounding the new City pond that was completed in 2002.

The Street Department provides many services to the public such as leaf and brush removal, street painting, catch basin repair, street cleaning and sign maintenance, just to name a few. The leaf season this year consisted of thirty-four working days with 168 loads of leaves collected, 1,192 gallons of fuel used, and 1,066 man hours. There were 1,952 requests for brush pickup throughout the year. The City maintained its existing paving program. 7,500 tons of asphalt was used to pave 14 streets, nine paved alleys along with 3 stone alleys.

The Traffic Department's, a division of the Street Department, had a painting program during 2003 that consisted of the use of 560 gallons of yellow paint, 200 gallons of white paint and 6,800 pounds of glass beads applied to the City's streets, numerous parking stalls, crosswalks, railroad crossing emblems and turn bays. The department also installed or replaced a total of 115 signs and maintained the City's twenty eight traffic light systems.

The police department continues to serve the community by providing service programs such as the Third Grade Seat Belt Program, Fourth Grade Bicycle Safety Program, National Child Safety Program for K thru 5<sup>th</sup> Grade, and Halloween Safety for grades 1 thru 6. Officers represent the department and make presentations at many organizations upon request. It is a priority of the police department to provide the best service and education as possible to the Citizens of Dover.

The Tuscarawas Safe Kids Coalitions in conjunction with local law enforcement agencies hold a Teen Rodeo annually in the spring. The Teen Rodeo is open to 16-18 year olds. The individuals compete and learn driving skills. The City of Dover police department has been involved with the Teen Rodeo since 1994.

The fire department recognizes Fire Prevention Week each year by hosting an open house. Displays include fire safety, EMS, and various informational and historical presentations. Department members were on hand to demonstrate the uses of various equipment. The fire department is consistently updating standard operating procedures and keeping the public informed of fire safety.

As always, all departments have kept a progressive approach to management and are 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's future is not only bright, but it stands as a beacon to the entire Tuscarawas Valley. With our initiatives in the area of Fiber Optics, Broadband Communications and Internet Solutions, Dover has positioned herself as the "Premier Location Community" of Tuscarawas County. The City has a strong desire to work with our existing business and industry, as well as those who are looking to locate in Dover, through the implementations of innovative tax incentives. Dover maintains her own Revolving Loan Review Board, which has just added an additional \$500,000 loan for Rolite Plastics, Inc., that will allow us even more capital to use for Economic Development.

Our Dover City School system has achieved an Excellent ranking, the only school system in Tuscarawas County to reach that achievement. With the City's booming home industry and our numerous new subdivisions, 23 years of being a "Tree City USA", and the strong commitment to fiscal responsibility by the Auditor and the City Administration, Dover's future is only limited by the available daylight as to what we can achieve.

***Department Focus*** Each year the City selects a department to highlight for its efforts and accomplishments. For 2003, we would like to focus the City Cemetery department.

The City of Dover Cemetery Department operates and maintains three cemeteries, Fourth Street, Maple Grove and Dover Burial Park. Dover Burial Park is the largest with 125 acres. A house was built in 1930 on the property to provide housing to the City Cemetery Superintendent.

The Cemetery department has been expanding its operation for many years by adding a new office building in 1991 and adding the first phase of a 196 crypt community mausoleum, which also contained 96 cremation niches in 1993, and completing the final stage of the project in 1998. This past year, a new 1,500 square foot storage and maintenance building was completed. Cemetery personnel which consist of six full time employees performed much of the work on the building.

Within the past twenty years the cemetery has developed two new ground burial sections and has sold the timber, which has produced significant income to assist in the cost associated with operations. In addition, a gas well was drilled on undeveloped property. This gas well continues to produce.

From the cemeteries beautifully kept grounds, to the care provided by each member of the Cemetery Department, the City of Dover prides itself in providing a full service final resting place for its residents, and for their families to visit.

## **Financial Information**

***Internal Accounting and Budgetary Control*** In the preparation of its annual report, the City uses the modified accrual basis of accounting for governmental funds, and the accrual basis for enterprise, internal service and fiduciary funds. When using the modified accrual basis, revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. The accrual basis recognizes revenues when earned and expenses when incurred. This timing enables management to improve the quality of its decision making process by providing more consistent, comparable information regarding the current and past operations and financial position of the City.

In developing and updating the City's accounting and reporting control system, consideration is given to the adequacy of internal control in providing reasonable but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from its implementation, and that the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. The City Auditor's responsibilities include evaluating the appropriateness of internal control, developing procedures to enhance internal control and working closely with outside auditors.

The City uses a fully automated accounting system which provides the capability to prepare financial information based on generally accepted accounting principles (GAAP) for governments. 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.

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.

***New Financial Reporting*** This is the third year the City has prepared financial statements following "GASB Statement 34 - Basic Financial Statements-and-Management's Discussion and Analysis - for State and Local Governments." GASB 34 creates new basic financial statements for reporting on the City's financial activities as follows:

***Government-wide financial statements*** These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

***Fund financial statements*** These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

***Statements of budgetary comparisons*** These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

As a part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the City. This discussion follows the Independent Accountant's Report, providing an assessment of the City finances for 2003 and the outlook for the future.

***Financial Highlights - Internal Service Fund*** There is one internal service fund carried on the City's financial records. The self insurance-internal service fund has net assets of (\$25,531) as of December 31, 2003.

***Cash Management*** Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, STAR Ohio and mutual funds.



Protection of the City's deposits is provided by the federal deposit insurance corporation as well as by qualified securities pledged by the institution holding the assets. By law, financial institutions may establish a collateral pool to cover all public funds deposited.

**Risk Management** The City of Dover manages the hospital/medical health benefits for its employees on a self-insured basis. A third party administrator processes and pays the claims. An excess coverage insurance policy covers claims in excess of \$55,000 per employee per year and in the aggregate of \$1,271,920 per year. The advantages of the self-insurance arrangement include the City of Dover holding the reserves and earning interest on them as well as saving on administrative costs. Control of the plan rests with the City.

All employees of the City of Dover are covered by a blanket bond, while certain individuals in policy making roles are covered by separate, higher limit bond coverage. The City contracts for general liability insurance with a \$1,000,000 limit and a \$5,000,000 limit Umbrella Policy.

### **Independent Audit**

The financial records, books of accounts and transactions of the City of Dover, Ohio, for the year ended December 31, 2003, have been audited by the Auditor of State Betty Montgomery's Office. The Auditor's opinion has been included in this report.

### **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, 2002.

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.

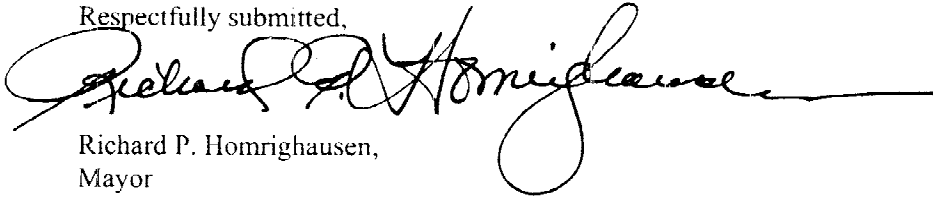
**Tree City USA** The City received its twenty-third Tree City USA Award for the year ended December 31, 2003. These prestigious awards recognize the City for its annual program of planting new trees and maintaining and removing old trees.

### **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 finance department, supervisors of other City departments, and both the Audit and the Local Government Services Section of the Auditor of State Betty Montgomery's office.

We are happy to report that the City's financial policies and management, combined with a strong local economy, have enabled Dover to continue to improve its already sound financial condition. In addition, the prospects for continuing this pattern are encouraging. 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,

A handwritten signature in black ink, appearing to read "Richard P. Homrighausen". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Richard P. Homrighausen,  
Mayor

A handwritten signature in black ink, appearing to read "Mary J. Fox". The signature is cursive and compact.

Mary J. Fox  
Auditor

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Dover,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2002

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Edward Haney*

President

*Jeffrey R. Emer*

Executive Director

**City of Dover, Ohio**  
*Principal Officials*  
*December 31, 2003*

Mayor..... Richard P. Homrighausen  
President of Council..... Roy G. Crawford  
Councilman – Ward I..... Marsha J. Mari  
Councilman – Ward II..... Daniel R. Minnis  
Councilman – Ward III..... Sandra K. Moss  
Councilman – Ward IV..... Robert A. Mueller  
Council-at-Large..... J. Marc Cappell  
Council-at-Large..... Timothy W. Tarulli  
Council-at-Large..... Larry E. Kellicker  
Clerk of Council..... Lois A. Linard  
Law Director..... Zachary T. Space  
Building Inspector..... Kenneth G. Beitzel  
Civil Service..... Martha M. Mills

Finance Department

Auditor..... Mary J. Fox  
Treasurer..... Joseph C. Maybaugh  
Income Tax Administrator..... Sandra C. Hall

Safety Department

Safety Director..... Tweed Vorhees  
Fire Chief..... Russell Volkert  
Police Chief..... Ronald R. Johnson

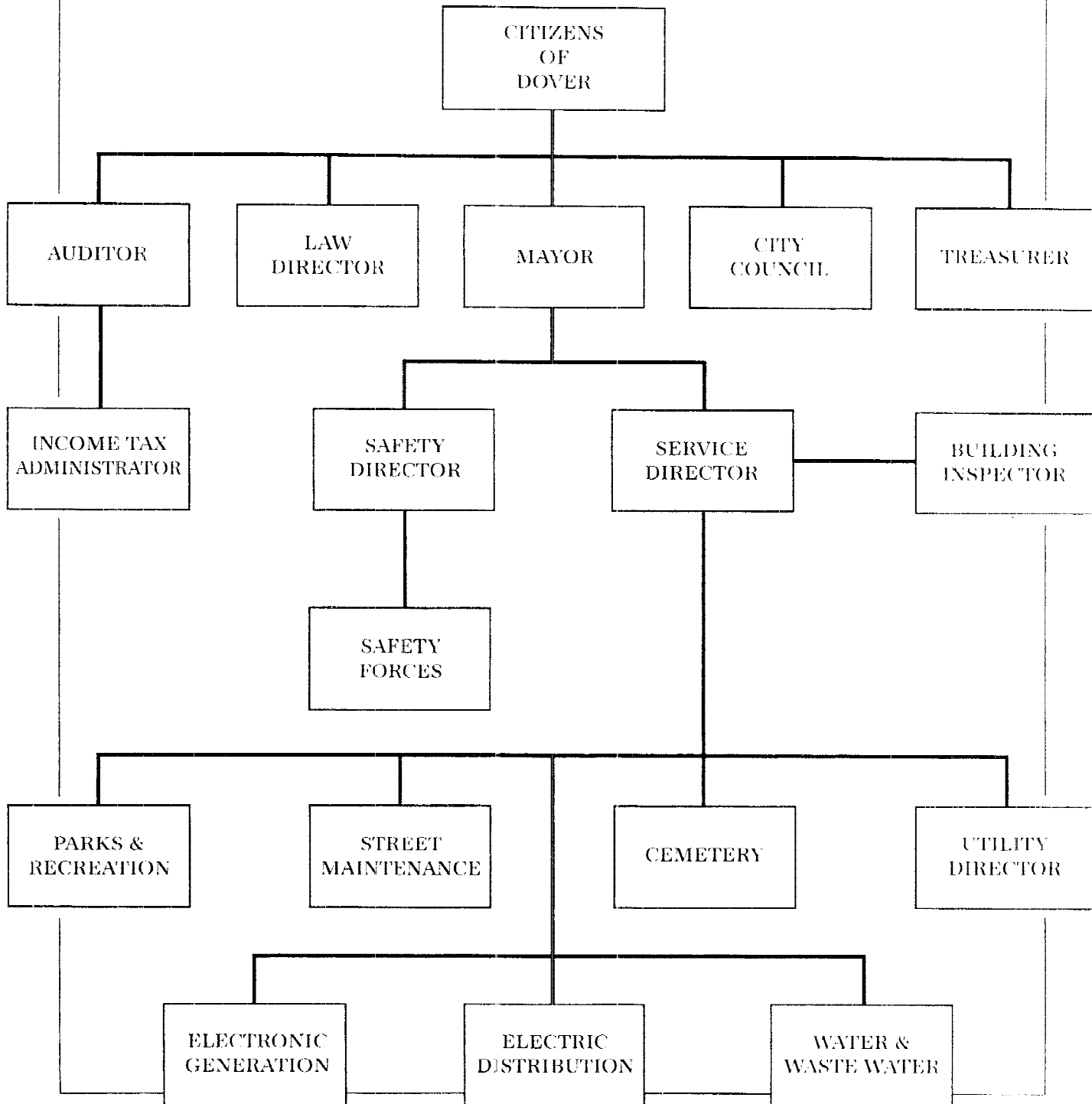
Service Department

Service Director..... David F. Douglas  
Cemetery..... James A. Mizer  
Electric Distribution..... Lindley Singer  
Electric Plant..... David G. Borland  
General Services..... Rick D. Young  
Parks and Recreation..... William R. Heid  
Utilities Office..... Scott D. Daniels  
Water and Sewer..... Gary L. Taylor



# CITY OF DOVER, OHIO

## Organization Chart



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## **Financial Section**







**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANT'S REPORT**

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

To the Members of City Council:

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, 2003, which collectively comprise the City's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, 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, 2003, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2004, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion & Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

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

**Betty Montgomery**  
Auditor of State

June 11, 2004

**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2003*  
*Unaudited*

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The discussion and analysis for the City of Dover's financial statements provides an overall review of the financial activity of the City for the twelve months ended December 31, 2003. 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 2003 are as follows:

- Total Net Assets decreased \$486,180. Net Assets of governmental activities decreased \$555,670 which represents a 6.8 percent decrease from 2002. Net assets of business-type activities increased \$69,490 or less than 1 percent from 2002.
- Total Assets of Government Activities decreased \$122,849 or .9 percent below the 2002 level.
- Total Current Liabilities increased \$840,758.
- Total Capital Assets increased \$1,070,970, which represents a 2 percent increase.
- Total Outstanding Debt decreased \$129,357 or 1 percent during 2003.

**Using this Annual Financial Report**

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

The Statement of Net Assets and the Statement of Changes in Net Assets provide information from a summary perspective showing the effects of the operations for the year 2003 and how they affected the operations of the City as a whole.

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

Statement of Net Assets and Statement of Activities

The Statement of Net Assets 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 assets and changes in those assets. The change in net assets 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-cash 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.

**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
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In the Statement of Net Assets 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 8. The fund financial reports give a detailed report of the activities within the funds. The City currently has nineteen funds. These funds are in existence to provide a multitude of services to the citizens of Dover. Each fund is in some ways an entity unto itself. Each fund has a designed revenue stream and restricted uses for the monies within the fund.

In this report, the focus is on five major funds, the General fund, the Master Capital fund, the Sewer fund, the Electric fund, and the Water fund. For purposes of this report, the Sewer Revenue and Wastewater Reserve are reported as the "Sewer Fund." Likewise the Electric Revenue, Guarantee Deposit, Electric Replacement and Improvement, Electric System Construction, Electric System Capital Reserve, Electric Surplus, and the Municipal Electric Improvement are all reported under the "Electric Fund" and the Water Revenue, Water Surplus, Water Construction and the Water Replacement and Improvement are reported as the "Water Fund"

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

**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2003*  
*Unaudited*

**The City of Dover as a Whole**

The Statement of Net Assets provides an overall view of the City. Table 1 shows a summary of the City's net assets for 2003 as they compare to 2002.

**Table 1**  
**Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2002	2003	2002	2003	2002	2003
<b>Assets</b>						
Current and Other Assets	\$7,358,071	\$6,207,295	\$15,247,778	\$15,657,840	\$22,605,849	\$21,865,135
Capital Assets, Net	6,447,457	7,475,384	38,766,260	38,960,618	45,213,717	46,436,002
<i>Total Assets</i>	<i>13,805,528</i>	<i>13,682,679</i>	<i>54,014,038</i>	<i>54,618,458</i>	<i>67,819,566</i>	<i>68,301,137</i>
<b>Liabilities</b>						
Current Liabilities	4,244,903	4,731,049	7,844,662	8,199,274	12,089,565	12,930,323
Long-Term Liabilities:						
Due Within One Year	300,923	283,454	990,578	1,051,960	1,291,501	1,335,414
Due in More Than One Year	1,121,978	1,086,122	14,588,519	14,707,455	15,710,497	15,793,577
<i>Total Liabilities</i>	<i>5,667,804</i>	<i>6,100,625</i>	<i>23,423,759</i>	<i>23,958,689</i>	<i>29,091,563</i>	<i>30,059,314</i>
<b>Net Assets</b>						
Invested in Capital Assets,						
Net of Related Debt	3,897,457	4,655,384	18,093,037	19,468,552	21,990,494	24,123,936
Restricted for:						
Cemetery	533,530	501,239	0	0	533,530	501,239
Street Maintenance and Repair	283,945	294,063	0	0	283,945	294,063
Ambulance	140,303	153,974	0	0	140,303	153,974
Revolving Loan	245,413	232,703	0	0	245,413	232,703
Shade Tree	2,909	2,909	0	0	2,909	2,909
Law Enforcement and Education	23,283	26,788	0	0	23,283	26,788
Debt Service	0	0	1,319,910	1,326,026	1,319,910	1,326,026
Capital Projects	0	1,362,487	0	0	0	1,362,487
Replacement and Improvement	0	0	4,269,181	3,392,082	4,269,181	3,392,082
Unrestricted	3,010,884	352,507	6,908,151	6,473,109	9,919,035	6,825,616
<i>Total Net Assets</i>	<i>\$8,137,724</i>	<i>\$7,582,054</i>	<i>\$30,590,279</i>	<i>\$30,659,769</i>	<i>\$38,728,003</i>	<i>\$38,241,823</i>

Total assets increased in 2003 by \$481,571. Total liabilities increased by \$967,751. An increase of income tax receivable was the major contributing factor for the increase of assets in 2003.

The increase of \$967,751 in total liabilities was a result of increased amount of purchased power payable at year end along with an increase in notes payable in the governmental activities.

Total net assets decreased by \$486,180. This number reflects a decrease in governmental activities and an increase in business-type activities.

The City also works hard to increase net assets through our investment program. Investment earnings for governmental and business-type activities were \$208,979 in 2003. This is a decrease of \$190,392 from 2002. This decrease is a result of lower interest rates and the timing of City investments.

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Table 2 shows the changes in net assets for the fiscal year 2003 for both our Governmental activities and our Business-Type activities. Since this is the third year the City is reporting under the GASB 34 reporting model, revenue and expense comparisons can be made between the years 2002 and 2003.

**Table 2**  
**Changes in Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2002	2003	2002	2003	2002	2003
<b>Revenues</b>						
Program Revenues:						
Charges for Services and Sales	\$899,791	\$859,448	\$17,045,341	\$17,666,463	\$17,945,132	\$18,525,911
Operating Grants and Contributions	456,671	539,613	0	0	456,671	539,613
Capital Grants and Contributions	322,207	300,600	97,692	212,957	419,899	513,557
<b>Total Program Revenues</b>	<b>1,678,669</b>	<b>1,699,661</b>	<b>17,143,033</b>	<b>17,879,420</b>	<b>18,821,702</b>	<b>19,579,081</b>
General Revenues:						
Property Taxes	1,070,319	1,059,505	0	0	1,070,319	1,059,505
Income Taxes	2,980,329	3,453,203	0	0	2,980,329	3,453,203
Grants and Entitlements	1,545,024	1,136,833	0	0	1,545,024	1,136,833
Investments	313,767	171,851	85,604	37,128	399,371	208,979
Premium on Note	0	17,038	0	0	0	17,038
Miscellaneous	86,492	118,164	84,893	194,971	171,385	313,135
<b>Total General Revenues</b>	<b>5,995,931</b>	<b>5,956,594</b>	<b>170,497</b>	<b>232,099</b>	<b>6,166,428</b>	<b>6,188,693</b>
<b>Total Revenues</b>	<b>7,674,600</b>	<b>7,656,255</b>	<b>17,313,530</b>	<b>18,111,519</b>	<b>24,988,130</b>	<b>25,767,774</b>
<b>Program Expenses</b>						
General Government	969,886	1,210,455	0	0	969,886	1,210,455
Security of Persons and Property	3,104,690	3,687,742	0	0	3,104,690	3,687,742
Transportation	1,296,099	1,056,544	0	0	1,296,099	1,056,544
Public Health Services	483,663	547,149	0	0	483,663	547,149
Community Environment	82,789	91,624	0	0	82,789	91,624
Basic Utility Services	361,789	360,112	0	0	361,789	360,112
Leisure Time Activities	540,740	658,363	0	0	540,740	658,363
Interest and Fiscal Charges	119,045	79,551	0	0	119,045	79,551
Enterprise Operations:						
Sewer	0	0	1,732,960	1,826,540	1,732,960	1,826,540
Electric	0	0	13,961,954	14,672,954	13,961,954	14,672,954
Water	0	0	1,999,392	2,062,920	1,999,392	2,062,920
<b>Total Program Expenses</b>	<b>6,958,701</b>	<b>7,691,540</b>	<b>17,694,306</b>	<b>18,562,414</b>	<b>24,653,007</b>	<b>26,253,954</b>
Increase (Decrease) in Net Assets						
Before Transfers	715,899	(35,285)	(380,776)	(450,895)	335,123	(486,180)
Transfers	7,125	(520,385)	(7,125)	520,385	0	0
<b>Increase (Decrease) in Net Assets</b>	<b>723,024</b>	<b>(555,670)</b>	<b>(387,901)</b>	<b>69,490</b>	<b>335,123</b>	<b>(486,180)</b>
Net Assets Beginning of Year	7,414,700	8,137,724	30,978,180	30,590,279	38,392,880	38,728,003
<b>Net Assets End of Year</b>	<b>\$8,137,724</b>	<b>\$7,582,054</b>	<b>\$30,590,279</b>	<b>\$30,659,769</b>	<b>\$38,728,003</b>	<b>\$38,241,823</b>

**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2003*  
*Unaudited*

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***Governmental Activities***

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

The City's income tax was established by ordinance to be effective January 1, 1970 at a rate of 1 percent. The rate has not been increased. Even though this rate is much lower than the state average for municipalities that have an income tax, there are no plans at this time to increase the rate. The income tax accounted for revenues of \$3,453,203 in 2003. By City ordinance, income tax proceeds, after income tax department expenditures, are credited to the following funds: Forty percent to the master capital projects fund, up to one hundred eighty thousand dollars to the cemetery special revenue fund, up to three hundred twenty five thousand dollars to the street maintenance and repair special revenue fund, up to two hundred thirty thousand dollars to the police and fire pension special revenue fund and the remaining balance to the general fund. At this time there are no plans to change the percentage of allocation to the Master Capital fund. This practice of putting a percentage of income tax revenue into the Master Capital fund has been an excellent tool for the City in making capital improvements without the need to issue debt.

Police and fire represent the largest expense of the Governmental Activities. This expense of \$3,687,742 represents 48 percent of the total expenses. These two departments operate out of the General fund.

Our Fire Department employs 17 full time employees including the Chief. The City is very committed to maintaining a very efficient department. Regular meetings, drills, and training sessions are held. There is a strong emphasis on equipment with financial planning in place for replacement of worn equipment on a regular basis. The department's functions include firefighting, emergency medical service including paramedic service, fire prevention education, and investigation. The department also contracts with Dover Township to provide firefighting and emergency medical services. The revenues generated by this contract are reported under the charges for services area.

Our Police Department is also funded through the General fund. The department is a full time 24 hour a day, 365 days a year department with 21 officers and a full time Chief.

Our Street Maintenance and Repair and Traffic Department employs 16 full time employees who provide the City and its citizens many services that include public road salting, leaf and debris pickup, paint striping, and alley profiling. Transportation expenses decreased by \$239,555 due to a comparison made to a prior year with substantial non-capitalized expenditures

The City also maintains three cemeteries (public health services) and two parks (leisure time activities) within the City. These areas had expenses of \$1,205,512 in 2003, equaling 16 percent of the total governmental activities expenses.

***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 2003, the electric utility sold 200,375,169 KWH of electricity to generate \$13,443,971 in revenue. We burned 42,501 tons of coal at a cost of \$1,403,445. In 2001, the City entered into a joint venture project with other municipalities and American Municipal Power of Ohio (AMP Ohio) to ensure

**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
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the availability and consistent pricing when purchasing peak power. This investment helps to ensure the City's goal of reliable, affordable power and gives the City the opportunity of selling any excess City owned power to others.

The water utility services 5,491 residents with a minimum monthly pumpage of 1.65 million gallons and a maximum monthly pumpage of 3.56 million gallons in 2003. The water plant is the newest of the utility facilities. It was put into service in 1998. The raw water is supplied through four wells currently in service into the plant where it's 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 1,650,000 gallons per day during 2003. This facility is near its peak capacity and a sludge press was added in 2001 to increase the efficiency of the plant. The City is moving forward with a sewer plant expansion.

The revenues and expenses for all three of these utilities are reported under the business-type activities on Table 2. The majority of the City's revenues and expenses flow through the business-type activities. The revenues are generated primarily from charges for services. In 2003, charges for services of \$17,666,463 accounted for approximately 99 percent of the revenues. The total expenses for the utilities were \$18,562,414. The City had an increase in net assets of \$69,490 for the business-type activities.

***The City's Funds***

Information about the City's governmental funds begins on page 16. These funds are accounted for using the modified accrual method of accounting. All governmental funds had revenues of \$7,777,487 and expenditures of \$8,755,207. The funds are monitored consistently with adjustments made throughout the year in budgets to accommodate yearly revenues.

The one fund that consistently exceeds our expenditure expectations is our Employee Health Insurance fund. Our medical and dental benefit plans have been self-funded since 1988. The ordinance was passed in 2003 to allow for an additional \$100 per employee per month to be contributed to the fund on an as-needed basis. We are currently in the process of negotiating with our unions for plan modifications to help control plan costs.

Information about the Proprietary Funds starts on page 21. These funds are accounted for on an accrual basis. All business type funds had operating revenues of \$17,861,434, which exceeded operating expenses of \$17,466,286 by \$395,148 or 2 percent of operating revenues. The City is consistent with reviews of these funds, and the necessary adjustments are made to ensure strength in our enterprise funds.

***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. Because we own and operate an electric generating and distribution facility, our Electric fund is our most significant. Our budget is adopted at object level within each department. Any budgetary modifications at the level may only be made by Councilmatic action.

For 2003, there were no material changes in the original and final budgets.



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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, the 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***

**Table 3**  
**Capital Assets at December 31**

	Governmental Activities		Business-Type Activities		Total	
	2002	2003	2002	2003	2002	2003
Land	\$851,930	\$851,930	\$410,386	\$410,386	\$1,262,316	\$1,262,316
Buildings and Improvements	1,530,700	1,455,727	13,209,058	12,846,621	14,739,758	14,302,348
Improvements Other than Buildings	452,714	325,470	0	0	452,714	325,470
Equipment and Machinery	951,809	871,335	5,104,480	4,421,514	6,056,289	5,292,849
Furniture and Fixtures	22,205	20,148	66,949	61,617	89,154	81,765
Vehicles	363,690	824,808	337,712	327,578	701,402	1,152,386
Infrastructure	2,274,409	3,125,966	14,492,291	14,475,125	16,766,700	17,601,091
Construction-In-Progress	0	0	5,145,384	6,417,777	5,145,384	6,417,777
<i>Total Capital Assets</i>	<u>\$6,447,457</u>	<u>\$7,475,384</u>	<u>\$38,766,260</u>	<u>\$38,960,618</u>	<u>\$45,213,717</u>	<u>\$46,436,002</u>

Total Capital Assets for the City of Dover for the year ended December 31, 2003 were \$46,436,002, which reflects a \$1,222,285 increase over the 2002 figure of \$45,213,717. Infrastructure acquired or constructed prior to 2000 has not been reported in the governmental activities. In 2001, the City reported its current year infrastructure and will phase in the beginning balance in future years. In 2003, \$906,283 was added for the improvements and additions to fire hydrants, streets and storm sewers bringing the total governmental infrastructure to \$3,125,966. In the business-type activities, there was an increase of \$194,358 for 2003. Note 8 provides capital asset activity during the 2003 year.

***Debt***

The outstanding debt for the City of Dover as of December 31, 2003 was \$23,721,785. This balance reflected a reduction of \$129,357 from the previous year's balance of \$23,851,142, a reduction of 0.5 percent.

**City of Dover, Ohio**  
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**Table 4**  
**Outstanding Debt at Year End**

	Governmental Activities		Business-Type Activities		Total	
	2002	2003	2002	2003	2002	2003
Police and Fire Pension	\$316,142	\$311,785	\$0	\$0	\$316,142	\$311,785
Revenue Bonds	0	0	13,530,000	13,855,000	13,530,000	13,855,000
General Obligations Bonds	0	0	1,205,000	985,000	1,205,000	985,000
Notes Payable	2,550,000	2,820,000	6,250,000	5,750,000	8,800,000	8,570,000
<i>Total</i>	<u>\$2,866,142</u>	<u>\$3,131,785</u>	<u>\$20,985,000</u>	<u>\$20,590,000</u>	<u>\$23,851,142</u>	<u>\$23,721,785</u>

The Utility Department carries the vast majority of the debt, the largest debt being that of the electric utility. Most of this debt is a revenue bond, and various purpose notes that were issued for major upgrades to the power plant. The electric utility also has two outstanding general obligation bonds in the amount of \$300,000.

The water utility has a revenue bond issued in 1994 for the construction of a new treatment plant. It is scheduled to be paid off in 2020. The water utility also issued a revenue bond in 2003 for improvements to the waterworks system. It is scheduled to be paid off in 2022.

The sewer utility has a general obligation bond. It will be paid off in 2009.

Debt service current year payments for the electric utility in 2003 were \$6,528,139. For the sewer utility it was \$917,563, and for the water utility \$498,735.

Additional information on the City's long-term debt can be found in Note 10 of this report. Note 13 provides information regarding bond anticipation notes.

**Current Financial Issues**

Annexation of over 250 acres of land was finalized in April of 2002. An industrial park is being planned for the area; the City administration is currently working with businesses to occupy the park. Extension of all City utilities to the new area is being planned and designed, with the first phase of the sewer line extension to begin construction in 2004. The City has passed an ordinance to allow for tax incremental financing to be used as an economic development tool to help attract businesses to the park and help expedite the extension of utilities.

The City is consistently searching for ways to improve the electric service to our residents. An improvement project started in 1999 is still in progress. This project is enhancing the City's electric system's integrity in the event of a natural disaster affecting a substation, allowing the City to change automatically to an alternate feeder without any disruption of service.

The fiber optic cable network currently in place is being used as a tool to attract new and existing businesses to the City of Dover. The use of the cable will provide a business in Dover with reliable, efficient access to virtually anywhere in the world. The benefit of the use of the cable to the medical community would be the link to any specialist throughout the world. In late 2003, the City began using the fiber optic cable network to provide internet service and phone service to the City departments. Early in 2004, the City began testing the system by providing our first customers the service for a trial period.

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We feel this access to technology is worth exploring and has worked very well for the City of Dover. The administration is consistently researching the most cost efficient ways to provide everyone in the City of Dover the pathway to this technology.

An expansion of the sewer treatment plant is being planned and designed. The engineering firm of Burgess & Niple, Inc. from Akron, Ohio has been selected as the lead engineer, with our city engineering firm of George Fiedler & Associates providing construction administration and inspections. The City is exploring the ways of financing the project and is considering the cost effectiveness of each proposal. We are expecting to break ground for this project in 2005.

The City has replaced its 1968 snorkel fire truck, with a Spartan Motor Gladiator Custom Cab and Chassis, the City had been anticipating replacement for several years and had been earmarking funds. The cost of replacement was \$624,841.

The former AK Steel complex was purchased by the Tuscarawas County Port Authority in 2003. The concept is to lease the 700,000 square feet of buildings to various businesses. The City of Dover has approved a \$500,000 loan through the Ohio Department of Development and the City's Economic Revolving Loan Fund for one of those businesses. Rolite, Inc., a manufacturer of chair mats has moved its operation to Dover. This move allows the company to expand its operation and the loan helps to pay for the renovations and construction needed for expansion. Rolite, Inc. will bring 30 plus new jobs to Dover.

An idea formed by the Tuscarawas County Port Authority for a small portion of the space is to launch a business incubator for the County. They approached the City of Dover for a grant from the Economic Development Revolving Loan Fund. In May of 2004 the City approved a grant award of \$35,000. This money will allow the Port Authority the ability to renovate the space to accommodate several small service business spaces and prepare an area for small manufacturing type businesses as well. The Port Authority has three firm commitments to the space and is in the process of obtaining more.

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 the same level of services in 2003. Our goal remains to grow and meet the needs of the future, despite the effects felt by the economic downturn. The City of Dover showed its strength of a diversified tax base in 2003 by receipting in excess of \$400,000 more in income tax revenue than in 2002. All our City departments remain staffed at full levels in the year 2003, and the City has continued to replace equipment as needed. We are proceeding with the yearly paving programs, and extending our streets and utilities to new areas. City Council has again provided funding for a sidewalk replacement program and an alley paving program.

The Council and the Administration work very hard to keep the City fiscally strong. 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 of good stewardship of our ratepayers and taxpayers money.

**City of Dover, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2003*  
*Unaudited*

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**Contacting the City's Finance Department**

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

**City of Dover, Ohio**  
*Statement of Net Assets*  
*December 31, 2003*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$3,146,732	\$7,096,560	\$10,243,292
Cash and Cash Equivalents:			
Held by Trustee	0	1,375,129	1,375,129
With Fiscal Agents	22,839	94,415	117,254
Materials and Supplies Inventory	91,756	906,104	997,860
Accounts Receivable	124,308	2,954,619	3,078,927
Internal Balances	11,376	(11,376)	0
Intergovernmental Receivable	815,522	2,218	817,740
Prepaid Items	83,825	371,671	455,496
Unamortized Bond Issuance Costs	0	292,934	292,934
Income Tax Receivable	834,967	0	834,967
Property Taxes Receivable	1,064,425	0	1,064,425
Loans Receivable	11,545	0	11,545
Investment in Joint Venture	0	2,575,566	2,575,566
Nondepreciable Capital Assets	851,930	6,828,163	7,680,093
Depreciable Capital Assets, Net	6,623,454	32,132,455	38,755,909
<i>Total Assets</i>	<u>13,682,679</u>	<u>54,618,458</u>	<u>68,301,137</u>
<b>Liabilities</b>			
Accounts Payable	154,216	232,594	386,810
Accrued Wages	110,742	90,116	200,858
Contracts Payable	93,171	1,582,979	1,676,150
Intergovernmental Payable	259,096	191,355	450,451
Matured Interest Payable	1,735	3,204	4,939
Accrued Interest Payable	73,269	190,574	263,843
Retainage Payable	21,104	91,211	112,315
Customer Deposits	0	67,241	67,241
Claims Payable	63,020	0	63,020
Deferred Revenue	1,134,696	0	1,134,696
Notes Payable	2,820,000	5,750,000	8,570,000
Long-Term Liabilities:			
Due Within One Year	283,454	1,051,960	1,335,414
Due In More Than One Year	1,086,122	14,707,455	15,793,577
<i>Total Liabilities</i>	<u>6,100,625</u>	<u>23,958,689</u>	<u>30,059,314</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	4,655,384	19,468,552	24,123,936
Restricted for:			
Cemetery	501,239	0	501,239
Street Maintenance and Repair	294,063	0	294,063
Ambulance	153,974	0	153,974
Revolving Loan	232,703	0	232,703
Shade Tree	2,909	0	2,909
Law Enforcement and Education	26,788	0	26,788
Debt Service	0	1,326,026	1,326,026
Capital Projects	1,362,487	0	1,362,487
Electric Replacement and Improvement	0	2,745,968	2,745,968
Water Replacement and Improvement	0	646,114	646,114
Unrestricted	352,507	6,473,109	6,825,616
<i>Total Net Assets</i>	<u>\$7,582,054</u>	<u>\$30,659,769</u>	<u>\$38,241,823</u>

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2003

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$1,210,455	\$24,779	\$0	\$0
Security of Persons and Property	3,687,742	69,315	0	0
Transportation	1,056,544	0	539,613	261,000
Public Health Services	547,149	239,944	0	0
Community Environment	91,624	20,632	0	39,600
Basic Utility Services	360,112	444,926	0	0
Leisure Time Activities	658,363	59,852	0	0
Interest and Fiscal Charges	62,513	0	0	0
<i>Total Governmental Activities</i>	<u>7,674,502</u>	<u>859,448</u>	<u>539,613</u>	<u>300,600</u>
<b>Business-Type Activities:</b>				
Sewer	1,826,540	2,326,892	0	93,732
Electric	14,672,954	13,443,971	0	0
Water	2,062,920	1,895,600	0	119,225
<i>Total Business-Type Activities</i>	<u>18,562,414</u>	<u>17,666,463</u>	<u>0</u>	<u>212,957</u>
<i>Total - Primary Government</i>	<u>\$26,236,916</u>	<u>\$18,525,911</u>	<u>\$539,613</u>	<u>\$513,557</u>

**General Revenues**

Property Taxes Levied for:

    General Purposes

    Police and Fire Pension

Income Tax Levied for:

    General Purposes

    Street Maintenance and Repair

    Cemetery

    Police and Fire Pension

    Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Miscellaneous

*Total General Revenues*

Transfers

*Total General Revenues and Transfers*

Change in Net Assets

*Net Assets Beginning of Year - Restated (See Note 18)*

*Net Assets End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$1,185,676)	\$0	(\$1,185,676)
(3,618,427)	0	(3,618,427)
(255,931)	0	(255,931)
(307,205)	0	(307,205)
(31,392)	0	(31,392)
84,814	0	84,814
(598,511)	0	(598,511)
(62,513)	0	(62,513)
(5,974,841)	0	(5,974,841)
0	594,084	594,084
0	(1,228,983)	(1,228,983)
0	(48,095)	(48,095)
0	(682,994)	(682,994)
(5,974,841)	(682,994)	(6,657,835)
922,657	0	922,657
136,848	0	136,848
1,481,810	0	1,481,810
371,883	0	371,883
232,810	0	232,810
278,556	0	278,556
1,088,144	0	1,088,144
1,136,833	0	1,136,833
171,851	37,128	208,979
118,164	194,971	313,135
5,939,556	232,099	6,171,655
(520,385)	520,385	0
5,419,171	752,484	6,171,655
(555,670)	69,490	(486,180)
8,137,724	30,590,279	38,728,003
<u>\$7,582,054</u>	<u>\$30,659,769</u>	<u>\$38,241,823</u>

**City of Dover, Ohio***Balance Sheet**Governmental Funds**December 31, 2003*

	General	Master Capital	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$908,704	\$1,178,932	\$1,021,607	\$3,109,243
Cash and Cash Equivalents				
With Fiscal Agents	0	18,596	4,243	22,839
Materials and Supplies Inventory	18,368	0	73,388	91,756
Accounts Receivable	77,621	372	46,315	124,308
Intergovernmental Receivable	511,192	0	304,330	815,522
Prepaid Items	73,184	0	10,641	83,825
Income Taxes Receivable	344,658	272,248	218,061	834,967
Property Taxes Receivable	927,961	0	136,464	1,064,425
Loans Receivable	0	0	11,545	11,545
<i>Total Assets</i>	<u>\$2,861,688</u>	<u>\$1,470,148</u>	<u>\$1,826,594</u>	<u>\$6,158,430</u>
<b>Liabilities</b>				
Accounts Payable	\$106,102	\$9,629	\$38,485	\$154,216
Accrued Wages	89,166	0	21,576	110,742
Contracts Payable	73,829	9,464	9,878	93,171
Intergovernmental Payable	65,030	0	15,875	80,905
Matured Interest Payable	0	0	1,735	1,735
Accrued Interest Payable	0	69,972	0	69,972
Retainage Payable	0	18,596	2,508	21,104
Deferred Revenue	1,568,491	157,877	649,059	2,375,427
Notes Payable	0	2,820,000	0	2,820,000
<i>Total Liabilities</i>	<u>1,902,618</u>	<u>3,085,538</u>	<u>739,116</u>	<u>5,727,272</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	56,173	222,330	9,001	287,504
Reserved for Loans Receivable	0	0	11,545	11,545
Unreserved:				
Undesignated (Deficit), Reported in:				
General Fund	902,897	0	0	902,897
Special Revenue Funds	0	0	1,066,932	1,066,932
Capital Projects Funds	0	(1,837,720)	0	(1,837,720)
<i>Total Fund Balances</i>	<u>959,070</u>	<u>(1,615,390)</u>	<u>1,087,478</u>	<u>431,158</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,861,688</u>	<u>\$1,470,148</u>	<u>\$1,826,594</u>	<u>\$6,158,430</u>

See accompanying notes to the basic financial statements



**City of Dover, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 December 31, 2003*

<b>Total Governmental Fund Balances</b>	\$431,158
 <i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	7,475,384
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Property Taxes	22,245
Income Tax	538,220
Grants	633,951
Charges for Services	<u>46,315</u>
Total	1,240,731
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental-type activities in the statement of net assets.	(25,531)
Intergovernmental payable includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds.	(178,191)
An internal balance is recorded in governmental activities to reflect underpayments to the internal service fund by the business-type activities.	11,376
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.	(3,297)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Police and Fire Pension	(311,785)
Compensated Absences	<u>(1,057,791)</u>
Total	<u>(1,369,576)</u>
 <i>Net Assets of Governmental Activities</i>	 <u><u>\$7,582,054</u></u>

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2003*

	General	Master Capital	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property and Other Local Taxes	\$940,153	\$0	\$139,376	\$1,079,529
Income Taxes	1,468,110	1,111,506	812,174	3,391,790
Intergovernmental	1,334,727	261,000	567,259	2,162,986
Interest	141,486	31	30,329	171,846
Fines, Licenses and Permits	48,142	0	3,283	51,425
Charges for Services	568,079	0	234,324	802,403
Other	73,679	40,038	3,791	117,508
<i>Total Revenues</i>	<u>4,574,376</u>	<u>1,412,575</u>	<u>1,790,536</u>	<u>7,777,487</u>
<b>Expenditures</b>				
Current:				
General Government	1,079,208	0	0	1,079,208
Security of Persons and Property	2,956,257	0	435,085	3,391,342
Transportation	0	0	913,496	913,496
Public Health Services	10,871	0	510,608	521,479
Community Environment	74,776	0	14,290	89,066
Basic Utility Services	360,112	0	0	360,112
Leisure Time Activities	588,496	0	0	588,496
Capital Outlay	0	1,706,483	39,600	1,746,083
Debt Service:				
Interest and Fiscal Charges	0	65,925	0	65,925
<i>Total Expenditures</i>	<u>5,069,720</u>	<u>1,772,408</u>	<u>1,913,079</u>	<u>8,755,207</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(495,344)</u>	<u>(359,833)</u>	<u>(122,543)</u>	<u>(977,720)</u>
<b>Other Financing Sources (Uses)</b>				
Premium on Debt Issuance	0	17,038	0	17,038
Transfers In	0	7,454	0	7,454
Transfers Out	(527,839)	0	0	(527,839)
<i>Total Other Financing Sources (Uses)</i>	<u>(527,839)</u>	<u>24,492</u>	<u>0</u>	<u>(503,347)</u>
<i>Net Change in Fund Balances</i>	(1,023,183)	(335,341)	(122,543)	(1,481,067)
<i>Fund Balances (Deficit) Beginning of Year - Restated (See Note 18)</i>	<u>1,982,253</u>	<u>(1,280,049)</u>	<u>1,210,021</u>	<u>1,912,225</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$959,070</u>	<u>(\$1,615,390)</u>	<u>\$1,087,478</u>	<u>\$431,158</u>

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2003*

**Net Change in Fund Balances - Total Governmental Funds** (\$1,481,067)

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

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Asset Additions	1,786,458	
Current Year Depreciation	<u>(758,531)</u>	
 Total		 1,027,927

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

Property Taxes	(20,024)	
Income Tax	61,413	
Charges for Services	5,620	
Grants	<u>(185,940)</u>	
 Total		 (138,931)

Repayment of the police and fire pension liability is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 4,357

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 62

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	48,968	
Pension Obligation	<u>(6,154)</u>	
 Total		 42,814

The internal service funds used by management to charge the the cost of insurance to individual funds is not reported in the entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The change for governmental funds is reported for the year. (10,832)

*Change in Net Assets of Governmental Activities* (\$555,670)

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property and Other Local Taxes	\$1,020,000	\$926,100	\$940,153	\$14,053
Income Taxes	1,380,080	1,551,335	1,430,957	(120,378)
Intergovernmental	1,063,523	1,195,497	1,486,524	291,027
Interest	177,365	199,375	141,486	(57,889)
Fines, Licenses and Permits	33,894	38,100	48,494	10,394
Charges for Services	512,400	575,984	553,625	(22,359)
Other	25,139	28,257	78,907	50,650
<i>Total Revenues</i>	<u>4,212,401</u>	<u>4,514,648</u>	<u>4,680,146</u>	<u>165,498</u>
<b>Expenditures</b>				
Current:				
General Government	1,235,284	1,169,225	1,052,812	116,413
Security of Persons and Property	2,962,395	3,078,808	2,973,973	104,835
Public Health Services	11,500	11,500	10,698	802
Community Environment	73,107	76,447	74,827	1,620
Basic Utility Services	361,000	361,000	360,112	888
Leisure Time Activities	620,288	620,288	589,622	30,666
<i>Total Expenditures</i>	<u>5,263,574</u>	<u>5,317,268</u>	<u>5,062,044</u>	<u>255,224</u>
<i>Excess of Revenues Under Expenditures</i>	(1,051,173)	(802,620)	(381,898)	420,722
<b>Other Financing Uses</b>				
Transfers Out	0	(929,600)	(527,839)	401,761
<i>Net Change in Fund Balance</i>	(1,051,173)	(1,732,220)	(909,737)	822,483
<i>Fund Balance Beginning of Year</i>	1,643,036	1,643,036	1,643,036	0
Prior Year Encumbrances Appropriated	95,799	95,799	95,799	0
<i>Fund Balance End of Year</i>	<u>\$687,662</u>	<u>\$6,615</u>	<u>\$829,098</u>	<u>\$822,483</u>

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
**Statement of Fund Net Assets**  
*Proprietary Funds*  
December 31, 2003

	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	\$1,275,076	\$1,246,477	\$1,115,684	\$3,637,237	\$37,489
Cash and Cash Equivalents					
With Fiscal Agents	21,584	53,997	18,834	94,415	0
<i>Restricted Assets:</i>					
Equity in Pooled Cash and Cash Equivalents	0	480,269	244,057	724,326	0
<i>Receivables:</i>					
Accounts	432,745	2,154,074	367,800	2,954,619	0
Intergovernmental	2,218	0	0	2,218	0
Materials and Supplies Inventory	15,649	787,047	103,408	906,104	0
Prepaid Items	42,067	275,031	54,573	371,671	0
<i>Total Current Assets</i>	<u>1,789,339</u>	<u>4,996,895</u>	<u>1,904,356</u>	<u>8,690,590</u>	<u>37,489</u>
<i>Non-Current Assets:</i>					
<i>Restricted Assets:</i>					
Equity in Pooled Cash and Cash Equivalents	0	2,332,940	402,057	2,734,997	0
Cash Equivalents Held by Trustee	0	839,083	536,046	1,375,129	0
Deferred Charges	10,120	182,988	99,826	292,934	0
Investment in Joint Venture	0	2,575,566	0	2,575,566	0
Land and Construction in Progress	223,639	6,523,167	81,357	6,828,163	0
Depreciable Capital Assets, Net	9,305,198	12,834,090	9,993,167	32,132,455	0
<i>Total Non-Current Assets</i>	<u>9,538,957</u>	<u>25,287,834</u>	<u>11,112,453</u>	<u>45,939,244</u>	<u>0</u>
<i>Total Assets</i>	<u>11,328,296</u>	<u>30,284,729</u>	<u>13,016,809</u>	<u>54,629,834</u>	<u>37,489</u>
<b>Liabilities</b>					
<i>Current Liabilities:</i>					
Accounts Payable	\$12,381	\$166,889	\$53,324	\$232,594	\$0
Accrued Wages	19,465	54,257	16,394	90,116	0
Contracts Payable	89,955	1,486,133	6,891	1,582,979	0
Intergovernmental Payable	36,218	125,779	29,358	191,355	0
Compensated Absences Payable	81,911	210,808	56,259	348,978	0
Matured Interest Payable	0	927	2,277	3,204	0
Accrued Interest Payable	32,422	109,049	0	141,471	0
Retainage Payable	21,584	53,070	16,557	91,211	0
Notes Payable	650,000	5,100,000	0	5,750,000	0
General Obligation Bonds Payable	95,000	0	0	95,000	0
Claims Payable	0	0	0	0	63,020
<i>Total Current Liabilities</i>	<u>1,038,936</u>	<u>7,306,912</u>	<u>181,060</u>	<u>8,526,908</u>	<u>63,020</u>
<i>Current Liabilities Payable from Restricted Assets:</i>					
Customer Deposits	0	67,241	0	67,241	0
Accrued Interest Payable	0	23,028	26,075	49,103	0
Revenue Bonds Payable	0	315,000	217,982	532,982	0
General Obligation Bonds Payable	0	75,000	0	75,000	0
<i>Total Current Liabilities Payable from Restricted Assets</i>	<u>0</u>	<u>480,269</u>	<u>244,057</u>	<u>724,326</u>	<u>0</u>
<i>Long-Term Liabilities:</i>					
Compensated Absences Payable (net of current portion)	138,831	262,943	168,663	570,437	0
General Obligation Payable (net of current portion)	590,000	225,000	0	815,000	0
Revenue Bonds Payable (net of current portion)	0	7,520,000	5,802,018	13,322,018	0
<i>Total Long-Term Liabilities</i>	<u>728,831</u>	<u>8,007,943</u>	<u>5,970,681</u>	<u>14,707,455</u>	<u>0</u>
<i>Total Liabilities</i>	<u>1,767,767</u>	<u>15,795,124</u>	<u>6,395,798</u>	<u>23,958,689</u>	<u>63,020</u>
<b>Net Assets</b>					
Invested in Capital Assets, Net of Related Debt	8,203,957	6,305,245	4,959,350	19,468,552	0
<i>Restricted for:</i>					
Debt Service	0	816,055	509,971	1,326,026	0
Replacement and Improvement	0	2,745,968	646,114	3,392,082	0
Unrestricted (Deficit)	1,356,572	4,622,337	505,576	6,484,485	(25,531)
<i>Total Net Assets (Deficit)</i>	<u>\$9,560,529</u>	<u>\$14,489,605</u>	<u>\$6,621,011</u>	<u>30,671,145</u>	<u>(\$25,531)</u>

Some amounts reported for business-type activities in the statement of net assets are different because internal service fund assets and liabilities are included with business-type activities.

Net assets of business-type activities

(11,376)  
\$30,659,769

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Statement of Revenues,  
Expenses and Changes in Fund Net Assets  
Proprietary Funds  
For the Year Ended December 31, 2003*

	Business-Type	
	Sewer	Electric
<b>Operating Revenues</b>		
Charges for Services	\$2,326,892	\$12,949,822
Electric/Water Charges Pledged as Security for Revenue Bonds	0	494,149
Other	48,961	146,010
<i>Total Operating Revenues</i>	<u>2,375,853</u>	<u>13,589,981</u>
<b>Operating Expenses</b>		
Salaries and Wages	691,815	2,105,571
Fringe Benefits	323,071	886,536
Purchased Services	213,650	1,388,065
Materials and Supplies	109,433	2,011,331
Purchased Power	0	6,732,838
Depreciation	404,591	884,300
Claims	0	0
<i>Total Operating Expenses</i>	<u>1,742,560</u>	<u>14,008,641</u>
<i>Operating Income (Loss)</i>	<u>633,293</u>	<u>(418,660)</u>
<b>Non-Operating Revenues (Expenses)</b>		
Interest and Fiscal Charges	(81,416)	(522,752)
Loss on Investment in Joint Venture	0	(136,728)
Interest	1,242	28,509
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(80,174)</u>	<u>(630,971)</u>
<i>Income (Loss) before Capital Contributions and Transfers</i>	553,119	(1,049,631)
Capital Contributions	93,732	0
Transfers In	0	527,839
Transfers Out	(7,454)	0
<i>Change in Net Assets</i>	639,397	(521,792)
<i>Net Assets (Deficit) Beginning of Year</i>	<u>8,921,132</u>	<u>15,011,397</u>
<i>Net Assets (Deficit) End of Year</i>	<u><u>\$9,560,529</u></u>	<u><u>\$14,489,605</u></u>

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

Change in net assets of business-type activities

See accompanying notes to the basic financial statements

Activities		Governmental Activities - Internal Service Fund
Water	Total	
\$1,248,214	\$16,524,928	\$1,126,249
647,386	1,141,535	0
0	194,971	2,149
1,895,600	17,861,434	1,128,398
616,297	3,413,683	0
255,994	1,465,601	0
221,437	1,823,152	119,664
161,863	2,282,627	0
0	6,732,838	0
459,494	1,748,385	0
0	0	1,028,277
1,715,085	17,466,286	1,147,941
180,515	395,148	(19,543)
(346,526)	(950,694)	0
0	(136,728)	0
7,377	37,128	5
(339,149)	(1,050,294)	5
(158,634)	(655,146)	(19,538)
119,225	212,957	0
0	527,839	0
0	(7,454)	0
(39,409)	78,196	(19,538)
6,660,420		(5,993)
\$6,621,011		(\$25,531)
	(8,706)	
	\$69,490	

**City of Dover, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2003

	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	\$2,205,889	\$13,004,119	\$1,827,326	\$17,037,334	\$0
Cash Received from Transactions with Other Funds	0	0	0	0	1,126,249
Other Cash Receipts	48,961	146,010	0	194,971	2,149
Electric Deposits Received	0	23,575	0	23,575	0
Cash Payments to Employees for Services	(999,245)	(2,944,918)	(853,929)	(4,798,092)	0
Cash Payments for Goods and Services	(297,330)	(9,460,104)	(357,065)	(10,114,499)	(119,664)
Electric Deposits Returned	0	(41,550)	0	(41,550)	0
Cash Payments for Claims	0	0	0	0	(1,027,840)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>958,275</u>	<u>727,132</u>	<u>616,332</u>	<u>2,301,739</u>	<u>(19,106)</u>
<b>Cash Flows from Noncapital Financing Activities</b>					
Transfers In	0	527,839	0	527,839	0
Transfers Out	(7,454)	0	0	(7,454)	0
<i>Net Cash Provided by (Used in) Noncapital Financing Activities</i>	<u>(7,454)</u>	<u>527,839</u>	<u>0</u>	<u>520,385</u>	<u>0</u>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Proceeds from Sale of Revenue Bonds	0	0	805,000	805,000	0
Proceeds from Sale of Notes	650,000	5,100,000	0	5,750,000	0
Principal Paid on Bonds	(90,000)	(430,000)	(180,000)	(700,000)	0
Interest Paid on Bonds	(55,056)	(503,549)	(318,735)	(877,340)	0
Tap-In Fees for Construction	17,732	0	10,225	27,957	0
Principal Paid on Notes	(750,000)	(5,500,000)	0	(6,250,000)	0
Interest Paid on Notes	(22,507)	(94,590)	0	(117,097)	0
Payments for Capital Acquisitions	(40,131)	(1,375,980)	(141,738)	(1,557,849)	0
<i>Net Cash Provided by (Used in) Capital and Related Financing Activities</i>	<u>(289,962)</u>	<u>(2,804,119)</u>	<u>174,752</u>	<u>(2,919,329)</u>	<u>0</u>
<b>Cash Flows from Investing Activities</b>					
Interest on Investments	1,242	28,509	7,377	37,128	5
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	662,101	(1,520,639)	798,461	(60,077)	(19,101)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>634,559</u>	<u>6,473,405</u>	<u>1,518,217</u>	<u>8,626,181</u>	<u>56,590</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$1,296,660</u>	<u>\$4,952,766</u>	<u>\$2,316,678</u>	<u>\$8,566,104</u>	<u>\$37,489</u>

(continued)



**City of Dover, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
*For the Year Ended December 31, 2003*

	Business-Type Activities				Governmental Activities - Internal Service Fund
	Sewer	Electric	Water	Total	
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>					
Operating Income (Loss)	\$633,293	(\$418,660)	\$180,515	\$395,148	(\$19,543)
Adjustments:					
Depreciation	404,591	884,300	459,494	1,748,385	0
(Increase) Decrease in Assets:					
Accounts Receivable	(122,097)	(439,852)	(68,274)	(630,223)	0
Intergovernmental Receivable	1,094	0	0	1,094	0
Prepaid Items	29,696	(66,055)	28,769	(7,590)	0
Materials and Supplies Inventory	(2,257)	10,220	(5,660)	2,303	0
Increase (Decrease) in Liabilities:					
Accounts Payable	6,190	66,821	23,634	96,645	0
Contracts Payable	(8,246)	655,857	(20,536)	627,075	0
Accrued Wages	1,179	(1,170)	136	145	0
Compensated Absences Payable	13,333	45,080	16,905	75,318	0
Intergovernmental Payable	1,499	8,566	1,349	11,414	0
Customer Deposits	0	(17,975)	0	(17,975)	0
Claims Payable	0	0	0	0	437
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$958,275</u>	<u>\$727,132</u>	<u>\$616,332</u>	<u>\$2,301,739</u>	<u>(\$19,106)</u>

**Noncash Capital Financing Activities:**

During 2003, capital assets were donated by developers to the water and sewer enterprise funds in the amount of \$109,000 and \$76,000 respectively.

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Statement of Fiduciary Net Assets*  
*Fiduciary Funds*  
*December 31, 2003*

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	Private Purpose Trust
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$195,794
<b>Net Assets</b>	
Held in Trust for Cemetery	\$195,794

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Statement of Changes in Fiduciary Net Assets*  
*Fiduciary Funds*  
*For the Year Ended December 31, 2003*

	Private-Purpose Trust
<b>Additions</b>	
Charges for Services	\$21,580
Interest	2,216
<i>Total Additions</i>	23,796
<b>Deductions</b>	
Burial Expense	11,190
<i>Change in Net Assets</i>	12,606
<i>Net Assets Beginning of Year - Restated (See Note 18)</i>	183,188
<i>Net Assets End of Year</i>	\$195,794

See accompanying notes to the basic financial statements

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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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, water, electric, sewer and refuse collection. Council has direct responsibility for these activities.

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

The City participates in the Community Improvement Corporation of Tuscarawas County, Tuscarawas County Regional Planning Commission, Southeastern Ohio Narcotics Team (SENT) and Ohio Mid-Eastern Governments Association (OMEGA) as jointly governed organizations and the Ohio Municipal Electric Generation Agency (JV2) joint venture. The City is also associated with the Ohio Association of Rural Water and Wastewater Systems Workers' Compensation Group Rating Plan, an insurance purchasing pool. These organizations are presented in Notes 15, 16 and 19 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 City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The entity has elected not to apply FASB pronouncements and Interpretations issued after November 30, 1989, to its business-type activities and enterprise funds. The most significant of the City's accounting policies are described below.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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***A. Basis of Presentation***

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

***Government-wide Financial Statements*** The statement of net assets and the statement of activities display information about the 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 assets 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.

***B. 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 liabilities is reported as fund balance. The following are the City's major governmental funds:

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

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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**Master Capital Fund** The capital improvement fund accounts for that portion of municipal income tax designated 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 grants and other resources whose use is restricted to a particular purpose.

**Proprietary Funds** Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

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

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

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

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

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

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

### **C. Measurement Focus**

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

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

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Fund Net Assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. 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.

***D. Basis of Accounting***

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting; 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 revenue 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 5). 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 and forfeitures, interest, grants and rentals.

***Deferred Revenue*** Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2003, but which were levied to finance year 2004 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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

***E. 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".

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements and nonnegotiable certificates of deposit are reported at cost.

The City of Dover has invested in the State Treasury Asset Reserve of Ohio (STAROhio) during 2003. STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold at December 31, 2003.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest is distributed to the general fund, street maintenance and repair, cemetery and revolving loan special revenue funds, the master capital capital projects fund, the employee self-insurance internal service fund, the cemetery interment private-purpose trust fund, and the sewer, electric, and water enterprise funds. Interest revenue credited to the general fund during 2003 amounted to \$141,486 which includes \$125,401 assigned from other City funds.

The City utilizes a financial institution to service bonded debt as principal and interest payments come due. The balances in these accounts are presented on the financial statements as, "cash equivalents held by trustee." The City also uses a fiscal agent to hold retainage on construction contracts. The balances in these accounts are presented on the financial statements as "cash and cash equivalents with fiscal agents" and represent deposits or short-term investments in certificates of deposit. See Note 4, Deposits and Investments.

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.

***F. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2003, 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.

***G. Inventory***

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



**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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**H. Restricted Assets**

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

**I. 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 assets 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 assets 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. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of one thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings	45 years	45 years
Improvements other than Buildings	20 years	20-50 years
Machinery and Equipment	15 years	10-15 years
Furniture and Fixtures	6-20 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. For 2001, the City reported governmental activities infrastructure for the first time. The City only reports the amounts acquired after 2000. The City plans to phase in the prior year amounts in future years.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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***J. Interfund Balances***

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

***K. 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.

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.

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

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due.

***M. Fund Balance Reserves***

Reserves represent those portions of fund equity not available for appropriation or legally segregated for a specific future use. Fund balance reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Fund balances are reserved for encumbrances and loans receivable.

***N. Net Assets***

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through 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 assets are available.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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***O. Operating Revenues and Expenses***

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

***P. Contributions of Capital***

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

***Q. Interfund Activity***

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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.

***R. Extraordinary and Special Items***

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence.

***S. 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.

***T. Budgetary Process***

All funds are legally required to be budgeted and appropriated. 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 Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time 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 - Budgetary Basis of Accounting**

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

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

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	(\$1,023,183)
Net Adjustment for Revenue Accruals	105,770
Net Adjustment for Expenditure Accruals	86,250
Encumbrances	(78,574)
Budget Basis	<u><u>(\$909,737)</u></u>

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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**Note 4 - Deposits and Investments**

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

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

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

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

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

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

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

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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

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

The following information classifies deposits and investments by categories or risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements".

**Cash on Hand** At year end, the City had \$41,974 in undeposited cash on hand which is included on the financial statements of the City as part of "Equity in Pooled Cash and Cash Equivalents."

**Deposits** At year-end, the carrying amount of the City's deposits was \$5,494,697 and the bank balance was \$6,022,715. Of the bank balance:

1. \$611,563 was covered by federal depository insurance.
2. \$5,411,152 was uncollateralized and uninsured. Although the securities were held by the pledging financial institutions trust department or agent in the City's name and all State statutory requirements for the investment of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

**Investments** The City's investments are required to be categorized to give an indication of the level or risk assumed by the City at year end. Category 1 includes investments that are insured or registered or are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments which are held by the counterparty, or by its trust department or agent but not in the City's name. STAROhio and Star Public Funds Mutual Fund are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

	Carrying/ Fair Value
Investment in State	
Treasurer's Investment Pool	\$3,923,039
Repurchase Agreement	1,096,630
Star Public Funds	
Mutual Fund	1,375,129
Total Investments	\$6,394,798

The classification of cash and cash equivalents and investments on the financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting."

**City of Dover, Ohio**  
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A reconciliation between the classifications of cash and cash equivalents and investments on the financial statements and the classification of deposits and investments presented above per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents	Investments
GASB Statement No. 9	\$11,931,469	\$0
Investments of the Cash Management Pool:		
STAR Ohio	(3,923,039)	3,923,039
Repurchase Agreement	(1,096,630)	1,096,630
Star Public Fund Mutual Fund	(1,375,129)	1,375,129
Cash on Hand	(41,974)	0
GASB Statement No. 3	\$5,494,697	\$6,394,798

**Note 5 - Receivables**

Receivables at December 31, 2003, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements and shared revenues, accrued interest on investments and accounts (billings for utility service). All loans receivable are expected to be collected within one year. All allowances for uncollectibles represent estimates of uncollectible receivables in the accounts receivable classification.

	Accounts Receivable	Allowance for Uncollectibles	Net Accounts Receivable
Governmental Type Activities	\$124,308	\$0	\$124,308
Business Type Activities	3,084,906	130,287	2,954,619

**A. Property Taxes**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2003 for real and public utility property taxes represents collections of the 2002 taxes. Property tax payments received during 2003 for tangible personal property (other than public utility property) are for 2003 taxes.

2003 real property taxes are levied after October 1, 2003, on the assessed value as of January 1, 2003, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2003 real property taxes are collected in and intended to finance 2004.

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. 2003 public utility property taxes which became a lien December 31, 2002, are levied after October 1, 2003, and are collected in 2004 with real property taxes.

2003 tangible personal property taxes are levied after October 1, 2002, on the value as of December 31, 2002. Collections are made in 2003. Tangible personal property assessments are 25 percent of true value for capital assets and 23 percent for inventory.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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The full tax rate for all City operations for the year ended December 31, 2003, was \$6.60 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2002 property tax receipts were based are as follows:

Real Property	\$211,760,760
Tangible Personal Property	43,855,840
Public Utility Property	<u>3,076,130</u>
Total	<u><u>\$258,692,730</u></u>

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.

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

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 represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2003 and for which there is an enforceable legal claim. In the general fund and police and fire special revenue fund, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2003 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while on a modified accrual basis the revenue is deferred.

***B. Income Taxes***

The City levies a municipal income tax of 1 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 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: Forty percent to the master capital projects fund, up to one hundred eighty thousand dollars to the cemetery special revenue fund, up to three hundred twenty five thousand dollars to the street maintenance and repair special revenue fund, up to two hundred thirty thousand dollars to the police and fire pension special revenue fund and the remaining balance to the general fund.



**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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**C. Intergovernmental Receivables**

A summary of intergovernmental receivables follows:

	Amount
<b>Governmental Activities</b>	
Local Government and Local Government	
Revenue Assistance	\$366,439
Gasoline Tax	227,584
Estate Tax	92,516
Motor Vehicle Tax	68,899
Homestead and Rollback	54,383
Miscellaneous	3,772
Municipal Court Fines	1,520
Hotel/Motel Tax	409
<i>Total Governmental Activities</i>	\$815,522
<b>Business-Type Activities</b>	
Sewer	\$2,218

**Note 6 - 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 2003, the City contracted with The Travelers Company for property and boiler and machinery insurance. Lexington covers the general liability insurance. Ohio Casualty covers electronic data processing, while police and professional liability are protected by the Columbia Casualty/CNA with a \$1,000,000 limit and a \$5,000 deductible. An umbrella policy with Clarendon TIG covers a \$5,000,000 excess law enforcement liability.

Boiler and machinery deductible levels vary by object. Vehicles are covered by Westfield Companies Insurance Company and hold a \$250 deductible for comprehensive and collision. Automobile liability has a \$2,000,000 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 participates in the Ohio Association of Rural Water and Wastewater Systems Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (See Note 19). The intent of GRP is to achieve the benefit of a reduced premium for the City by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating cities is calculated as one experience and a common premium rate is applied to all cities in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This equity pooling arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to participants that can meet the GRP's selection criteria. The firm of CompManagement, Inc. provides administrative, cost controls, and actuarial services to the GRP.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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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 \$55,000 per employee and an aggregate of \$1,243,163 per year. The City pays into the self-insurance internal service fund \$600 family coverage or \$300 individual coverage per employee per month which represents the entire premium required. In 2003, a resolution was adopted which allows an additional \$100 premium to be paid for each employee monthly on an as needed basis. This premium is paid by the fund that pays the salary of the employee and is based on historic cost information.

The claims liability of \$63,020 reported in the fund at December 31, 2003, 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 2002 and 2003 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2002	\$55,148	\$840,191	\$832,756	\$62,583
2003	62,583	1,028,277	1,027,840	63,020

**Note 7 - Contingent Liabilities**

***A. Litigation***

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

***B. Federal and State Grants***

The City participates in several federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. As of December 31, 2003, the audits of certain of these programs have not been completed. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

**City of Dover, Ohio**  
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For the Year Ended December 31, 2003

**Note 8 - Capital Assets**

Capital asset activity for the year ended December 31, 2003, was as follows:

	Balance 12/31/02	Additions	Deductions	Balance 12/31/03
<b>Governmental Activities</b>				
Capital Assets, not being depreciated:				
Land	\$851,930	\$0	\$0	\$851,930
Capital Assets, being Depreciated				
Buildings	2,065,605	117,744	(151,931)	2,031,418
Improvements Other Than Buildings	782,922	0	0	782,922
Equipment and Machinery	1,997,779	76,126	(22,046)	2,051,859
Furniture and Fixtures	59,412	0	0	59,412
Vehicles	1,473,259	686,305	(54,873)	2,104,691
Infrastructure	2,329,259	906,283	0	3,235,542
Total Capital Assets, being Depreciated	<u>8,708,236</u>	<u>1,786,458</u>	<u>(228,850)</u>	<u>10,265,844</u>
Less Accumulated Depreciation:				
Buildings	(534,905)	(192,717)	151,931	(575,691)
Improvements Other Than Buildings	(330,208)	(127,244)	0	(457,452)
Equipment and Machinery	(1,045,970)	(156,600)	22,046	(1,180,524)
Furniture and Fixtures	(37,207)	(2,057)	0	(39,264)
Vehicles	(1,109,569)	(225,187)	54,873	(1,279,883)
Infrastructure	(54,850)	(54,726)	0	(109,576)
Total Accumulated Depreciation	<u>(3,112,709)</u>	<u>(758,531) *</u>	<u>228,850</u>	<u>(3,642,390)</u>
Total Capital Assets, being Depreciated, net	<u>5,595,527</u>	<u>1,027,927</u>	<u>0</u>	<u>6,623,454</u>
Governmental Activities Capital Assets, Net	<u>\$6,447,457</u>	<u>\$1,027,927</u>	<u>\$0</u>	<u>\$7,475,384</u>
<b>Business-Type Activities</b>				
Capital Assets, not being depreciated:				
Land	\$410,386	\$0	\$0	\$410,386
Construction in Progress	5,145,384	1,272,393	0	6,417,777
Total Capital Assets, not being Depreciated	<u>5,555,770</u>	<u>1,272,393</u>	<u>0</u>	<u>6,828,163</u>
Capital Assets, being Depreciated				
Buildings	16,762,654	0	0	16,762,654
Equipment and Machinery	19,884,393	45,933	0	19,930,326
Furniture and Fixtures	114,533	0	0	114,533
Vehicles	1,395,889	120,769	(41,174)	1,475,484
Infrastructure	24,498,665	503,648	(43,972)	24,958,341
Total Capital Assets, being Depreciated	<u>62,656,134</u>	<u>670,350</u>	<u>(85,146)</u>	<u>63,241,338</u>
Less Accumulated Depreciation:				
Buildings	(3,553,596)	(362,437)	0	(3,916,033)
Equipment and Machinery	(14,779,913)	(728,899)	0	(15,508,812)
Furniture and Fixtures	(47,584)	(5,332)	0	(52,916)
Vehicles	(1,058,177)	(130,903)	41,174	(1,147,906)
Infrastructure	(10,006,374)	(520,814)	43,972	(10,483,216)
Total Accumulated Depreciation	<u>(29,445,644)</u>	<u>(1,748,385)</u>	<u>85,146</u>	<u>(31,108,883)</u>
Total Capital Assets, being Depreciated, net	<u>33,210,490</u>	<u>(1,078,035)</u>	<u>0</u>	<u>32,132,455</u>
Business-Type Activities Capital Assets, Net	<u>\$38,766,260</u>	<u>\$194,358</u>	<u>\$0</u>	<u>\$38,960,618</u>

**City of Dover, Ohio**  
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\* Depreciation expense was charged to governmental activities as follows:

General Government	\$120,934
Security of Persons and Property	405,164
Public Health and Welfare	16,265
Leisure Time Activities	66,930
Transportation	148,973
Community Environment	265
Total Depreciation Expense	\$758,531

**Note 9 – Other Employee Benefits**

***A. Compensated Absences***

Vacation and sick leave benefits are derived from negotiated agreements and State laws. Employees earn ten to thirty days of vacation per year, depending upon length of service. Vacation accumulation is limited to the amount earned in one year. All accumulated unused vacation time is paid upon termination of employment.

Employees earn sick leave at different rates depending upon type of employment. Sick leave accrual is continuous, without limit. Upon retirement or death, an employee can be paid a maximum of 960 hours of accumulated, unused sick leave, except fire department employees, who can receive a maximum of 1520 hours.

***B. Life Insurance***

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

**Note 10 - Long-Term Debt**

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
<b>Business-Type Activities</b>			
Waterworks System Revenue Bonds - 1994	4.25-6.17%	\$6,430,000	December 1, 2020
Waterworks System Revenue Improvement Bonds - 2003	2.0-4.5	805,000	December 1, 2022
Municipal Electric System Revenue Bonds - 1995	4.4-6.0	10,075,000	December 1, 2019
Electric Plant General Obligation Bonds - 1983	9.25	1,100,000	December 1, 2003
Electric North Subsystem General Obligation Bonds - 1987	6	1,500,000	December 1, 2007
Sewer System Improvement General Obligation Bonds - 1989	7.02	1,500,000	December 1, 2009

**City of Dover, Ohio**  
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A schedule of changes in bonds and other long-term obligations of the City during 2003 follows:

	Amount			Amount	Amounts
	Outstanding	Additions	Deletions	Outstanding	Due in
	1/1/03			12/31/03	One Year
<b>Governmental Activities</b>					
Police and Fire Pension	\$316,142	\$0	\$4,357	\$311,785	\$4,858
Compensated Absences	1,106,759	86,631	135,599	1,057,791	278,596
Total Governmental Activities	<u>\$1,422,901</u>	<u>\$86,631</u>	<u>\$139,956</u>	<u>\$1,369,576</u>	<u>\$283,454</u>
<b>Business-Type Activities</b>					
<u>Revenue Bonds</u>					
Waterworks System	\$5,395,000	\$0	\$180,000	\$5,215,000	\$185,000
Waterworks System Improvement	0	805,000	0	805,000	32,982
Municipal Electric System	8,135,000	0	300,000	7,835,000	315,000
Total Revenue Bonds	<u>13,530,000</u>	<u>805,000</u>	<u>480,000</u>	<u>13,855,000</u>	<u>532,982</u>
<u>General Obligation Bonds</u>					
Electric Plant	55,000	0	55,000	0	0
Electric North Substation	375,000	0	75,000	300,000	75,000
Sewer System Improvement	775,000	0	90,000	685,000	95,000
Total General Obligation Bonds	<u>1,205,000</u>	<u>0</u>	<u>220,000</u>	<u>985,000</u>	<u>170,000</u>
Compensated Absences	844,097	75,318	0	919,415	348,978
Total Business-Type Activities	<u>\$15,579,097</u>	<u>\$880,318</u>	<u>\$700,000</u>	<u>\$15,759,415</u>	<u>\$1,051,960</u>

The revenue bonds and the general obligation bonds will be paid from charges for services revenue in the enterprise funds. The police and fire pension liability will be paid from taxes received in the police and fire pension special revenue fund as an expenditure for the security of persons and property.

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

***Revenue Bonds***

In 1994, the City issued \$6,430,000 in Waterworks System Revenue Bonds with interest rates varying from 4.25 percent to 6.17 percent. Proceeds were used to improve the municipal water system. The revenue bonds include serial and term bonds. The term bonds have annual mandatory sinking fund redemption requirements and there are optional redemption provisions for the serial bonds. The term bonds mature in 2013, 2015 and 2020 in the amounts of \$1,615,000, \$675,000 and \$2,110,000, respectively, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. The bonds maturing on or after December 1, 2005 are subject to early redemption, at the sole option of the City, either in whole on any date or in part on any interest payment date, on or after December 1, 2004, in multiples of \$5,000, at the following redemption prices plus accrued interest:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
December 1, 2004 through November 30, 2005	102 percent
December 1, 2005 through November 30, 2006	101 percent
December 1, 2006 and thereafter	101 percent

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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Restricted assets relating to the water revenue bonds at December 31, 2003, were as follows:

Restricted Assets Held by City	
Replacement and Improvement	\$646,114
Restricted Assets Held by the Trustee	
Revenue Bond Current Debt Service	\$536,046

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

<u>Redemption Dates</u>	<u>Redemption Prices</u>
December 1, 2013 and thereafter	100 percent

In 1995, the City issued \$10,075,000 in Municipal Electric System Revenue Bonds with interest rates varying from 4.40 percent to 6.00 percent. Proceeds were used to improve the municipal electric system. The revenue bonds include serial and term bonds. The term bonds have annual mandatory sinking fund redemption requirements and there are optional redemption provisions for the serial bonds. The term bonds mature in 2014 and 2019 in the amounts of \$2,430,000 and \$3,250,000, respectively, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. The bonds maturing on or after December 1, 2006 are subject to early redemption, at the sole option of the City, either in whole on any date or in part on any interest payment date, on or after December 1, 2005, in multiples of \$5,000, at the following redemption prices plus accrued interest:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
December 1, 2005 through November 30, 2006	101 percent
December 1, 2006 and thereafter	100 percent

Restricted assets relating to the electric revenue bonds at December 31, 2003, were as follows:

Restricted Assets Held by City	
Replacement and Improvement	\$2,745,968
Restricted Assets Held by the Trustee	
Revenue Bond Current Debt Service	\$839,083

As of December 31, 2003, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$24,342,737 and the unvoted legal debt margin was \$11,440,550. Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2003 are as follows:

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2003

Year Ending December 31	Waterworks System Revenue Bonds		Municipal Electric System Revenue Bonds		Electric General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2004	\$217,982	\$325,298	\$315,000	\$456,863	\$75,000	\$18,000
2005	232,982	314,648	330,000	440,640	75,000	13,500
2006	243,593	302,989	350,000	423,315	75,000	9,000
2007	254,203	292,530	365,000	404,590	75,000	4,500
2008	264,814	281,455	385,000	384,515	0	0
2009-2013	1,574,340	1,192,070	2,295,000	1,561,538	0	0
2014-2018	2,104,651	695,444	3,065,000	791,727	0	0
2019-2022	1,127,435	106,324	730,000	43,800	0	0
<b>Total</b>	<b>\$6,020,000</b>	<b>\$3,510,758</b>	<b>\$7,835,000</b>	<b>\$4,506,988</b>	<b>\$300,000</b>	<b>\$45,000</b>

Year Ending December 31	Sewer General Obligation Bonds		Police and Fire Pension	
	Principal	Interest	Principal	Interest
2004	\$95,000	\$48,634	\$4,858	\$13,187
2005	100,000	41,890	5,066	12,979
2006	110,000	34,790	5,284	12,761
2007	120,000	26,980	5,511	12,534
2008	125,000	18,460	5,747	12,298
2009-2013	135,000	9,586	32,662	57,563
2014-2018	0	0	40,305	49,920
2019-2023	0	0	49,736	40,489
2024-2028	0	0	61,376	28,849
2029-2033	0	0	75,738	14,487
2034-2035	0	0	25,502	1,064
<b>Total</b>	<b>\$685,000</b>	<b>\$180,340</b>	<b>\$311,785</b>	<b>\$256,131</b>

**Note 11 - Defined Benefit Pension Plans**

**A. Ohio Public Employees Retirement System**

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-6705.

For the year ended December 31, 2003, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 8.5 percent of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1 percent of their annual covered salary; members in public safety contributed 9 percent. The City's contribution rate for pension benefits for 2003 was 8.55 percent, except for those plan members in law enforcement or public safety. For those classifications, the City's pension contributions were 11.7 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2003, 2002, and 2001 were \$442,748, \$429,143, and \$417,418 respectively; 74.21 percent has been contributed for 2003 and 100 percent for 2002 and 2001. Contributions to the member-directed plan for 2003 were \$694 made by the City and \$436 made by the plan members.

***B. Ohio Police and Fire Pension Fund***

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

Police and firefighters are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 11.75 percent for police and 16.25 percent for firefighters. Contributions are authorized by State statute. The City's contributions for pension obligations to the OP&F for police and firefighters were \$120,170 and \$148,717 for the year ended December 31, 2003, \$107,307 and \$141,610 for the year ended December 31, 2002 and \$115,573 and \$117,814 for the year ended December 31, 2001. The full amount has been contributed for 2001 and 2000. 71.76 percent and 74.04 percent, respectively, have been contributed for 2003.

In addition to the current contribution, the City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police and firefighters in 1967. As of December 31, 2003, the unfunded liability of the City was \$311,785 payable in semiannual payments through the year 2035. This is an accounting liability of the City which will not vary.

**Note 12 - Postemployment Benefits**

***A. Ohio Public Employees Retirement System***

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority



**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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granted by State statute. The 2003 local government employer contribution rate was 13.55 percent of covered payroll (16.7 percent for public safety and law enforcement); 5.00 percent of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2002, include a rate of return on investments of 8.00 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 4.00 percent annually.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 364,881. Actual employer contributions for 2003 which were used to fund postemployment benefits were \$258,917. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2002, (the latest information available) were \$10.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$18.7 billion and \$8.7 billion, respectively.

In December 2001, the Board adopted the Health Care "Choices" Plan. The Choices Plan will be offered to all persons newly hired in an OPERS covered position after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices will incorporate a cafeteria approach, offering a broader range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

***B. Ohio Police and Fire Pension Fund***

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in *GASB Statement No. 12*. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution rate is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during 2003. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The City's actual contributions for 2003 that were used to fund postemployment benefits were \$79,261 for police and \$91,518 for firefighters. The OP&F's total health care expense for the year ended December 31, 2002, (the latest information available) was \$141,028,006, which was net of member contributions of \$12,623,875. The number of OP&F participants eligible to receive health care benefits as of December 31, 2002, was 13,527 for police and 10,396 for firefighters.

**Note 13 - Notes Payable**

A summary of the note transactions for the year ended December 31, 2003, follows:

	Outstanding 1/1/03	Issued	Retired	Outstanding 12/31/03
<b>Governmental Activities:</b>				
2.0% Master Capital	\$1,895,000	\$1,895,000	\$1,895,000	\$1,895,000
2.0% Master Capital	300,000	300,000	300,000	300,000
2.0% Master Capital	250,000	250,000	250,000	250,000
2.0% Master Capital	0	270,000	0	270,000
2.0% Master Capital	20,000	20,000	20,000	20,000
2.0% Master Capital	85,000	85,000	85,000	85,000
<i>Total Governmental Activities</i>	<u>2,550,000</u>	<u>2,820,000</u>	<u>2,550,000</u>	<u>2,820,000</u>
<b>Business Type Activities:</b>				
2.25% Municipal Electric	3,700,000	3,500,000	3,700,000	3,500,000
2.15% Electric JV2	1,800,000	1,600,000	1,800,000	1,600,000
2.85% Municipal Sewer	750,000	650,000	750,000	650,000
<i>Total Business Type Activities</i>	<u>6,250,000</u>	<u>5,750,000</u>	<u>6,250,000</u>	<u>5,750,000</u>
<b>Total</b>	<u><u>\$8,800,000</u></u>	<u><u>\$8,570,000</u></u>	<u><u>\$8,800,000</u></u>	<u><u>\$8,570,000</u></u>

The notes outstanding at year end for \$1,895,000 and \$250,000 were used for storm sewer projects. The \$20,000 and \$85,000 notes were used for tennis courts and land, respectively. The \$270,000 and \$300,000 notes were used for bridge construction.

The municipal electric note was used to build a substation and various electric improvements. The \$1,600,000 note was used for the investment in the JV2 joint venture. The municipal sewer note was issued for a sludge press and various sanitary sewer improvements.

All note proceeds had been spent at December 31, 2003. All of the notes are bond anticipation notes, are backed by the full faith and credit of the City, and mature within one year. The note liability is reflected in the fund which received the proceeds and will repay the debt.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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**Note 14 - Interfund Balances and Transfers**

Interfund transfers for the year ended December 31, 2003, consisted of the following:

	Transfer From		
Transfer to	General	Sewer	Total
Master Capital	\$0	\$7,454	\$7,454
Electric	527,839	0	527,839
	\$527,839	\$7,454	\$535,293

\$7,454 was transferred from the sewer fund to the master capital fund for debt obligations. \$527,839 was transferred from the general fund to the electric fund to give back part of the kilowatt per hour tax.

**Note 15 – Jointly Governed Organizations**

***A. Community Improvement Corporation of Tuscarawas County***

The City is associated with the Community Improvement Corporation of Tuscarawas County as a Jointly Governed Organization. The Corporation is operated by Tuscarawas County, New Philadelphia, Dover, Uhrichsville, Dennison, Strasburg, Sugarcreek and Gnadenhutten. It is controlled by 25 trustees consisting of the three County Commissioners, the mayor of each participating city and fifteen elected trustees. The board exercises total control over the operation of the corporation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the board. In 2003, no monies were contributed by the City.

***B. Tuscarawas County Regional Planning Commission***

The City is associated with the Tuscarawas County Regional Planning Commission as a Jointly Governed Organization. The Commission is a statutorily created political subdivision of the State. The commission is jointly governed among Tuscarawas County, municipalities and townships. Of the 61 members, the City appoints three. Each member's control over the operation of the Commission is limited to its representation on the board. The Commission makes studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economic and governmental characteristics, functions and services of the county. In 2003, the City contributed \$1,221 which represents 1.40 percent of total contributions.

***C. Southeastern Ohio Narcotics Team (S.E.N.T)***

The City is associated with the Southeastern Ohio Narcotics Team (S.E.N.T.) as a Jointly Governed Organization. S.E.N.T. is a multi-jurisdictional drug task force with the primary goal of combating major narcotics traffickers in Guernsey, Monroe and Tuscarawas Counties. It is jointly governed among the participating counties and cities. A grant is received from the State of Ohio of which the participating entities must match 25 percent. Of the 11 member governing board, the City appoints one. Each participant's control over the operation of S.E.N.T. is limited to its representation on the board. In 2003, the City contributed \$3,663 which represents 1.9 percent of total contributions.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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

The City is associated with the Ohio Mid-Eastern Governments Association (OMEGA), which is a ten county regional council of governments comprised of Belmont, Carroll, Coshocton, Columbiana, Guernsey, Harrison, Holmes, Jefferson, Muskingum and Tuscarawas counties. OMEGA was formed to aid and assist the participating counties and political subdivisions within the counties in the application for Appalachian Regional Commission and Economic Development grant monies. OMEGA is governed by a seventeen member executive board comprised of members appointed from each participating county and cities within each county. City membership is voluntary. The mayor of the City of Dover serves as the City's representative on the board. The board has total control over budgeting, personnel and financial matters. Each member currently pays a per capita membership fee based on the most recent United States census. During 2003, OMEGA received \$1,587 from the City of Dover for an annual fee. OMEGA has no outstanding debt.

**Note 16 – Joint Venture**

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

The City is a participant with 36 subdivisions within the State of Ohio in a joint venture to secure distributive generation resources to provide power and energy during times of high power prices or transmission constraints limiting power availability. The Ohio Municipal Electric Generation Agency Joint Venture 2 (JV2) was created for that purpose. On dissolution of the joint venture, the net assets of JV2 will be shared by the participants on a percentage basis. The JV2 is managed by AMP-Ohio, who acts as the joint venture's agent. The participants are obligated by the agreement to remit monthly for operating expenses and demand costs. In accordance with the agreement, the City remitted \$3,057,810 to the joint venture for 2001. The City's net investment and its share of the operating results of JV2 are reported in the City's electric enterprise fund. The City's equity interest in JV2 was \$2,575,566 at December 31, 2003. Financial information can be obtained from AMP-Ohio, 2600 Airport Drive, Columbus, Ohio 43219, or from the City's utility department.

**Note 17 – Accountability**

At December 31, 2003, the master capital projects fund had a deficit fund balance of \$1,615,390. This deficit arose from the requirement to report bond anticipation note liabilities in the fund which received the note proceeds. The deficit will be alleviated when the bonds are issued or the notes are paid.

At December 31, 2003, the employee health insurance internal service fund had deficit net assets in the amount of \$25,531. Management is currently analyzing the operations of this fund to determine appropriate action to alleviate the deficit.

**City of Dover, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2003*

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**Note 18 – Restatement of Prior Year Balances**

For 2003, the shade tree fund was reclassified from a private purpose trust fund to a special revenue fund. The change had the following effect on fund balance:

	General	Master Capital	Nonmajor	Total
Fund Balances, December 31, 2002	\$1,982,253	(\$1,280,049)	\$1,207,112	\$1,909,316
Fund Structure	0	0	2,909	2,909
Adjusted Fund Balance, December 31, 2002	<u>\$1,982,253</u>	<u>(\$1,280,049)</u>	<u>\$1,210,021</u>	<u>\$1,912,225</u>

This fund reclassification also increased net assets of the governmental funds by \$2,909 from \$8,134,815 to \$8,137,724. This reclassification had no effect on net income.

At December 31, 2002, net assets for the private purpose trust funds were restated by \$2,909 from \$186,097 to \$183,188 due to this fund reclassification.

**Note 19 – Insurance Purchasing Pool**

***Ohio Association of Rural Water and Wastewater Systems Workers’ Compensation Group Rating Plan***

The Ohio Association of Rural Water and Wastewater Systems Workers’ Compensation Group Rating Plan has created a group insurance pool for the purpose of creating a group rating plan for workers’ compensation. The governing body is comprised of the members who have been appointed by the respective governing body of each member.

The intent of the pool is to achieve a reduced rate for the City and the other group members. The injury claim history of all participating members is used to calculate a common rate for the group. An annual fee is paid to Comp Management, Inc. to administer the group and to manage any injury claims. Premium savings created by the group are prorated to each member entity annually based on its payroll percent of the group.

## Combining Statements and Individual Fund Schedules

### Fund Descriptions – Nonmajor Governmental Funds

#### *Nonmajor Special Revenue Funds*

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

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

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

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

***Ambulance Fund*** - To account for monies collected from the use of the ambulance by the citizens of Dover and Dover Township.

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

***Revolving Loan Fund*** - To account for initial loans made by the City to local businesses and subsequent repayment of these loans.

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

***Law Enforcement Block Grant Fund*** - To account for grant monies to be used for upgrades to police computer systems.

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

***Shade Tree Fund*** - This fund was established so that individuals or organizations could donate money for the purpose of planting trees.

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

Debt service funds are used to account for the accumulation for resources for, and the payment of, general long-term principal, interest and related costs.

***Debt Service Fund*** - To account proceeds of debt issued and its' repayment.

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

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

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

**City of Dover, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2003*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$1,021,607	\$0	\$1,021,607
Cash and Cash Equivalents With Fiscal Agents	2,508	1,735	4,243
Materials and Supplies Inventory	73,388	0	73,388
Accounts Receivable	46,315	0	46,315
Intergovernmental Receivable	304,330	0	304,330
Prepaid Items	10,641	0	10,641
Income Tax Receivable	218,061	0	218,061
Property Taxes Receivable	136,464	0	136,464
Loans Receivable	11,545	0	11,545
<i>Total Assets</i>	<u>\$1,824,859</u>	<u>\$1,735</u>	<u>\$1,826,594</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$38,485	\$0	\$38,485
Accrued Wages	21,576	0	21,576
Contracts Payable	9,878	0	9,878
Intergovernmental Payable	15,875	0	15,875
Matured Interest Payable	0	1,735	1,735
Retainage Payable	2,508	0	2,508
Deferred Revenue	649,059	0	649,059
<i>Total Liabilities</i>	<u>737,381</u>	<u>1,735</u>	<u>739,116</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	9,001	0	9,001
Reserved for Loans Receivable	11,545	0	11,545
Unreserved, Undesignated, Reported in: Special Revenue Funds	1,066,932	0	1,066,932
<i>Total Fund Balances</i>	<u>1,087,478</u>	<u>0</u>	<u>1,087,478</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,824,859</u>	<u>\$1,735</u>	<u>\$1,826,594</u>



**City of Dover, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2003*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Property and Other Local Taxes	\$139,376	\$0	\$139,376
Income Taxes	812,174	0	812,174
Intergovernmental	527,659	39,600	567,259
Interest	30,329	0	30,329
Fines, Licenses and Permits	3,283	0	3,283
Charges for Services	234,324	0	234,324
Other	3,791	0	3,791
<i>Total Revenues</i>	<u>1,750,936</u>	<u>39,600</u>	<u>1,790,536</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property	435,085	0	435,085
Transportation	913,496	0	913,496
Public Health Services	510,608	0	510,608
Community Environment	14,290	0	14,290
Capital Outlay	0	39,600	39,600
<i>Total Expenditures</i>	<u>1,873,479</u>	<u>39,600</u>	<u>1,913,079</u>
<i>Excess of Revenues Under Expenditures</i>	(122,543)	0	(122,543)
<i>Fund Balances Beginning of Year</i>	<u>1,210,021</u>	<u>0</u>	<u>1,210,021</u>
<i>Fund Balances End of Year</i>	<u><u>\$1,087,478</u></u>	<u><u>\$0</u></u>	<u><u>\$1,087,478</u></u>

**City of Dover, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2003*

	Street Maintenance and Repair	State Highway	Police and Fire Pension	Ambulance	Cemetery
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$54,822	\$23,895	\$4,615	\$111,871	\$575,549
Cash and Cash Equivalents					
With Fiscal Agents	2,508	0	0	0	0
Materials and Supplies Inventory	73,388	0	0	0	0
Accounts Receivable	0	0	0	46,315	0
Intergovernmental Receivable	273,720	22,763	7,847	0	0
Prepaid Items	8,384	0	0	835	1,422
Income Tax Receivable	90,207	0	67,716	0	60,138
Property Taxes Receivable	0	0	136,464	0	0
Loans Receivable	0	0	0	0	0
<i>Total Assets</i>	<u>\$503,029</u>	<u>\$46,658</u>	<u>\$216,642</u>	<u>\$159,021</u>	<u>\$637,109</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$23,405	\$6,709	\$0	\$5,047	\$3,324
Accrued Wages	12,868	0	0	0	8,708
Contracts Payable	0	9,878	0	0	0
Intergovernmental Payable	10,846	0	0	0	5,029
Retainage Payable	2,508	0	0	0	0
Deferred Revenue	330,425	20,154	212,027	46,315	40,138
<i>Total Liabilities</i>	<u>380,052</u>	<u>36,741</u>	<u>212,027</u>	<u>51,362</u>	<u>57,199</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	0	6,870	0	2,131	0
Reserved for Loans Receivable	0	0	0	0	0
Unreserved	122,977	3,047	4,615	105,528	579,910
<i>Total Fund Balances</i>	<u>122,977</u>	<u>9,917</u>	<u>4,615</u>	<u>107,659</u>	<u>579,910</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$503,029</u>	<u>\$46,658</u>	<u>\$216,642</u>	<u>\$159,021</u>	<u>\$637,109</u>

Revolving Loan	Drug Law Enforcement	Law Enforcement Block Grant	Enforcement and Education	Shade Tree	Total Nonmajor Special Revenue Funds
\$221,158	\$12,485	\$427	\$13,876	\$2,909	\$1,021,607
0	0	0	0	0	2,508
0	0	0	0	0	73,388
0	0	0	0	0	46,315
0	0	0	0	0	304,330
0	0	0	0	0	10,641
0	0	0	0	0	218,061
0	0	0	0	0	136,464
11,545	0	0	0	0	11,545
<u>\$232,703</u>	<u>\$12,485</u>	<u>\$427</u>	<u>\$13,876</u>	<u>\$2,909</u>	<u>\$1,824,859</u>
\$0	\$0	\$0	\$0	\$0	\$38,485
0	0	0	0	0	21,576
0	0	0	0	0	9,878
0	0	0	0	0	15,875
0	0	0	0	0	2,508
0	0	0	0	0	649,059
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>737,381</u>
0	0	0	0	0	9,001
11,545	0	0	0	0	11,545
221,158	12,485	427	13,876	2,909	1,066,932
<u>232,703</u>	<u>12,485</u>	<u>427</u>	<u>13,876</u>	<u>2,909</u>	<u>1,087,478</u>
<u>\$232,703</u>	<u>\$12,485</u>	<u>\$427</u>	<u>\$13,876</u>	<u>\$2,909</u>	<u>\$1,824,859</u>

**City of Dover, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2003*

	Street Maintenance and Repair	State Highway	Police and Fire Pension	Ambulance	Cemetery
<b>Revenues</b>					
Property and Other Local Taxes	\$0	\$0	\$139,376	\$0	\$0
Income Taxes	335,224	0	251,384	0	225,566
Intergovernmental	472,571	38,209	16,879	0	0
Interest	1,023	0	0	0	27,726
Fines, Licenses and Permits	0	0	0	0	0
Charges for Services	0	0	0	136,990	97,334
Other	2,791	400	0	0	0
<i>Total Revenues</i>	<u>811,609</u>	<u>38,609</u>	<u>407,639</u>	<u>136,990</u>	<u>350,626</u>
<b>Expenditures</b>					
Current:					
Security of Persons and Property	0	0	434,707	0	0
Transportation	860,167	53,329	0	0	0
Public Health Services	0	0	0	128,939	381,669
Community Environment	0	0	0	0	0
<i>Total Expenditures</i>	<u>860,167</u>	<u>53,329</u>	<u>434,707</u>	<u>128,939</u>	<u>381,669</u>
<i>Net Change in Fund Balances</i>	(48,558)	(14,720)	(27,068)	8,051	(31,043)
<i>Fund Balances Beginning of Year</i>	<u>171,535</u>	<u>24,637</u>	<u>31,683</u>	<u>99,608</u>	<u>610,953</u>
<i>Fund Balances End of Year</i>	<u><u>\$122,977</u></u>	<u><u>\$9,917</u></u>	<u><u>\$4,615</u></u>	<u><u>\$107,659</u></u>	<u><u>\$579,910</u></u>

Revolving Loan	Drug Law Enforcement	Law Enforcement Block Grant	Enforcement and Education	Shade Tree	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$139,376
0	0	0	0	0	812,174
0	0	0	0	0	527,659
1,580	0	0	0	0	30,329
0	0	0	3,283	0	3,283
0	0	0	0	0	234,324
0	0	0	600	0	3,791
1,580	0	0	3,883	0	1,750,936
0	0	0	378	0	435,085
0	0	0	0	0	913,496
0	0	0	0	0	510,608
14,290	0	0	0	0	14,290
14,290	0	0	378	0	1,873,479
(12,710)	0	0	3,505	0	(122,543)
245,413	12,485	427	10,371	2,909	1,210,021
<u>\$232,703</u>	<u>\$12,485</u>	<u>\$427</u>	<u>\$13,876</u>	<u>\$2,909</u>	<u>\$1,087,478</u>

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

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property and Other Local Taxes	\$1,020,000	\$926,100	\$940,153	\$14,053
Income Taxes	1,380,080	1,551,335	1,430,957	(120,378)
Intergovernmental	1,063,523	1,195,497	1,486,524	291,027
Interest	177,365	199,375	141,486	(57,889)
Fines, Licenses and Permits	33,894	38,100	48,494	10,394
Charges for Services	512,400	575,984	553,625	(22,359)
Other	25,139	28,257	78,907	50,650
<i>Total Revenues</i>	<u>4,212,401</u>	<u>4,514,648</u>	<u>4,680,146</u>	<u>165,498</u>
<b>Expenditures</b>				
Current:				
General Government:				
Mayor:				
Salaries and Wages	90,961	90,961	90,881	80
Fringe Benefits	38,077	41,877	41,490	387
Purchased Services	3,300	3,300	3,047	253
Materials and Supplies	4,630	5,530	5,421	109
Travel, Schooling and Dues	4,593	6,593	5,665	928
Total Mayor	<u>141,561</u>	<u>148,261</u>	<u>146,504</u>	<u>1,757</u>
Auditor:				
Salaries and Wages	108,866	79,979	79,737	242
Fringe Benefits	46,653	55,153	53,519	1,634
Purchased Services	9,835	19,635	16,568	3,067
Materials and Supplies	4,100	4,600	4,234	366
Travel, Schooling and Dues	2,500	4,000	3,414	586
Total Auditor	<u>171,954</u>	<u>163,367</u>	<u>157,472</u>	<u>5,895</u>
Treasurer:				
Salaries and Wages	6,663	6,663	6,502	161
Fringe Benefits	2,232	2,232	1,766	466
Purchased Services	1,225	1,225	1,206	19
Materials and Supplies	135	135	17	118
Travel, Schooling and Dues	400	400	0	400
Total Treasurer	<u>\$10,655</u>	<u>\$10,655</u>	<u>\$9,491</u>	<u>\$1,164</u> (continued)

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2003*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Law Director:				
Salaries and Wages	\$32,575	\$32,575	\$32,575	\$0
Fringe Benefits	15,550	16,750	16,534	216
Purchased Services	62,752	70,752	67,273	3,479
Materials and Supplies	5,037	4,837	4,367	470
Travel, Schooling and Dues	2,000	2,000	1,721	279
<b>Total Law Director</b>	<b>117,914</b>	<b>126,914</b>	<b>122,470</b>	<b>4,444</b>
Civil Service Commission:				
Salaries and Wages	3,000	3,000	3,000	0
Fringe Benefits	2,350	2,350	450	1,900
Purchased Services	2,075	11,075	10,350	725
Materials and Supplies	700	700	0	700
Travel, Schooling and Dues	500	500	0	500
<b>Total Civil Service Commission</b>	<b>8,625</b>	<b>17,625</b>	<b>13,800</b>	<b>3,825</b>
Income Tax Department:				
Salaries and Wages	71,698	70,098	70,034	64
Fringe Benefits	32,187	37,787	35,946	1,841
Purchased Services	50,635	14,470	11,949	2,521
Materials and Supplies	6,696	4,696	3,622	1,074
Travel, Schooling and Dues	1,200	1,200	998	202
<b>Total Income Tax Department</b>	<b>162,416</b>	<b>128,251</b>	<b>122,549</b>	<b>5,702</b>
Council:				
Salaries and Wages	37,893	37,698	37,687	11
Fringe Benefits	10,200	10,735	10,665	70
Purchased Services	17,955	17,955	17,095	860
Materials and Supplies	750	895	659	236
Travel, Schooling and Dues	1,250	1,300	1,258	42
<b>Total Council</b>	<b>68,048</b>	<b>68,583</b>	<b>67,364</b>	<b>1,219</b>
Clerk of Council:				
Salaries and Wages	4,702	4,702	4,702	0
Fringe Benefits	1,450	1,450	1,280	170
Purchased Services	350	350	345	5
Materials and Supplies	600	900	760	140
Travel, Schooling and Dues	100	100	0	100
<b>Total Clerk of Council</b>	<b>\$7,202</b>	<b>\$7,502</b>	<b>\$7,087</b>	<b>\$415</b>

(continued)



**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Service Director:				
Salaries and Wages	\$85,906	\$14,761	\$14,389	\$372
Fringe Benefits	36,631	40,931	39,838	1,093
Purchased Services	4,000	4,300	4,101	199
Materials and Supplies	3,440	3,690	2,682	1,008
Travel, Schooling and Dues	1,670	1,670	433	1,237
Total Service Director	<u>131,647</u>	<u>65,352</u>	<u>61,443</u>	<u>3,909</u>
Rubbish-Janitor-City Hall:				
Salaries and Wages	30,400	30,400	29,607	793
Fringe Benefits	15,470	17,170	16,578	592
Purchased Services	22,705	48,705	46,580	2,125
Materials and Supplies	4,550	4,550	0	4,550
Total Rubbish-Janitor-City Hall	<u>73,125</u>	<u>100,825</u>	<u>92,765</u>	<u>8,060</u>
Other:				
Purchased Services	291,087	246,585	207,265	39,320
Materials and Supplies	5,000	9,012	7,088	1,924
Capital Outlay	46,050	76,293	37,514	38,779
Total Other	<u>342,137</u>	<u>331,890</u>	<u>251,867</u>	<u>80,023</u>
Total General Government	<u>1,235,284</u>	<u>1,169,225</u>	<u>1,052,812</u>	<u>116,413</u>
Security of Persons and Property:				
Police:				
Salaries and Wages	1,135,421	1,170,421	1,140,172	30,249
Fringe Benefits	214,400	237,975	230,473	7,502
Purchased Services	83,874	83,874	79,475	4,399
Materials and Supplies	44,439	48,864	42,989	5,875
Travel, Schooling and Dues	7,975	7,975	4,899	3,076
Total Police	<u>1,486,109</u>	<u>1,549,109</u>	<u>1,498,008</u>	<u>51,101</u>
Traffic Safety:				
Salaries and Wages	122,157	106,057	103,445	2,612
Fringe Benefits	48,358	79,858	78,837	1,021
Purchased Services	33,810	33,310	30,641	2,669
Materials and Supplies	70,469	67,469	64,664	2,805
Travel, Schooling and Dues	500	0	0	0
Total Traffic Safety	<u>\$275,294</u>	<u>\$286,694</u>	<u>\$277,587</u>	<u>\$9,107</u>

(continued)

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fire Prevention:				
Salaries and Wages	\$845,221	\$845,221	\$843,125	\$2,096
Fringe Benefits	216,117	243,380	223,477	19,903
Purchased Services	53,410	58,810	47,061	11,749
Materials and Supplies	44,907	47,757	39,921	7,836
Travel, Schooling and Dues	8,498	13,498	11,200	2,298
Total Fire Prevention	<u>1,168,153</u>	<u>1,208,666</u>	<u>1,164,784</u>	<u>43,882</u>
Director of Public Safety:				
Salaries and Wages	25,429	25,929	25,927	2
Fringe Benefits	6,300	6,800	6,605	195
Purchased Services	860	1,360	972	388
Materials and Supplies	200	200	40	160
Travel, Schooling and Dues	50	50	50	0
Total Director of Public Safety	<u>32,839</u>	<u>34,339</u>	<u>33,594</u>	<u>745</u>
Total Security of Persons and Property	<u>2,962,395</u>	<u>3,078,808</u>	<u>2,973,973</u>	<u>104,835</u>
Public Health Services:				
County Health Services:				
Purchased Services	11,500	11,500	10,698	802
Community Environment:				
Demolition and Mowing:				
Purchased Services	15,000	16,990	16,669	321
Other Community Environment:				
Salaries and Wages	36,109	36,109	36,109	0
Fringe Benefits	17,706	19,056	18,845	211
Purchased Services	1,900	2,100	1,935	165
Materials and Supplies	1,775	1,575	1,064	511
Travel, Schooling and Dues	617	617	205	412
Total Other Community Environment	<u>58,107</u>	<u>59,457</u>	<u>58,158</u>	<u>1,299</u>
Total Community Environment	<u>\$73,107</u>	<u>\$76,447</u>	<u>\$74,827</u>	<u>\$1,620</u>

(continued)

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Basic Utility Services:				
Refuse Collections and Disposals:				
Purchased Services	\$361,000	\$361,000	\$360,112	\$888
Leisure Time Activities:				
Parks and Recreation:				
Personal Services	336,771	322,771	317,278	5,493
Fringe Benefits	134,750	143,600	137,983	5,617
Purchased Services	87,645	92,795	86,840	5,955
Materials and Supplies	60,622	60,622	47,131	13,491
Travel, Schooling and Dues	500	500	390	110
Total Leisure Time Activities	620,288	620,288	589,622	30,666
<i>Total Expenditures</i>	5,263,574	5,317,268	5,062,044	255,224
<i>Excess of Revenues Under Expenditures</i>	(1,051,173)	(802,620)	(381,898)	420,722
<b>Other Financing Uses</b>				
Transfers Out	0	(929,600)	(527,839)	401,761
<i>Net Change in Fund Balance</i>	(1,051,173)	(1,732,220)	(909,737)	822,483
<i>Fund Balance Beginning of Year</i>	1,643,036	1,643,036	1,643,036	0
Prior Year Encumbrances Appropriated	95,799	95,799	95,799	0
<i>Fund Balance End of Year</i>	\$687,662	\$6,615	\$829,098	\$822,483

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balances - Budget (Non-GAAP Basis) and Actual*  
*Master Capital Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Income Taxes	\$881,000	\$1,196,000	\$1,131,760	(\$64,240)
Intergovernmental	261,000	261,000	261,000	0
Interest	0	0	31	31
Other	38,000	38,000	39,666	1,666
<i>Total Revenues</i>	1,180,000	1,495,000	1,432,457	(62,543)
<b>Expenditures</b>				
Capital Outlay	2,480,499	2,512,077	1,954,171	557,906
<i>Excess of Revenues Under Expenditures</i>	(1,300,499)	(1,017,077)	(521,714)	495,363
<b>Other Financing Sources (Uses)</b>				
Notes Issued	270,000	270,000	287,038	17,038
Transfers Out	(69,972)	(69,972)	(69,972)	0
<i>Total Other Financing Sources (Uses)</i>	200,028	200,028	217,066	17,038
<i>Net Change in Fund Balance</i>	(1,100,471)	(817,049)	(304,648)	512,401
<i>Fund Balances Beginning of Year</i>	818,754	818,754	818,754	0
Prior Year Encumbrances Appropriated	421,276	421,276	421,276	0
<i>Fund Balances End of Year</i>	<u>\$139,559</u>	<u>\$422,981</u>	<u>\$935,382</u>	<u>\$512,401</u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Sewer Fund*  
*For the Year Ended December 31, 2003*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest	\$30,000	\$30,000	\$1,242	(\$28,758)
Charges for Services	2,040,000	2,208,500	2,206,586	(1,914)
Tap-In Fees	10,000	10,700	17,732	7,032
Other	20,000	20,800	48,961	28,161
<i>Total Revenues</i>	<u>2,100,000</u>	<u>2,270,000</u>	<u>2,274,521</u>	<u>4,521</u>
<b>Expenses</b>				
Salaries and Wages:				
Sewer Office	43,500	65,803	65,588	215
Sewer Disposal Plant	597,800	618,300	611,715	6,585
Total Salaries and Wages	<u>641,300</u>	<u>684,103</u>	<u>677,303</u>	<u>6,800</u>
Fringe Benefits:				
Sewer Office	29,520	28,120	20,868	7,252
Sewer Disposal Plant	274,254	304,254	301,074	3,180
Total Fringe Benefits	<u>303,774</u>	<u>332,374</u>	<u>321,942</u>	<u>10,432</u>
Purchased Services:				
Sewer Office	68,513	48,210	44,502	3,708
Sewer Disposal Plant	167,420	212,670	190,048	22,622
Total Purchased Services	<u>235,933</u>	<u>260,880</u>	<u>234,550</u>	<u>26,330</u>
Materials and Supplies:				
Sewer Office	6,682	6,082	5,379	703
Sewer Disposal Plant	105,499	97,449	79,500	17,949
Wastewater Reserve	0	34,050	34,050	0
Total Materials and Supplies	<u>112,181</u>	<u>137,581</u>	<u>118,929</u>	<u>18,652</u>
Capital Outlay:				
Sewer Office	27,000	27,000	0	27,000
Sewer Disposal Plant	190,000	367,000	0	367,000
Wastewater Reserve	230,361	196,311	76,311	120,000
Total Capital Outlay	<u>447,361</u>	<u>590,311</u>	<u>76,311</u>	<u>514,000</u>
Debt Service:				
Interest and Fiscal Charges	290,000	2,077	2,077	0
<i>Total Expenses</i>	<u>\$2,030,549</u>	<u>\$2,007,326</u>	<u>\$1,431,112</u>	<u>\$576,214</u> (continued)

**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Sewer Fund (continued)*  
*For the Year Ended December 31, 2003*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<i>Excess of Revenues Over Expenses</i>	\$69,451	\$262,674	\$843,409	\$580,735
Transfers In	0	52,000	0	(52,000)
Transfers Out	0	(290,000)	(273,440)	16,560
<i>Net Change in Fund Balance</i>	69,451	24,674	569,969	545,295
<i>Fund Balance Beginning of Year</i>	598,860	598,860	598,860	0
Prior Year Encumbrances Appropriated	13,442	13,442	13,442	0
<i>Fund Balance End of Year</i>	<u>\$681,753</u>	<u>\$636,976</u>	<u>\$1,182,271</u>	<u>\$545,295</u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Electric Fund*  
*For the Year Ended December 31, 2003*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest	\$30,000	\$30,000	\$27,471	(\$2,529)
Charges for Services	12,842,000	13,368,500	13,028,745	(339,755)
Electric Deposits Received	25,000	25,000	23,575	(1,425)
Notes Issued	1,600,000	1,600,000	1,600,000	0
Other	30,000	31,500	146,010	114,510
<i>Total Revenues</i>	<u>14,527,000</u>	<u>15,055,000</u>	<u>14,825,801</u>	<u>(229,199)</u>
<b>Expenses</b>				
Salaries and Wages:				
Electric Office	156,000	118,629	117,769	860
Electric Distribution	791,805	815,805	810,193	5,612
Electric Plant	1,057,000	1,142,000	1,133,699	8,301
Total Salaries and Wages	<u>2,004,805</u>	<u>2,076,434</u>	<u>2,061,661</u>	<u>14,773</u>
Fringe Benefits:				
Electric Office	49,818	49,818	47,299	2,519
Electric Distribution	298,518	358,018	346,722	11,296
Electric Plant	450,533	492,533	490,438	2,095
Total Fringe Benefits	<u>798,869</u>	<u>900,369</u>	<u>884,459</u>	<u>15,910</u>
Purchased Services:				
Electric Office	62,432	99,803	87,057	12,746
Electric Distribution	339,316	352,816	338,114	14,702
Electric Plant	1,222,348	1,102,348	1,078,995	23,353
Total Purchased Services	<u>1,624,096</u>	<u>1,554,967</u>	<u>1,504,166</u>	<u>50,801</u>
Materials and Supplies:				
Electric Office	4,533	4,533	3,534	999
Electric Distribution	70,910	307,708	268,318	39,390
Electric Plant	1,932,521	1,807,521	1,794,940	12,581
Total Materials and Supplies	<u>2,007,964</u>	<u>2,119,762</u>	<u>2,066,792</u>	<u>52,970</u>
Purchased Power:				
Electric Plant	\$5,200,000	\$5,967,700	\$5,960,857	\$6,843

(continued)

**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Electric Fund (continued)*  
*For the Year Ended December 31, 2003*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Capital Outlay:				
Electric Capital Reserve	\$1,000,000	\$1,530,000	\$901,783	\$628,217
Electric Surplus	850,000	850,000	0	850,000
Electric Replacement and Improvement	100,000	100,000	0	100,000
Electric Office	32,167	32,167	5,167	27,000
Municipal Electric Improvement	1,034,312	1,034,312	241,004	793,308
Electric Distribution	905,272	570,474	364,230	206,244
Electric Plant	33,000	23,000	19,842	3,158
Total Capital Outlay	3,954,751	4,139,953	1,532,026	2,607,927
Debt Service:				
Principal Retirement	2,100,000	2,100,000	2,100,000	0
Interest and Fiscal Charges	122,000	514,403	512,445	1,958
Total Debt Service	2,222,000	2,614,403	2,612,445	1,958
Electric Deposits Returned:				
Refunds	50,000	50,000	41,550	8,450
<i>Total Expenses</i>	17,862,485	19,423,588	16,663,956	2,759,632
<i>Excess of Revenues Under Expenses</i>	(3,335,485)	(4,368,588)	(1,838,155)	2,530,433
Transfers In	798,000	798,000	527,839	(270,161)
Transfers Out	0	(434,897)	(410,397)	24,500
<i>Net Change in Fund Balance</i>	(2,537,485)	(4,005,485)	(1,720,713)	2,284,772
<i>Fund Balance Beginning of Year</i>	5,175,448	5,175,448	5,175,448	0
Prior Year Encumbrances Appropriated	349,723	349,723	349,723	0
<i>Fund Balance End of Year</i>	\$2,987,686	\$1,519,686	\$3,804,458	\$2,284,772



**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Water Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$10,000	\$10,050	\$6,712	(\$3,338)
Charges for Services	2,046,000	1,755,950	1,829,437	73,487
Tap-In Fees	19,000	19,000	10,225	(8,775)
Bonds Issued	0	0	805,000	805,000
<i>Total Revenues</i>	<u>2,075,000</u>	<u>1,785,000</u>	<u>2,651,374</u>	<u>866,374</u>
<b>Expenses</b>				
Salaries and Wages:				
Water Office	43,300	66,703	65,653	1,050
Water Plant	536,200	536,200	533,603	2,597
Total Salaries and Wages	<u>579,500</u>	<u>602,903</u>	<u>599,256</u>	<u>3,647</u>
Fringe Benefits:				
Water Office	21,021	21,721	21,474	247
Water Plant	216,821	236,821	233,199	3,622
Total Fringe Benefits	<u>237,842</u>	<u>258,542</u>	<u>254,673</u>	<u>3,869</u>
Purchased Services:				
Water Office	62,429	44,526	41,410	3,116
Water Plant	197,181	206,481	193,024	13,457
Total Purchased Services	<u>259,610</u>	<u>251,007</u>	<u>234,434</u>	<u>16,573</u>
Materials and Supplies:				
Water Office	8,453	7,953	3,814	4,139
Water Plant	160,305	186,685	171,860	14,825
Total Materials and Supplies	<u>168,758</u>	<u>194,638</u>	<u>175,674</u>	<u>18,964</u>
Capital Outlay:				
Water Office	22,500	22,500	377	22,123
Water Plant	240,000	54,322	21,599	32,723
Water Replacement	100,000	0	0	0
Water Surplus	426,214	426,214	69,791	356,423
Water Reserve	18,970	100,000	70,450	29,550
Total Capital Outlay	<u>\$807,684</u>	<u>\$603,036</u>	<u>\$162,217</u>	<u>\$440,819</u>

(continued)

**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Water Fund (continued)*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Debt Service:				
Principal Retirement	\$180,000	\$180,000	\$180,000	\$0
Interest and Fiscal Charges	<u>346,700</u>	<u>346,700</u>	<u>303,915</u>	<u>42,785</u>
Total Debt Service	<u>526,700</u>	<u>526,700</u>	<u>483,915</u>	<u>42,785</u>
<i>Total Expenses</i>	<u>2,580,094</u>	<u>2,436,826</u>	<u>1,910,169</u>	<u>526,657</u>
<i>Net Change in Fund Balance</i>	(505,094)	(651,826)	741,205	1,393,031
<i>Fund Balance Beginning of Year</i>	917,099	917,099	917,099	0
Prior Year Encumbrances Appropriated	<u>21,139</u>	<u>21,139</u>	<u>21,139</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$433,144</u></u>	<u><u>\$286,412</u></u>	<u><u>\$1,679,443</u></u>	<u><u>\$1,393,031</u></u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Maintenance and Repair Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Income Taxes	\$375,000	\$375,000	\$375,000	\$0
Intergovernmental	410,000	410,000	468,295	58,295
Interest	4,000	5,500	1,023	(4,477)
Fines, Licenses and Permits	0	50	0	(50)
Other	0	23,500	2,791	(20,709)
<i>Total Revenues</i>	<u>789,000</u>	<u>814,050</u>	<u>847,109</u>	<u>33,059</u>
<b>Expenditures</b>				
Current:				
Transportation:				
Street Construction and Reconstruction:				
Salaries and Wages	460,034	492,832	490,666	2,166
Fringe Benefits	205,444	241,444	240,451	993
Purchased Services	59,145	23,647	21,922	1,725
Materials and Supplies	65,209	75,209	66,478	8,731
Travel, Schooling and Dues	1,000	200	104	96
Capital Outlay	8,000	0	0	0
<i>Total Expenditures</i>	<u>798,832</u>	<u>833,332</u>	<u>819,621</u>	<u>13,711</u>
<i>Net Change in Fund Balance</i>	(9,832)	(19,282)	27,488	46,770
<i>Fund Balance Beginning of Year</i>	19,576	19,576	19,576	0
Prior Year Encumbrances Appropriated	<u>2,583</u>	<u>2,583</u>	<u>2,583</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$12,327</u>	<u>\$2,877</u>	<u>\$49,647</u>	<u>\$46,770</u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Highway Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$29,000	\$29,000	\$37,970	\$8,970
Other	2,000	2,000	400	(1,600)
<i>Total Revenues</i>	31,000	31,000	38,370	7,370
<b>Expenditures</b>				
Current:				
Transportation:				
Street Construction and Reconstruction:				
Materials and Supplies	60,466	63,397	60,451	2,946
<i>Net Change in Fund Balance</i>	(29,466)	(32,397)	(22,081)	10,316
<i>Fund Balance Beginning of Year</i>	16,931	16,931	16,931	0
Prior Year Encumbrances Appropriated	15,466	15,466	15,466	0
<i>Fund Balance End of Year</i>	<u>\$2,931</u>	<u>\$0</u>	<u>\$10,316</u>	<u>\$10,316</u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police and Fire Pension Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property and Other Local Taxes	\$133,121	\$136,121	\$139,376	\$3,255
Income Taxes	258,000	281,500	281,500	0
Intergovernmental	16,879	16,879	16,879	0
<i>Total Revenues</i>	<u>408,000</u>	<u>434,500</u>	<u>437,755</u>	<u>3,255</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Disability and Pension:				
Fringe Benefits	200,000	201,200	201,065	135
Fire Disability and Pension:				
Fringe Benefits	209,000	233,800	233,642	158
<i>Total Expenditures</i>	<u>409,000</u>	<u>435,000</u>	<u>434,707</u>	<u>293</u>
<i>Net Change in Fund Balance</i>	(1,000)	(500)	3,048	3,548
<i>Fund Balance Beginning of Year</i>	<u>1,567</u>	<u>1,567</u>	<u>1,567</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$567</u></u>	<u><u>\$1,067</u></u>	<u><u>\$4,615</u></u>	<u><u>\$3,548</u></u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Ambulance Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	<u>\$80,000</u>	<u>\$80,000</u>	<u>\$136,990</u>	<u>\$56,990</u>
<b>Expenditures</b>				
Current:				
Public Health Services:				
Ambulance:				
Salaries and Wages	60,000	92,000	84,955	7,045
Materials and Supplies	<u>27,445</u>	<u>42,445</u>	<u>41,369</u>	<u>1,076</u>
<i>Total Expenditures</i>	<u>87,445</u>	<u>134,445</u>	<u>126,324</u>	<u>8,121</u>
<i>Net Change in Fund Balance</i>	(7,445)	(54,445)	10,666	65,111
<i>Fund Balance Beginning of Year</i>	91,629	91,629	91,629	0
Prior Year Encumbrances Appropriated	<u>7,445</u>	<u>7,445</u>	<u>7,445</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$91,629</u></u>	<u><u>\$44,629</u></u>	<u><u>\$109,740</u></u>	<u><u>\$65,111</u></u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cemetery Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Income Taxes	\$250,000	\$250,000	\$250,000	\$0
Interest	30,000	30,000	27,726	(2,274)
Charges for Services	120,000	162,274	113,306	(48,968)
<i>Total Revenues</i>	<u>400,000</u>	<u>442,274</u>	<u>391,032</u>	<u>(51,242)</u>
<b>Expenditures</b>				
Current:				
Public Health Services:				
Cemetery:				
Salaries and Wages	242,281	235,881	235,400	481
Fringe Benefits	102,600	115,700	114,164	1,536
Purchased Services	12,935	11,535	11,473	62
Materials and Supplies	18,300	14,800	12,551	2,249
Capital Outlay	4,000	2,800	2,446	354
Other	600	0	0	0
<i>Total Expenditures</i>	<u>380,716</u>	<u>380,716</u>	<u>376,034</u>	<u>4,682</u>
<i>Net Change in Fund Balance</i>	19,284	61,558	14,998	(46,560)
<i>Fund Balance Beginning of Year</i>	559,835	559,835	559,835	0
Prior Year Encumbrances Appropriated	<u>160</u>	<u>160</u>	<u>160</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$579,279</u></u>	<u><u>\$621,553</u></u>	<u><u>\$574,993</u></u>	<u><u>(\$46,560)</u></u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Revolving Loan Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$0	\$824	\$3,005	\$2,181
Other	<u>15,000</u>	<u>514,176</u>	<u>14,175</u>	<u>(500,001)</u>
<i>Total Revenues</i>	15,000	515,000	17,180	(497,820)
<b>Expenditures</b>				
Current:				
Community Environment:				
Other Community Environment:				
Purchased Services	<u>10,000</u>	<u>520,000</u>	<u>14,290</u>	<u>505,710</u>
<i>Net Change in Fund Balance</i>	5,000	(5,000)	2,890	7,890
<i>Fund Balance Beginning of Year</i>	<u>218,269</u>	<u>218,269</u>	<u>218,269</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$223,269</u></u>	<u><u>\$213,269</u></u>	<u><u>\$221,159</u></u>	<u><u>\$7,890</u></u>



**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Drug Law Enforcement Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines, Licenses and Permits	\$1,000	\$1,000	\$0	(\$1,000)
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Drug Law Enforcement:				
Materials and Supplies	1,000	1,000	0	1,000
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	12,485	12,485	12,485	0
<i>Fund Balance End of Year</i>	<u>\$12,485</u>	<u>\$12,485</u>	<u>\$12,485</u>	<u>\$0</u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Law Enforcement Block Grant Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>427</u>	<u>427</u>	<u>427</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$427</u></u>	<u><u>\$427</u></u>	<u><u>\$427</u></u>	<u><u>\$0</u></u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Enforcement and Education Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines, Licenses and Permits	\$1,500	\$1,500	\$3,283	\$1,783
Other	<u>0</u>	<u>0</u>	<u>600</u>	<u>600</u>
<i>Total Revenues</i>	1,500	1,500	3,883	2,383
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Enforcement and Education:				
Materials and Supplies	<u>3,000</u>	<u>3,000</u>	<u>378</u>	<u>2,622</u>
<i>Net Change in Fund Balance</i>	(1,500)	(1,500)	3,505	5,005
<i>Fund Balance Beginning of Year</i>	<u>10,371</u>	<u>10,371</u>	<u>10,371</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$8,871</u></u>	<u><u>\$8,871</u></u>	<u><u>\$13,876</u></u>	<u><u>\$5,005</u></u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Shade Tree Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Contributions and Donations	\$25	\$25	\$0	(\$25)
<b>Expenses</b>				
Current:				
General Government:				
Land Development:				
Purchased Services	<u>1,000</u>	<u>1,000</u>	<u>0</u>	<u>1,000</u>
<i>Net Change in Fund Balance</i>	(975)	(975)	0	975
<i>Fund Balance Beginning of Year</i>	<u>2,909</u>	<u>2,909</u>	<u>2,909</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,934</u></u>	<u><u>\$1,934</u></u>	<u><u>\$2,909</u></u>	<u><u>\$975</u></u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Debt Service Fund*  
*For the Year Ended December 31, 2003*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
General Government:				
Purchased Services	150	150	150	0
Debt Service:				
Principal Retirement:				
Master Capital Notes	2,557,301	2,557,301	2,300,000	257,301
Electric Municipal Improvement	3,700,000	3,700,000	3,700,000	0
Sewer Improvement	1,090,000	1,090,000	1,090,000	0
Electric Precipitator Bond	55,000	55,000	55,000	0
Electric North Sub Station Bond	75,000	75,000	75,000	0
Total Principal Retirement	7,477,301	7,477,301	7,220,000	257,301
Interest and Fiscal Charges:				
Master Capital Notes	65,374	65,374	65,374	0
Electric Municipal Improvement	57,150	57,150	57,118	32
Sewer Improvement	76,431	83,440	83,440	0
Electric Precipitator Bond	5,088	5,088	5,088	0
Electric North Sub Station Bond	22,500	22,500	22,500	0
Total Interest and Fiscal Charges	226,543	233,552	233,520	32
Total Debt Service	7,703,844	7,710,853	7,453,520	257,333
<i>Total Expenditures</i>	7,703,994	7,711,003	7,453,670	257,333
<i>Excess of Revenues Under Expenditures</i>	(7,703,994)	(7,711,003)	(7,453,670)	257,333
<b>Other Financing Sources</b>				
Notes Issued	6,976,241	6,983,250	6,700,000	(283,250)
Transfers In	753,703	753,703	753,809	106
<i>Total Other Financing Sources</i>	7,729,944	7,736,953	7,453,809	(283,144)
<i>Net Change in Fund Balance</i>	25,950	25,950	139	(25,811)
<i>Fund Balance Beginning of Year</i>	4,459	4,459	4,459	0
<i>Fund Balance End of Year</i>	\$30,409	\$30,409	\$4,598	(\$25,811)

**City of Dover, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balances - Budget (Non-GAAP Basis) and Actual*  
*Small Cities Block Grant Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$81,000	\$81,000	\$39,600	(\$41,400)
<b>Expenditures</b>				
Capital Outlay	<u>81,000</u>	<u>81,000</u>	<u>39,600</u>	<u>41,400</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balances Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Employee Health Insurance Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$1,070,000	\$1,220,000	\$1,126,249	(\$93,751)
Interest	0	0	5	5
Other	5,000	5,000	2,149	(2,851)
<i>Total Revenues</i>	1,075,000	1,225,000	1,128,403	(96,597)
<b>Expenses</b>				
Claims	1,075,000	1,225,000	1,147,504	77,496
<i>Net Change in Fund Balance</i>	0	0	(19,101)	(19,101)
<i>Fund Balance Beginning of Year</i>	56,590	56,590	56,590	0
<i>Fund Balance End of Year</i>	<u>\$56,590</u>	<u>\$56,590</u>	<u>\$37,489</u>	<u>(\$19,101)</u>

**City of Dover, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cemetery Interment Fund*  
*For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$18,000	\$18,000	\$21,580	\$3,580
Interest	2,150	2,150	2,216	66
<i>Total Revenues</i>	20,150	20,150	23,796	3,646
<b>Expenses</b>				
Current:				
Public Health Services:				
Cemetery:				
Other	20,000	20,000	11,190	8,810
<i>Net Change in Fund Balance</i>	150	150	12,606	12,456
<i>Fund Balance Beginning of Year</i>	183,188	183,188	183,188	0
<i>Fund Balance End of Year</i>	<u>\$183,338</u>	<u>\$183,338</u>	<u>\$195,794</u>	<u>\$12,456</u>



## **Statistical Section**



**City of Dover, Ohio**  
*Governmental Activities by Source and Expenses by Function*  
*Last Three Years (2)*

	<u>2003</u>	<u>2002</u>	<u>2001</u>
<b>Program Revenues</b>			
Charges for Services and Sales	\$859,448	\$899,791	\$772,159
Operating Grants, Contributions and Interest	539,613	456,671	455,451
Capital Grants and Contributions	300,600	322,207	331,673
<b>General Revenues</b>			
Taxes (1)	4,512,708	4,050,648	4,187,366
Intergovernmental	1,136,833	1,545,024	1,807,058
Interest	171,851	313,767	361,563
Other	118,164	86,492	168,593
Total	<u><u>\$7,639,217</u></u>	<u><u>\$7,674,600</u></u>	<u><u>\$8,083,863</u></u>
<b>Expenses</b>			
General Government	\$1,210,455	\$969,886	\$843,700
Security of Persons and Property	3,687,742	3,104,690	2,961,926
Transportation	1,056,544	1,296,099	421,984
Public Health Services	547,149	483,663	459,964
Community Environment	91,624	82,789	72,811
Basic Utility Services	360,112	361,789	441,833
Leisure Time Activities	658,363	540,740	599,834
Debt Service			
Interest and Fiscal Charges	62,513	119,045	94,682
Total	<u><u>\$7,674,502</u></u>	<u><u>\$6,958,701</u></u>	<u><u>\$5,896,734</u></u>

Source: City financial records

(1) Includes all taxes

(2) The City has only reported on a full accrual basis of accounting since 2001.

**City of Dover, Ohio**  
*General Governmental Revenues by Source and Expenditures by Function (1)*  
*Last Ten Years*

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
<b>Revenues</b>				
Taxes (2)	\$4,471,319	\$4,118,024	\$4,329,886	\$3,973,721
Special Assessments	0	0	0	0
Intergovernmental	2,162,986	1,999,867	2,460,283	1,882,015
Interest	171,846	313,754	360,939	557,602
Fines, Licenses, and Permits	51,425	72,000	45,379	59,390
Charges for Services	802,403	838,405	726,780	741,757
Contributions and Donations	0	0	0	27,983
Other	117,508	86,121	167,420	50,934
Total	<u>\$7,777,487</u>	<u>\$7,428,171</u>	<u>\$8,090,687</u>	<u>\$7,293,402</u>
<b>Expenditures</b>				
General Government	\$1,079,208	\$959,875	\$893,214	\$851,494
Security of Persons and Property	3,391,342	3,192,292	3,000,283	2,815,614
Transportation	913,496	820,998	798,741	770,247
Public Health Services	521,479	477,570	433,842	422,110
Community Environment	89,066	70,183	68,294	63,742
Basic Utility Services	360,112	361,789	375,863	321,642
Leisure Time Activities	588,496	578,440	571,899	520,448
Capital Outlay	1,746,083	919,272	1,116,398	1,234,808
Debt Service:				
Interest and Fiscal Charges	65,925	119,073	94,727	104,386
Total	<u>\$8,755,207</u>	<u>\$7,499,492</u>	<u>\$7,353,261</u>	<u>\$7,104,491</u>

Source: City financial records

(1) Includes all governmental fund types.

(2) Includes all taxes

<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
\$3,909,327	\$3,904,919	\$3,570,133	\$3,584,433	\$3,410,288	\$3,289,642
0	0	0	0	0	891
2,011,438	1,621,328	1,462,047	1,964,308	1,837,899	1,688,948
461,878	408,831	263,619	234,570	241,204	324,750
40,413	39,762	35,407	47,025	37,785	45,345
771,835	816,364	779,605	766,529	780,782	802,779
21,500	73,044	30,000	133,430	20,000	22,960
105,164	145,409	26,323	56,916	34,082	39,398
<u>\$7,321,555</u>	<u>\$7,009,657</u>	<u>\$6,167,134</u>	<u>\$6,787,211</u>	<u>\$6,362,040</u>	<u>\$6,214,713</u>
\$908,558	\$679,256	\$648,291	\$603,351	\$606,815	\$540,700
2,775,270	2,632,752	2,488,579	2,413,326	2,199,744	2,143,559
811,161	736,070	627,528	686,972	714,379	760,132
455,576	358,720	364,464	299,616	261,753	342,889
59,935	65,979	57,942	382,482	210,997	356,929
341,845	361,484	381,101	403,801	389,391	512,202
512,853	495,150	459,873	464,931	419,187	383,053
1,036,425	1,151,032	1,614,695	1,758,679	1,687,320	2,970,284
116,203	116,373	131,060	126,147	124,009	89,339
<u>\$7,017,826</u>	<u>\$6,596,816</u>	<u>\$6,773,533</u>	<u>\$7,139,305</u>	<u>\$6,613,595</u>	<u>\$8,099,087</u>

**City of Dover, Ohio**  
*Property Tax Levies and Collections*  
*Real and Public Utility Tax (1)*  
*Last Ten Years*

<u>Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections (2)</u>	<u>Percent of Current Taxes Collected to Total Tax Levy</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Ratio of Total Tax Collections to Total Tax Levy</u>	<u>Outstanding Delinquent Taxes (3)</u>	<u>Ratio of Delinquent Taxes to Total Tax Levy</u>
1994	\$580,175	\$549,711	94.75 %	\$11,564	\$561,275	96.74 %	\$18,798	3.24 %
1995	600,017	569,989	95.00	14,185	584,174	97.36	17,871	2.98
1996	657,431	625,753	95.18	9,637	635,390	96.65	21,107	3.21
1997	665,018	633,863	95.32	8,054	641,917	96.53	22,998	3.46
1998	665,328	610,972	91.83	21,834	632,806	95.11	16,151	2.43
1999	726,030	711,172	97.95	12,493	723,665	99.67	12,569	1.73
2000	733,677	711,475	96.97	13,581	725,056	98.82	29,535	4.03
2001	743,272	726,469	97.74	16,569	743,038	99.97	31,485	4.24
2002	775,009	757,265	97.71	20,236	777,501	100.32	27,809	3.59
2003	796,489	773,160	97.07	19,914	793,074	99.57	27,432	3.44

Source: Tuscarawas County Ohio; County Auditor

- (1) Does not include state reimbursements of homestead and rollback exemptions.
- (2) Includes penalties which are not included in the total tax levy.
- (3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and deletions which are brought on in one lump sum.

**City of Dover, Ohio**  
*Property Tax Rates--Direct and Overlapping Governments*  
*(Per 1,000 of Assessed Valuation)*  
*Last Ten Years*

Year	City of Dover			Dover School District	Tuscarawas County	Tuscarawas County Health District	Buckeye JVS	Total
	General Fund	Police and Fire Pension	Total					
1994	\$6.00	\$0.60	\$6.60	\$41.47	\$5.70	\$1.00	\$1.80	\$56.57
1995	6.00	0.60	6.60	41.47	5.70	1.00	2.80	57.57
1996	6.00	0.60	6.60	41.17	5.70	1.00	2.80	57.27
1997	6.00	0.60	6.60	46.57	6.20	1.00	2.80	63.17
1998	6.00	0.60	6.60	46.57	8.10	1.00	2.80	65.07
1999	6.00	0.60	6.60	45.67	8.10	1.00	2.80	64.17
2000	6.00	0.60	6.60	45.62	8.10	1.00	2.80	64.12
2001	6.00	0.60	6.60	45.52	8.20	1.00	2.80	64.12
2002	6.00	0.60	6.60	45.52	8.20	1.00	2.80	64.12
2003	6.00	0.60	6.60	45.47	8.20	1.00	2.80	64.07

Source: Tuscarawas County, Ohio; County Auditor

**City of Dover**  
*Assessed Valuation and Estimated  
 True Values of Taxable Property  
 Last Ten Years*

Year	Agricultural/ Residential Real Estate	Other Real Estate	Total Real Estate	Public Utility Personal
1994	\$81,011,570	\$39,929,840	\$120,941,410	\$6,217,240
1995	98,550,830	42,024,300	140,575,130	5,659,760
1996	99,630,860	42,964,280	142,595,140	5,567,140
1997	101,274,890	44,309,660	145,584,550	4,711,780
1998	127,204,270	55,122,720	182,326,990	5,637,650
1999	128,184,830	55,991,710	184,176,540	5,582,880
2000	129,221,460	57,231,490	186,452,950	5,799,980
2001	142,187,860	61,183,960	203,371,820	3,204,400
2002	145,762,350	63,227,160	208,989,510	3,147,730
2003	147,647,110	64,113,650	211,760,760	3,076,130

Source: Tuscarawas County, Ohio; County Auditor

(1) This amount is calculated by dividing the assessed value by the assessment percentage.

The percentages for 2003 are:

35 percent for all real estate and

25 percent for capital assets and 23 percent for inventory included in tangible personal



<u>Tangible Personal</u>	<u>Total Personal</u>	<u>Total Assessed Value</u>	<u>Estimated True Value</u>	<u>Percent of Assessed Value To Estimated True Value (1)</u>
\$39,837,720	\$46,054,960	\$166,996,370	\$510,677,097	33 %
37,924,922	43,584,682	184,159,812	559,774,462	33
43,826,725	49,393,865	191,989,005	559,050,737	34
44,323,535	49,035,315	194,619,865	598,891,146	33
45,226,075	50,863,725	233,190,715	708,244,977	33
45,693,600	51,276,480	235,453,020	715,337,268	33
48,438,153	54,238,133	240,691,083	733,066,212	33
47,992,835	51,197,235	254,569,055	776,675,046	33
47,145,495	50,293,225	259,282,735	789,271,832	33
43,855,840	46,931,970	258,692,730	791,259,012	33

**City of Dover**  
*Special Assessment Collections*  
*Last Ten Years*

<u>Year</u>	<u>Billed</u>	<u>Amount Collected</u>	<u>Percent Collected</u>
1994	\$0	\$891 (1)	n/a
1995	0	0	n/a
1996	0	0	n/a
1997	0	0	n/a
1998	0	0	n/a
1999	0	0	n/a
2000	0	0	n/a
2001	0	0	n/a
2002	0	0	n/a
2003	0	0	n/a

Source: Tuscarawas County, Ohio; County Auditor  
 (1) Represents delinquent collections

**City of Dover, Ohio**  
*Computation of Overlapping General Obligation Bonded Debt*  
*December 31, 2003*

Jurisdiction	General Obligation Debt Outstanding	Percentage Applicable To City (1)	Amount Applicable To City
Dover City Schools	\$7,360,000	71.81%	\$5,285,216

Source: Tuscarawas County, Ohio; County Auditor

- (1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the total assessed valuation of the subdivision. The valuations used were for the 2003 collection year.

**City of Dover, Ohio**  
*General Obligation Revenue Bond Coverage*  
*Last Ten Years*

Fund/Year	Operating Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
<b>Water Fund:</b>							
1994	\$929,606	\$619,049	\$310,557	\$30,000	\$133,972	\$163,972	1.89
1995	1,493,073	697,177	795,896	30,000	374,802	404,802	1.97
1996	1,681,532	1,111,871	569,661	130,000	374,339	504,339	1.13
1997	1,636,727	763,220	873,507	135,000	368,777	503,777	1.73
1998	1,703,231	784,225	919,006	140,000	362,514	502,514	1.83
1999	1,757,478	916,615	840,863	145,000	352,861	497,861	1.69
2000	1,833,485	972,123	861,362	155,000	343,488	498,488	1.73
2001	1,735,530	1,237,124	498,406	165,000	335,738	500,738	1.00
2002	1,762,441	1,197,029	565,412	165,000	334,251	499,251	1.13
2003	1,902,977	1,255,591	647,386	180,000	318,735	498,735	1.30
<b>Electric Fund:</b>							
1994	\$10,014,748	\$7,839,404	\$2,175,344	\$130,000	\$113,826	\$243,826	8.92
1995	10,626,454	8,432,578	2,193,876	335,000	531,317	866,317	2.53
1996	10,895,388	9,490,751	1,404,637	345,000	661,207	1,006,207	1.40
1997	10,883,558	8,831,216	2,052,342	355,000	641,887	996,887	2.06
1998	11,082,539	9,096,135	1,986,404	365,000	621,637	986,637	2.01
1999	12,504,530	10,467,573	2,036,957	375,000	595,450	970,450	2.10
2000	12,437,522	9,649,872	2,787,650	390,000	570,752	960,752	2.90
2001	12,806,517	11,429,382	1,377,135	400,000	547,673	947,673	1.45
2002	13,430,716	12,015,310	1,415,406	415,000	201,159	616,159	2.30
2003	14,146,329	13,124,341	1,021,988	430,000	503,549	933,549	1.09
<b>Sewer Fund:</b>							
1994	\$1,427,011	\$877,006	\$550,005	\$50,000	\$93,454	\$143,454	3.83
1995	1,463,322	940,731	522,591	50,000	90,178	140,178	3.73
1996	1,369,424	970,975	398,449	55,000	88,468	143,468	2.78
1997	1,277,082	973,403	303,679	60,000	81,843	141,843	2.14
1998	1,349,477	1,015,119	334,358	60,000	80,268	140,268	2.38
1999	1,367,646	1,093,786	273,860	65,000	79,175	144,175	1.90
2000	1,383,076	1,089,946	293,130	70,000	72,572	142,572	2.06
2001	1,351,614	1,288,116	63,498	75,000	65,286	140,286	0.45
2002	1,937,077	1,246,796	690,281	80,000	60,704	140,704	4.91
2003	2,377,095	1,337,969	1,039,126	90,000	55,056	145,056	7.16

Source: City financial records

- (1) Total operating revenues include transfers in and interest revenue in accordance with bond indentures.
- (2) Total operating expenses exclusive of depreciation.
- (3) Includes principal and interest of general obligation revenue bonds only.

**City of Dover, Ohio**

*Legal Debt Margin*

*December 31, 2003*

Overall Debt Limitation (10 1/2% of Assessed Valuation)	<u>\$27,162,737</u>
Gross Indebtedness	23,410,000
Less: Self Supporting Debt	<u>20,590,000</u>
Net Debt Within 10 1/2% Limitation	<u>2,820,000</u>
Legal Debt Margin Within 10 1/2% Limitation	<u><u>\$24,342,737</u></u>
Unvoted Debt Limitation (5 1/2% of Assessed Valuation)	<u>\$14,260,550</u>
Gross Indebtedness	23,410,000
Less: Self-Supporting Debt	<u>20,590,000</u>
Net debt within 5 1/2% limitation	<u>2,820,000</u>
Legal Debt Margin Within 5 1/2% limitation	<u><u>\$11,440,550</u></u>

Sources: Tuscarawas County, Ohio; County Auditor, and City financial records

**City of Dover, Ohio**  
*Property Value, Construction and Bank Deposits*  
*Last Ten Years*

Year	Property Value (1)	Residential Construction Value	Commercial Construction Value	Domestic Bank Deposits in the County (in thousands)
1994	\$344,261,171	\$2,761,510	\$169,740	\$383,091
1995	401,643,229	5,622,285	1,546,371	402,359
1996	407,417,543	2,749,400	2,686,257	407,639
1997	416,242,770	3,905,430	2,423,030	205,749 (2)
1998	520,934,257	3,196,942	4,063,054	222,464
1999	526,218,686	2,885,486	2,603,486	162,185
2000	532,722,715	2,722,257	3,842,428	211,927
2001	580,695,290	4,868,200	433,490	222,631
2002	597,112,886	6,059,829	6,451,400	236,126
2003	605,030,743	5,473,400	2,188,114	247,585

Sources: Federal Reserve Bank - Cleveland, Ohio  
Tuscarawas County, Ohio: County Auditor

- (1) Represents estimated value of real estate.
- (2) Certain bank deposits are not included due to reorganization.

**City of Dover, Ohio**  
*Principal Taxpayers*  
*December 31, 2003*

<u>Taxpayer</u>	<u>Total Assessed Value</u>	<u>Percent of Assessed Value</u>
International Paper Company	\$9,014,820	3.48 %
Allied Machine and Engineering Corporation	8,525,660	3.30
Snyder Laboratories, Inc.	5,008,130	1.94
Commercial and Architectural Products	3,356,660	1.30
New Plan Realty Trust	3,279,800	1.27
Buehler's Food Markets, Inc.	2,567,720	0.99
Verizon North	2,527,760	0.98
Meteor-Lauren LLC	2,131,520	0.82
Oxford Capital Enterprises LLC	2,087,240	0.81
General Electric	<u>1,828,923</u>	<u>0.71</u>
	<u><u>\$40,328,233</u></u>	<u><u>15.60 %</u></u>

Source: Tuscarawas County, Ohio: County Auditor

**City of Dover, Ohio**

*Bonded Debt*

*December 31, 2003*

All of the general obligation debt of the City of Dover is to be paid from enterprise revenues. The City of Dover does not have any net general bonded debt; therefore, no ratio of net general bonded debt to assessed value and net bonded debt per capita and no ratio of annual debt service for general bonded debt to total general fund expenditures are presented in the City's statistical tables.



**City of Dover, Ohio**  
*Ten Largest Employers*  
*December 31, 2003*

Employer	Nature of Business	Number of Employees
Union Hospital	Hospital	912
Allied Machine and Engineering Corporation	Manufacturer	315
Zimmer Patient Care Division	Manufacturer	292
Dover City Schools	School	288
Buehler's	Grocery	252
Marlite	Manufacturer	204
Hennis Care Center Incorporated	Nursing Care Center	180
New Dawn Health Care	Nursing Care Center	177
Meteor Sealing	Manufacturer	145
Arizona Chemical Company	Manufacturer	135

Source: City records

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

<u>Year</u>	<u>Population (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate Tuscarawas County (3)</u>
1994	12,402	2,858	4.8 %
1995	12,613	2,900	5.5
1996	13,067	2,875	5.2
1997	13,327	2,862	4.9
1998	13,570	2,830	4.8
1999	13,630	2,819	4.4
2000	13,431	2,766	4.1
2001	13,573	2,736	4.9
2002	13,602	2,637	5.4
2003	13,643	2,621	6.5

(1) Source: Estimated by the City

(2) Source: Dover Board of Education

(3) Source: Ohio Department of Unemployment, Labor Research

**City of Dover, Ohio**  
*Miscellaneous Information*  
*December 31, 2003*

Date of Incorporation as a City	December 6, 1901
Form of Government	Mayor/Council
Area	5.71 Square Miles
Miles of Streets	68
Miles of Storm Sewers	32
Number of Street Lights	2,314
Hospital	1
Building Permits Issued	267
Education:	
Number of Teachers	183
Number of Students	2,621
Fire Protection:	
Number of Stations	1
Number of Firemen and Officers (Exclusive of Volunteer Firemen)	17
Fire Hydrants	562
Police Protection:	
Number of Stations	1
Number of Policemen and Officers	22
Municipal Utilities:	
Mile of Water Mains	82
Miles of Electric Lines	339
Miles of Sanitary Sewer	64
Number of Consumers:	
Water	5,491
Electric	6,609
Sewer	5,382
Average Daily Consumption (per household):	
Water	183
Electric	27
Sewer	165
Recreation and Culture:	
Number of Parks	2
Number of Libraries	1
Number of Swimming Pools	2
Number of Tennis Courts	8
Number of Baseball and Softball Diamonds	8
Employees:	
Full-Time	157
Part-Time	34

Source: City records

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**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**CITY OF DOVER**

**TUSCRAWAS COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 20, 2004**