



Dave Yost • Auditor of State

**CITY OF DOVER
TUSCARAWAS COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	1
Independent Accountants' Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133	3
Federal Awards Expenditures Schedule	5
Notes to the Federal Awards Receipts and Expenditures Schedule	6
Schedule of Findings.....	7
Schedule of Prior Audit Findings.....	9

This page intentionally left blank.



Dave Yost • Auditor of State

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

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

To the Honorable Mayor and City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, Tuscarawas County, Ohio (the City) as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 15, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

We did note certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated June 15, 2012.

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

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

Dave Yost
Auditor of State

June 15, 2012



Dave Yost • Auditor of State

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

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

To the Honorable Mayor and City Council:

Compliance

We have audited the compliance of the City of Dover, Tuscarawas County, Ohio (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the City's major federal program for the year ended December 31, 2011. The *summary of auditor's results* section of the accompanying Schedule of Findings identifies the City's major federal program. The City's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its major federal program. Our responsibility is to opine on the City's compliance based on our audit.

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

In our opinion, the City of Dover complied, in all material respects, with the requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2011.

Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

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

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

Federal Awards Receipts and Expenditures Schedule

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund, and remaining fund information of the City of Dover (the City) as of and for the year ended December 31, 2011, and have issued our report thereon dated June 15, 2012. Our audit was performed to form opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Federal Awards Receipts and Expenditures Schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Dave Yost
Auditor of State

June 15, 2012

**CITY OF DOVER
TUSCARAWAS COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Expenditures
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
<i>(Passed Through Ohio Department of Development)</i>				
Community Development Block Grants	A-C-10-2BG-1	14.228	\$ 85,078	\$ 76,470
HOME Investment Partnership Program	A-C-10-2BG-2	14.239	<u>230,010</u>	<u>154,791</u>
Total U.S. Department of Housing and Urban Development			315,088	231,261
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
<i>(Direct)</i>				
Assistance To Firefighter's Grant	N/A	97.044	<u>409,776</u>	<u>423,815</u>
Total U.S. Department of Homeland Security			409,776	423,815
Total			<u>\$ 724,864</u>	<u>\$ 655,076</u>

The notes to the Federal Awards Receipts and Expenditures Schedule are an integral part of this statement.

**CITY OF DOVER
TUSCARAWAS COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FISCAL YEAR ENDED DECEMBER 31, 2011**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS

The City has a revolving loan fund (RLF) program to provide low-interest loans to businesses to purchase property, machinery and equipment and create jobs. The federal Department of Housing and Urban Development (HUD) grants money for these loans to the City, passed through the Ohio Department of Development. The Schedule reports loans made and administrative costs as disbursements on the Schedule. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans.

These loans are collateralized by machinery and equipment.

Activity in the CDBG revolving loan fund during 2011 is as follows:

Beginning loans receivable balance as of January 1, 2011	\$281,104
Loans made	0
Loan principal repaid	60,354
Ending loans receivable balance as of December 31, 2011	<u>\$220,750</u>

The table above reports gross loans receivable.

NOTE C - MATCHING REQUIREMENTS

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

**CITY OF DOVER
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2011**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Assistance to Firefighter's Grant – CFDA #97.044
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

This page intentionally left blank.

**CITY OF DOVER
TUSCARAWAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2011**

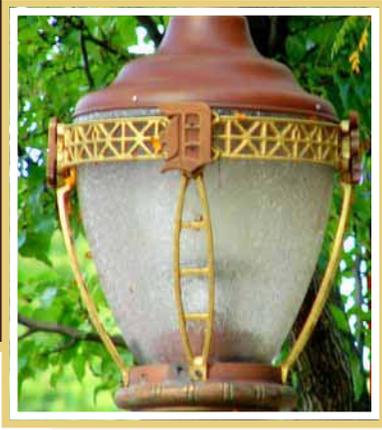
Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2010-001	Financial Reporting Including Capital Asset Accounting – There were several material adjusting entries needed to correct the financial statements.	Yes	Finding No Longer Valid

COMPREHENSIVE ANNUAL FINANCIAL REPORT

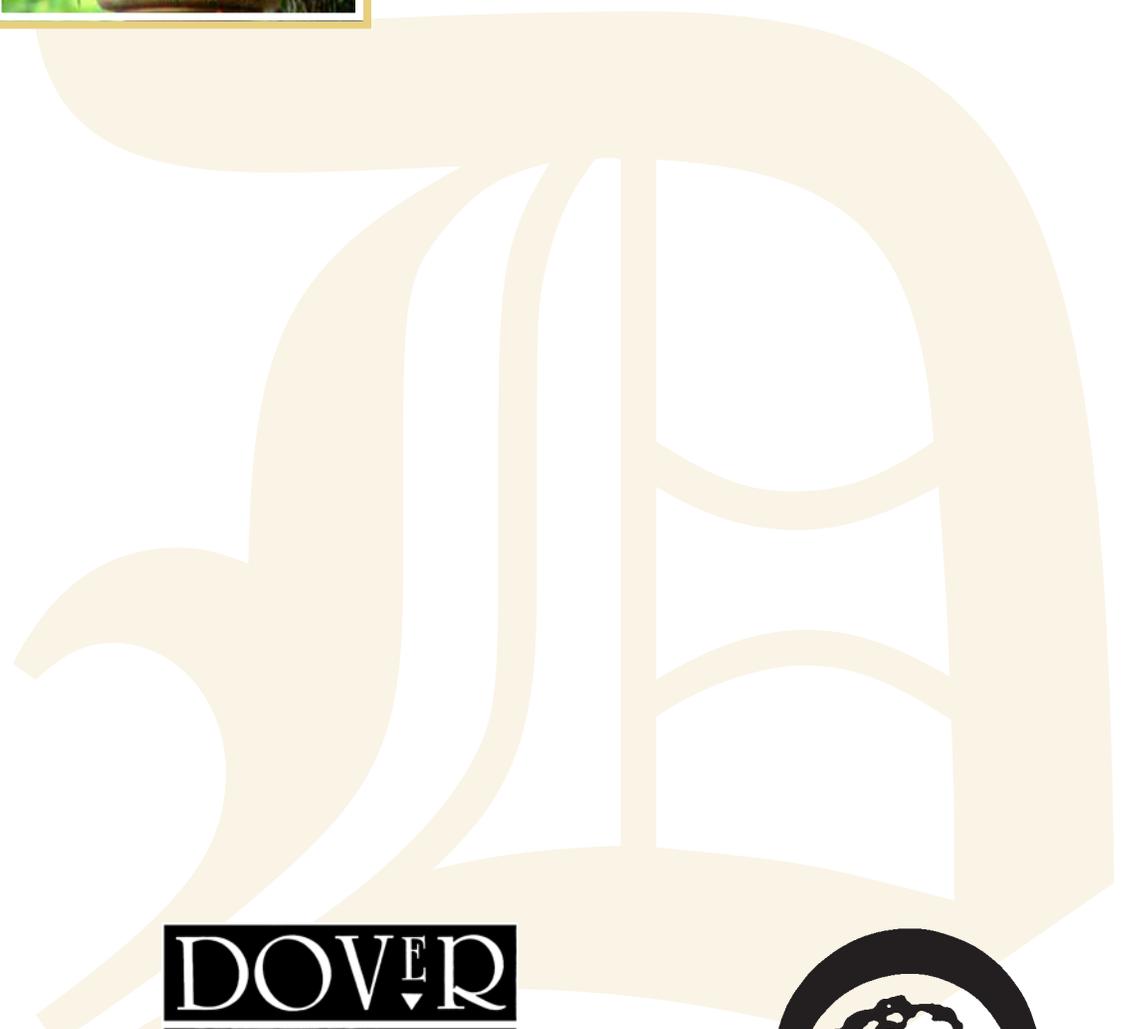


THE CITY OF **DOVER**, OHIO

FOR THE YEAR ENDING DECEMBER 31, 2011



Photos by Russ Volkert



COMPREHENSIVE ANNUAL FINANCIAL REPORT



Prepared by the City of Dover Auditor's Office

Mary J. Fox - Dover City Auditor

Debra L. Edwards - Assistant Auditor

Kelly L. Elliot - Office Assistant



THE CITY OF DOVER, OHIO

FOR THE YEAR ENDING DECEMBER 31, 2011

INTRODUCTORY

SECTION



THE CITY OF **DOVER**, OHIO

City of Dover, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2011
Table of Contents

	<u>Page</u>
I. Introductory Section	
Table of Contents	i
Letter of Transmittal.....	iv
GFOA Certificate of Achievement.....	xiv
List of Principal Officials.....	xv
Organizational Chart	xvi
II. Financial Section	
Independent Accountants' Report.....	1
Management's Discussion and Analysis.....	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	13
Statement of Activities	14
Fund Financial Statements:	
Balance Sheet - Governmental Funds	16
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes In Fund Balances of Governmental Funds to the Statement of Activities	19
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual: General Fund.....	20
Statement of Fund Net Assets - Proprietary Funds	21
Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Funds.....	22
Statement of Cash Flows - Proprietary Funds	24
Statement of Fiduciary Net Assets - Fiduciary Fund	26
Statement of Changes in Fiduciary Net Assets - Fiduciary Fund.....	27
Notes to the Basic Financial Statements	28

Combining and Individual Fund Statements and Schedules:

Combining Statements - Nonmajor Governmental Funds:

Fund Descriptions.....	58
Combining Balance Sheet - Nonmajor Governmental Funds	60
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	61
Combining Balance Sheet - Nonmajor Special Revenue Funds	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	64
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	66

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

Major Funds:

General Fund	68
Master Capital Fund	73
Sewer Fund.....	74
Electric Fund	76
Water Fund	78

Nonmajor Funds:

Street Maintenance and Repair Fund	80
State Highway Fund	81
Police and Fire Pension Fund.....	82
Ambulance Fund	83
Cemetery Fund	84
Revolving Loan Fund.....	85
Drug Law Enforcement Fund.....	86
Enforcement and Education Fund	87
Shade Tree Fund.....	88
Small Cities Block Grant Fund	89
CHIP Fund.....	90
Employee Health Insurance Fund	91
Cemetery Interment Fund.....	92

III. Statistical Section

Statistical Section Table of Contents.....	S1
Net Assets by Component - Last Ten Years.....	S2
Changes in Net Assets - Last Ten Years	S4
Fund Balances, Governmental Funds - Last Ten Years	S10
Changes in Fund Balances, Governmental Funds - Last Ten Years	S12
Income Tax Rate, Revenue Base and Collections – Last Ten Years.....	S14
Electric Sales (in MWH) and Number of Customers by Type – Last Ten Years.....	S16
Electric Rates (per Month) – Last Ten Years	S18
Principal Electric Customers – 2011 and 2004	S20
Ratios of Outstanding Debt by Type – Last Ten Years.....	S21
Computation of Direct and Overlapping Debt Attributable to Governmental Activities.....	S22
Legal Debt Margin Information – Last Ten Years	S24
Pledged Revenue Coverage Mortgage Revenue Bonds – Water – Last Ten Years	S26
Pledged Revenue Coverage Mortgage Revenue Bonds – Electric – Last Ten Years.....	S27
Demographic and Economic Statistics – Last Ten Years.....	S28
Principal Employers – 2011 and 2002.....	S29
Full-Time Equivalent City Government Employees by Function/Program – Last Ten Years.....	S30
Operating Indicators by Function/Program – Last Ten Years.....	S32
Capital Assets Statistics by Function/Program – Last Ten Years	S36



City Of Dover
Auditor's Office

122 EAST THIRD STREET • DOVER, OHIO 44622

(330) 343-6385

Mary J. Fox, Auditor
E-mail: mary.fox@doverohio.com

Fax (330) 343-2775

June 15, 2012

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

It is our privilege to present to you the City of Dover's (the City) Comprehensive Annual Financial Report (CAFR). This CAFR represents the official report of the City's operations and financial position for the year ended December 31, 2011, and details the status of City finances to residents, elected officials, investment bankers, underwriters, rating agencies and all other interested parties. This report enables the City to comply with Ohio Administrative Code Section 117-2-03(B), which requires reporting on a Generally Accepted Accounting Principles (GAAP) basis, and Ohio Revised Code Section 117.38 which requires cities reporting on a GAAP basis to file an annual report with the Auditor of State within 150 days of fiscal year end.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from any material misstatements.

The Auditor of State of Ohio has issued an unqualified ("clean") opinion on the City of Dover's financial statements for the year ended December 31, 2011. The Independent Accountants' Report is located at the front of the financial section of this report.

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

City Profile

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



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 at-large council members and four ward council members. A safety director, service director, auditor, treasurer, and law director are responsible for various departments of City business. For financial reporting purposes, the City has considered all departments and organizations making up the City of Dover (the primary government).

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

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

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

Local Economy

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

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

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

Tremcar USA, established a branch of their operation in October of 2011, located at 317 East Broadway in the Reeves Mill Business Park of the Tuscarawas County Port Authority. A \$500,000 renovation project has upgraded 48,400 square feet of the River Building. The company manufactures aluminum tanks and tanker trailers to haul petroleum products. The Canadian based company has five facilities: three in Canada, a division in Strasburg, Ohio, and now one in Dover. The Dover facility assembles the aluminum barrel tanker portion of the tractor-trailer rigs; the round barrel portion is currently being shipped from Canada for assembly. The plan is to produce the barrel itself in Dover in the near future. All production associated with the completion of the tanker is conducted through six production lines in the Dover plant. The unit is then shipped to Strasburg where it is completed on the trailer unit with wheels and any additional equipment necessary. Testing is conducted in Strasburg before the final product is shipped to the buyer.

Before production even began in Dover the company filed for additional monies for expansion. The company was aided with several sources of funding. The Tuscarawas County commissioners approved a \$150,000 loan to Tremcar and the Port Authority, for five years at 3 percent interest to help pay for the expansion. A 15 year low interest, \$1 million loan was obtained from the State of Ohio. This loan was increased from the original approved amount of \$750,000, due to the expansion, and the City of Dover is in the approval process of lending the company an additional \$200,000 from its Economic Development Revolving Loan Fund. Tremcar invested an additional \$1.8 million to complete the funding for the venture.

Tremcar plans to hire 145 employees between its Dover and Strasburg locations, with most of them being employed at the Dover plant. The business expansion has been attributed to the recent natural gas and oil boom in Ohio and Pennsylvania.

Union Hospital continues to be a great asset to the City of Dover. Not only is the hospital our largest employer, it is also an award winning, national recognized health care facility. In 2010, the hospital was ranked among the top 5 percent of all hospitals in the U.S. caring for patients with emergency medical conditions. The study, conducted by the nation's leading independent healthcare rating organization, examined 4,900 hospitals nationwide for the 11 most common life-threatening emergencies and Union Hospital was one of the 255 hospitals to be awarded the HealthGrades Emergency Medicine Award in 2010 and a five star rating for emergency medicine.

The hospital has also been recognized as one of the nation's "Most Wired Small and Rural Hospitals" by Hospital & Health Networks magazine. The evolutionary process transitioning from paper takes advantage of the speed and accuracy of electronic communications. The City of Dover aids the hospital in any way possible to achieve their goals. In 2011, Dover expanded its fiber optic network to add an additional six buildings to the 96 strand fiber optic backbone. Some of the "wired" programs started or being developed will enable the physicians to order and receive tests and their results from their own office. The ultimate goal of the hospital would be to have a portal on the website where patients can schedule their hospital appointments, get test results, access their medical records and pay their bills through a secure Regional Health Information Exchange. This network could be accessed by other hospitals to help increase continuity of care, increase access to physician care, and keep costs among the lowest in Ohio.

A work in progress is the newly constructed Country Inn and Suites, a 75 room facility, and the first in a new design for the international chain. The three story Inn will offer 75 rooms, including 14 suites, an indoor pool and spa, one executive and one group meeting room, a fitness and exercise room, breakfast areas and more. The Troyer Corporation, a family-real estate and hospital management company formed in 2001, also owns and operates the Comfort Inn which is on the same 16 acre site, visible to I-77, where the Country Inn and Suites is being built. The Troyer Corporation plans to use some of the 10 undeveloped acres left on the site to build a restaurant which will be within walking distance of both lodging establishments.

Dover is home the newly established Tuscarawas Clinic for the Working Uninsured. The clinic opened its doors in Dover in March of 2010. The clinic provides free primary medical care to individuals ages 1-64 who are employed but without medical insurance. The individuals must be at or below the 199 percent federal poverty level and cannot obtain medical services from the local health department. It is estimated there are 13,000 Tuscarawas County residents who are eligible for services. Staffed with employees and volunteers the clinic is working to educate as well as treat individuals with medical conditions. The clinic is working to expand hours to accommodate workers of all shifts.

Major Initiatives

For the Year

2011 saw the completion of the Bellevue and Wills Avenue storm sewer project. This project was years in the planning and came to be completed as a result of a \$299,999 Issue 1 grant. The City borrowed the additional \$740,000 to complete the project. The City decided to take advantage of a \$100,000 no interest loan offered through the Ohio Public Works Commission to help with the financing and issued a bond anticipation note for the remainder.

In October of 2011, the City issued a \$9,645,000 general obligation bond. The bond was issued to pay off all of the bond anticipation notes that were outstanding for various projects. The City took advantage of a competitive market and the bonds sold on an internet auction with Fifth Third Bank being the lowest of 8 bidders with a rate 3.05 percent for the twenty year issuance.

Early in 2011, the City purchased the building constructed by the local chapter of the Elks as their new lodge after selling their old lodge to the City in 2008. The Elks officially closed the doors of their new building in 2010 and the structure sat empty for many months before the City chose to purchase the building and convert it to a handicapped accessible City Council Chambers.

Renovations to the building were done and the majority of the kitchen equipment was moved to the parks department for use in concession stands and at Memorial Hall. The walk in cooler was sold at the City auction in 2011. The kitchen area was converted into a conference room. The building is now complete with restrooms, two conference rooms, a file room, and an area where small classes can be held, along with the Council Chambers. The basement of the building is a secure storage area for City departments.

A dedication ceremony was held in July and the building was dedicated to Roy Crawford who was a councilman for 10 years and then held the Council President position for 16 years before his retirement in 2008. The conference room was dedicated to former councilman and finance committee chair Marc Cappell.

Department Information

During the snow season of 2011 the first snow salting began on December 1, 2010, and we had periodic salting until March 11, 2011. The entire salting season required 2,027 tons of salt.

Mowing of the City's right of ways is done by the general services division. There are 50 plus locations throughout the City that are maintained by mowing and weed eating. Mowing is done weekly, bi-weekly, and monthly as required. Mowing started April 12, 2011 and went until October 11, 2011.

The leaf season started on the 4th of November, lasting 30 working days and finished on the 19th of December. Leaves were picked up using our leaf machine and two truck mounted collection boxes. For the entire process we used 568.9 gallons of diesel fuel and 1,048 man-hours.

The City of Dover's mini dump was used primarily as a collection area again this year for the brush, construction materials, and cement that we collected from the 1,800 brush slips received throughout the year. Construction materials were disposed of at Kimble's Landfill at a cost of \$7,142.

The general services division also maintains traffic control devices. There are 29 traffic light systems, 12 four way flasher/warning flashers, and 8 school speed limit light systems in the City of Dover. Signs are also a big part of our program with 64 new signs and 25 new posts being installed in 2011. The majority of these signs are installed to replace old worn signs and stolen or damaged ones, while others are to keep in compliance with the Ohio Uniform Traffic Code. Electric Field transferred a bucket truck for use in the street department and 48 traffic light bulbs were replaced this year.

The City of Dover operates and maintains three cemeteries. In 2011, 72 ground spaces, 2 mausoleum crypts and 8 cremation niches were sold. 73 ground burials and 30 cremations were conducted throughout 2011.

The Cemetery Department completed three projects in 2011. The first is the setting of the 48 Niche Columbarium, the second an office renovation, and the third was a tree harvest at Dover Burial Park which netted the City \$41,674 in 2011.

Dover City Parks Department continues to be a great asset to the City. The department offers recreational men's, women's and co-ed leagues for softball, bocce, volleyball and basketball. Summer activities include a youth basketball camp, tennis, golf, and swimming lessons. Summer youth baseball and softball continues to be very popular along with the pool and our disc golf course. For the first time in 2011 the parks department hosted the City's end of summer celebration which featured several bands and food. The evening was topped off by an impressive fireworks display, sponsored by two local businesses, Kimble Recycling and Disposal and Gales Recycle-it. Projects for the year included new fountains at the pond and a new sprinkler system at field 3.

The City park is always a busy place in the summer. The department operates two concession stands and is home to a state of the art playground donated in part to the City from a host of sponsors. Our picnic shelters had 52 reservations and the pool was rented 57 times. Memorial Hall, which consists of a dining hall, meeting rooms and a gym received \$56,630 in rental fees throughout 2011.

The parks department also is responsible for the shade tree program. In 2011, 168 trees were maintained and 60 trees were removed. The City is proud to be a Tree City USA recipient for 30 consecutive years and will host the awards banquet in 2012.

The Dover Police Department was kept busy in 2011. The department received 9,367 calls, investigated 393 traffic accidents, 32 of those involving injuries and one fatality.

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

The Police Department continued to support the residents of Dover with their yearly participation in community service programs such as the Third Grade Seat Belt Program, Fourth Grade Bicycle Safety Program, National Child Safety Program for grades K – 5, and Halloween Safety program for grades 1 – 6. The Department also participated in programs sponsored by the Tuscarawas Safe Kids Coalition, such as the TEEN Rodeo at the Tuscarawas County Fairgrounds involving students from all of the County's school districts. The Department is also involved with the Safe Kids/Healthy Kids day at Kent State

Tuscarawas Campus. All of the programs consist of officers working with others to provide information to the Dover school children promoting safety and good choices.

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

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

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

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

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

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

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

The year 2011 saw much progress for the Dover Fire Department. In April Dover's Spartan/Summit Rescue pumper was featured at the Fire Department Instructor's Conference (FDIC) in Indianapolis as one of two units displayed by the manufacturer that showcased innovations in their line of equipment; this is particularly significant as the FDIC is the largest and most influential educational and trade show for fire and rescue services in the world. Dover's rig was specified and built to replace two separate trucks, one engine that was set up for structural firefighting and another that was used for emergency rescue, including vehicle extrication from car crashes, equipment entanglement for industrial accidents and other related incidents. The features found on Dover's engine led to a feature article entitled Safety Features Abound on Dover Ohio CAFS Rescue Pumper written by Alan M. Petrillo, a noted authority on fire equipment, in the April issue of Fire Apparatus & Emergency Equipment, a monthly fire service trade journal.



2011 also saw the Dover Fire Department put into service its Command & Extended Operations trailer, which is set up for use both for emergencies and community events as a field office. Dover's unit is the only such unit within Tuscarawas County and is set up with an onboard generator, heat, air conditioning, supplies and equipment suitable to sustain a crew for an extended period of time. The unit is equipped with multiple radios and Dover can communicate directly with any fire or E.M.S. agency throughout the counties directly abutting ours and further has statewide MARCS radio capability, which allows for direct communication with any state agency. The trailer also carries a multi-band radio interface that can be set up to link with any other public safety band radios and can allow the trailer to operate as a portable base tower in the event of a large scale weather disaster that puts one of the county's communication towers out of service. This means that there is virtually no possibility of losing emergency communications in our area, which is hugely important for fire, police and E.M.S. units. The trailer was made possible with the assistance of Dover Township, Dover Chemical and the Dover Moose Lodge as well as the City of New Philadelphia. This project showcases the importance of public agencies, private industry, and community groups working together to help their communities, and really shows the value of the close-knit nature of Dover and Tuscarawas County, an area where people are proud to live, work and raise their families. We are very proud of our fire department; each individual is trained and highly motivated to serve in whatever capacity they can in the event of an emergency or simply volunteering to help the community.



Long Term Financial Planning

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

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

Relevant Financial Planning

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

The split of our City's income tax revenue has been addressed elsewhere in the report; however, the practice of allocating 40 percent of our income tax revenue to the master capital fund continues to be a most valuable tool. In the time of financial downturn the percentage can be lowered to allow for additional yearly revenue for operating expense, but otherwise, 40 percent of income tax revenue is used to maintain and grow our City, providing infrastructure and enhancements to serve our citizens. In 2011, only 20 percent of income tax was allocated to the master capital fund, as operating funds benefited from the additional revenue.

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

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

Awards

GFOA Certificate of Achievement The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dover for its Comprehensive Annual Financial Report for the year ended December 31, 2010.

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 thirtieth Tree City USA Award for the year ended December 31, 2011. These prestigious awards recognize the City for its annual program of planting new trees and maintaining and removing old trees. Dover has been the second longest recipient of this award at the City level.

Acknowledgments

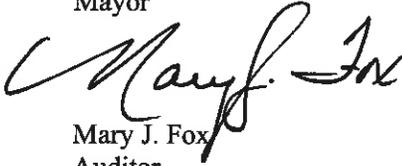
The preparation of the Comprehensive Annual Financial Report requires a major effort. We would like to thank everyone who has been involved in this report either directly or indirectly. The preparation of this report could not have been accomplished without the efficient and dedicated services of the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

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

Respectfully submitted,

A large, flowing handwritten signature in black ink, which appears to read "Richard P. Homrighausen".

Richard P. Homrighausen,
Mayor

A handwritten signature in black ink, which appears to read "Mary J. Fox".

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, 2010

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



Linda C. Danison

President

Jeffrey R. Emer

Executive Director

City of Dover, Ohio
Principal Officials
December 31, 2011

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

Finance Department

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

Safety Department

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

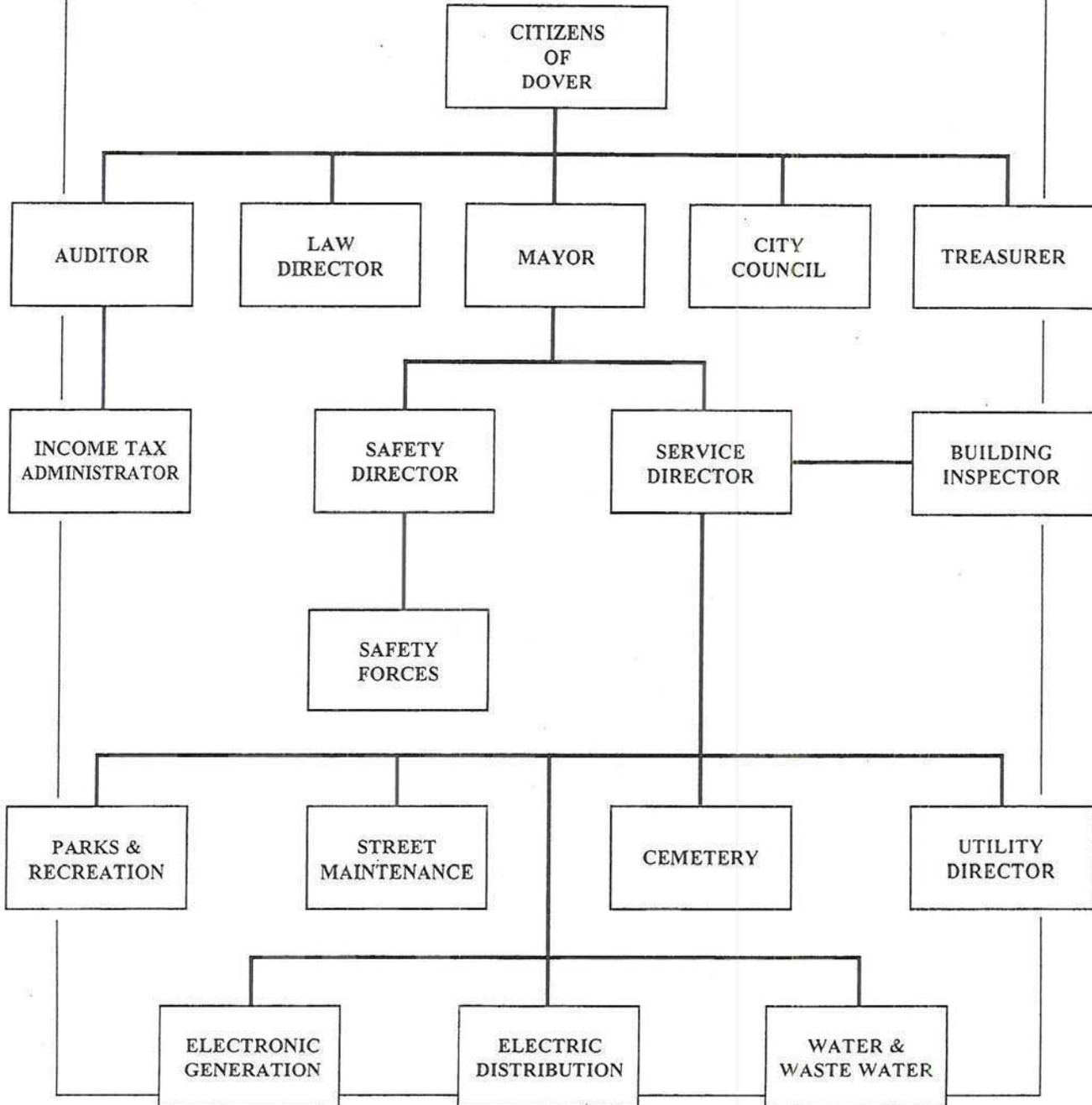
Service Department

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



CITY OF DOVER, OHIO

Organization Chart



FINANCIAL SECTION



THE CITY OF **DOVER**, OHIO



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

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

To the Honorable Mayor and 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, 2011, 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2012, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provides additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



Dave Yost
Auditor of State

June 15, 2012

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
Unaudited

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, 2011. 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 2011 are as follows:

- The competitive municipal bond market in 2011 provided an opportunity to bond the existing \$9,540,000 bond anticipation notes the City had outstanding. The notes were first rolled over in the beginning of the year, to come due November 30th, allowing for time for preparation of the official statement. Once the official statement was issued the City was rated Aa3 by Moody's and the notes were offered via the internet as a competitive sale. Eight bids were received with Fifth Third being the lowest bidder at 3.05 percent for the twenty year issuance. This bond issuance has locked in the payoff of the debt allowing the City to better plan for the years to come and saved the City thousands of dollars in interest.
- The City purchased a building near City Hall that formerly was home to the Fraternal Order of the Elks. This building fit in with the future plans for the eventual building of a new City Hall. To put the building to use in the present the City moved the Council Chambers from the second floor of City Hall to the newly remodeled first floor handicap accessible building.
- During 2010, the City secured partial funding from the Ohio Public Works Commission (OPWC) for the replacement and extension of an existing storm sewer. The storm sewer, which is located in what is considered the Reeves Heights addition of the City, involves many streets. The financing is as follows: \$640,000 from a note issued by the City, \$100,000 in an interest free loan from OPWC, a \$299,000 grant from OPWC, and additional costs paid from City funds. The project was completed in late summer of 2011. This project had been a long term goal of the City for many years.

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 2011 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.

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
Unaudited

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-financial items should be taken into consideration. These items would include the current economic situation as a whole, the current tax base for the City and the age and condition of the City's buildings and infrastructure.

In the Statement of Net 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 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.

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
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 2011 as they compare to 2010.

Table 1
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Assets						
Current and Other Assets	\$9,410,637	\$8,041,044	\$17,699,777	\$17,063,161	\$27,110,414	\$25,104,205
Capital Assets, Net	17,515,193	16,808,739	51,278,409	53,528,851	68,793,602	70,337,590
Total Assets	26,925,830	24,849,783	68,978,186	70,592,012	95,904,016	95,441,795
Liabilities						
Current Liabilities	1,918,098	2,814,545	2,609,424	2,238,972	4,527,522	5,053,517
Long-Term Liabilities						
Due Within One Year	316,129	139,303	1,381,220	1,195,247	1,697,349	1,334,550
Due in More Than One Year	4,774,030	4,536,045	28,965,036	30,674,522	33,739,066	35,210,567
Total Liabilities	7,008,257	7,489,893	32,955,680	34,108,741	39,963,937	41,598,634
Net Assets						
Invested in Capital Assets, Net of Related Debt	14,781,422	14,068,739	22,166,479	22,616,181	36,947,901	36,684,920
Restricted for:						
Cemetery	697,975	654,587	0	0	697,975	654,587
Street Maintenance and Repair	365,841	256,472	0	0	365,841	256,472
Revolving Loan Program	529,605	518,920	0	0	529,605	518,920
Law Enforcement and Education	39,141	37,753	0	0	39,141	37,753
Debt Service	0	0	1,485,064	1,525,242	1,485,064	1,525,242
Capital Projects	104,782	762,907	0	0	104,782	762,907
Replacement and Improvement	0	0	2,517,111	2,416,222	2,517,111	2,416,222
Unrestricted (Deficit)	3,398,807	1,060,512	9,853,852	9,925,626	13,252,659	10,986,138
Total Net Assets	\$19,917,573	\$17,359,890	\$36,022,506	\$36,483,271	\$55,940,079	\$53,843,161

In total our net assets showed increases for the year with the retirement of long-term debt being a significant factor in the increase. Also contributing to the increase was an increase in current assets, as cash balances increased.

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

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
Unaudited

Table 2 shows the changes in net assets for 2011 for both governmental and business-type activities.

Table 2
Change in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program Revenues						
Charges for Services and Sales	\$1,663,639	\$1,222,714	\$25,173,175	\$25,861,705	\$26,836,814	\$27,084,419
Operating Grants and Contributions	696,723	699,620	0	0	696,723	699,620
Capital Grants and Contributions	1,165,114	337,425	0	0	1,165,114	337,425
Total Program Revenues	3,525,476	2,259,759	25,173,175	25,861,705	28,698,651	28,121,464
General Revenues						
Property Taxes	899,497	941,708	0	0	899,497	941,708
Income Taxes	6,577,617	6,150,379	0	0	6,577,617	6,150,379
Grants and Entitlements	1,868,255	1,627,904	0	0	1,868,255	1,627,904
Investments	61,496	81,244	975	4,417	62,471	85,661
Miscellaneous	267,158	289,210	633,331	637,903	900,489	927,113
Total General Revenues	9,674,023	9,090,445	634,306	642,320	10,308,329	9,732,765
<i>Total Revenues</i>	<i>13,199,499</i>	<i>11,350,204</i>	<i>25,807,481</i>	<i>26,504,025</i>	<i>39,006,980</i>	<i>37,854,229</i>
Program Expenses						
General Government	1,284,689	1,396,691	0	0	1,284,689	1,396,691
Security of Persons and Property	4,647,659	4,566,373	0	0	4,647,659	4,566,373
Transportation	2,186,664	2,474,704	0	0	2,186,664	2,474,704
Public Health Services	788,705	842,745	0	0	788,705	842,745
Community Environment	115,729	106,332	0	0	115,729	106,332
Basic Utility Services	570,453	610,467	0	0	570,453	610,467
Leisure Time Activities	1,007,014	1,078,392	0	0	1,007,014	1,078,392
Interest and Fiscal Charges	40,903	9,673	0	0	40,903	9,673
Enterprise Operations:						
Sewer	0	0	3,518,361	2,886,179	3,518,361	2,886,179
Electric	0	0	20,818,346	19,311,806	20,818,346	19,311,806
Water	0	0	1,931,539	2,047,070	1,931,539	2,047,070
Total Program Expenses	10,641,816	11,085,377	26,268,246	24,245,055	36,910,062	35,330,432
Increase (Decrease) in Net Assets	2,557,683	264,827	(460,765)	2,258,970	2,096,918	2,523,797
Net Assets Beginning of Year	17,359,890	17,095,063	36,483,271	34,224,301	53,843,161	51,319,364
Net Assets End of Year	\$19,917,573	\$17,359,890	\$36,022,506	\$36,483,271	\$55,940,079	\$53,843,161

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
Unaudited

Governmental Activities

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

The City's income tax was established by ordinance to be effective January 1, 1970 at a rate of 1 percent. In the November election of 2006, the voters voted to increase the income tax rate by ½ percent. There is no restriction on how the additional ½ percent is to be used. The income tax accounted for revenues of \$6,577,617 in 2011. By City ordinance, income tax proceeds, after income tax department expenditures, are credited to the following funds: 40 percent of the net income tax to the master capital, capital projects fund and the remaining balance divided between the cemetery special revenue fund, the street maintenance and repair special revenue fund, the police and fire pension special revenue fund and the general fund. In 2010, the City changed the practice of putting 40 percent of income tax revenue to 20 percent into the master capital fund which continues to be an excellent tool in making capital improvements, maintaining City streets and purchasing equipment. The City has had to reduce the percentage to the master capital fund before to cover the expenses outpacing revenue in the operating funds. It is the plan to review this practice on a yearly basis in an effort to ensure good operating balances along with ample dollars for capital improvements.

Security of persons and property represent the largest expense of the governmental activities and includes the police and fire departments. The yearly expense slightly increased as compared to 2010. This increase is a result of wage increases for employees. Both of these departments are paid out of the general fund.

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

Our police department is a full-time, 24 hour a day, 365 days a year department with 19 officers, including a full time Chief.

Our street maintenance and repair and traffic department employs 14 full time employees who provide the City and its citizens many services that include public road salting, leaf and debris pickup, paint striping and alley profiling. Transportation expenses decreased from 2010. This decrease is primarily the result of the department working with fewer employees.

The City also maintains three cemeteries (public health services) and two parks (leisure time activities) within the City. Both of these expenses decreased from 2010, due to the City's continued efforts to control costs when possible.

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
Unaudited

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 2011, the electric utility generated \$20,123,656 in charges for services revenue. In 2001, the City entered into a joint venture project with other municipalities and AMP (American Municipal Power) to ensure the availability and consistent pricing when purchasing peak power. The City is always looking for ways to generate and purchase the most affordable power to the Citizens of Dover. Our mayor remains involved on a daily basis with other electric communities partnering and exploring all avenues of the electric industry to continue to provide this unique high quality service to Dover.

The water utility serviced 5,611 consumers with a minimum daily pumpage of 1.15 million gallons and a maximum daily pumpage of 2.59 million gallons in 2011. The water plant was put into service in 1998. The raw water is supplied through four wells currently in service into the plant where the water is treated with chlorine and filtered through green sand filters and distributed throughout the City. The City has three water towers.

The sewer facility processed an average of 1,749,559 gallons per day during 2011. The sewer plant expansion was a major project for the City. This \$13 million expansion broke ground in 2007. The City has paid for the engineering and design through the sewer fund and funded the remainder with a loan through Ohio Water Development Authority for the construction phase of the project. The City began to repay the 20 year loan in June of 2009. The new sewer plant was being tested throughout 2009. The final phase of the plant was completed in 2010.

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 2011, charges for services accounted for approximately 97.5 percent of the revenues. The total expenses for the utilities increased from 2010 due to increases in purchased power and materials and supplies. The City had an increase in net assets 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. The general fund had revenues of \$7,369,865 and expenditures of \$6,424,385, resulting in an excess of revenues over expenditures. An increase in several revenue sources, most notably income tax, led to the overall increase in fund balance as compared to 2010. The master capital fund had revenues of \$2,151,948 and expenditures of \$4,931,168, leaving an excess of expenditures over revenues. After factoring in the issuance of bonds and repayment of notes, this fund had an increase in fund balance. The income tax allocated to the master capital fund has always been the source of revenue for many projects such as the purchase of land and equipment and improvements to infrastructure. In 2011, the master capital fund received 20 percent of income tax collections, allowing many smaller projects to be funded and completed. It is a practice of the City to pay cash for items such as fire trucks. Sinking funds are only utilized when necessary. The City's funds are monitored consistently with adjustments made throughout the year in budgets to accommodate yearly revenues.

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
Unaudited

The one fund that consistently exceeds our expense expectations is our employee health insurance fund. Our medical/surgical and dental benefit plans have been self-funded since 1988. An ordinance was passed in 2007 to increase the premium by \$300 monthly and allow for an additional \$100 per employee per month to be contributed to the fund on an as-needed basis. We are consistently negotiating with all our unions for plan modifications and increased employee contributions to help control plan costs.

Information about the proprietary funds starts on page 21. These funds are accounted for on an accrual basis. Two of the three funds had expenses exceeding revenues in 2011, decreasing the net assets of the electric and sewer funds. The City consistently monitors these funds and takes the required actions to ensure strength in our enterprise funds. In 2008, the City found it necessary to pass along a 25 percent water rate increase effective in January of 2009. In an effort to avoid large percentage increases in the future, a 3 percent increase will be effective in January of every year to come. This increase will allow the City to properly maintain and grow the water system for the future.

Budgeting Highlights

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

For 2011, general fund appropriations were modified by Council four times. Final budgeted revenues and final appropriations were both higher than their respective original amounts due to revised estimates in all revenue categories and most expenditures. Actual revenues were higher than the final budgeted revenues due to higher income tax collections and intergovernmental revenues. Actual expenditures were lower than the final appropriations due to conservative budgeting.

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

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

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

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
Unaudited

Capital Assets

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

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$1,305,813	\$1,265,813	\$435,066	\$435,066	\$1,740,879	\$1,700,879
Construction in Progress	1,699	58,759	198,808	343,520	200,507	402,279
Buildings	2,046,163	1,962,066	21,894,847	22,641,418	23,941,010	24,603,484
Improvements other than Buildings	1,033,218	1,025,789	1,739,997	1,889,260	2,773,215	2,915,049
Equipment and Machinery	1,479,050	1,493,590	9,079,705	9,999,672	10,558,755	11,493,262
Furniture and Fixtures	5,794	7,008	54,486	60,901	60,280	67,909
Vehicles	697,459	834,604	419,556	538,782	1,117,015	1,373,386
Infrastructure	10,945,997	10,161,110	17,455,944	17,620,232	28,401,941	27,781,342
Total Capital Assets	\$17,515,193	\$16,808,739	\$51,278,409	\$53,528,851	\$68,793,602	\$70,337,590

Total capital assets for the City of Dover for the year ended December 31, 2011 decreased as compared to 2010. This decrease is due to annual depreciation outpacing the 2011 additions to capital assets. Capital asset activity for 2011 is provided in Note 10.

Debt

The outstanding debt for the City of Dover as of December 31, 2011 was as follows:

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

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Police and Fire Pension	\$266,551	\$273,072	\$0	\$0	\$266,551	\$273,072
General Obligation Bonds	2,705,897	0	7,087,343	0	9,793,240	0
Revenue Bonds	0	0	10,756,753	11,723,698	10,756,753	11,723,698
State Infrastructure						
Bank Loan	859,474	530,860	0	0	859,474	530,860
OPWC Loan	100,000	0	0	0	100,000	0
OWDA Loan	0	0	11,753,270	12,282,841	11,753,270	12,282,841
Notes Payable	0	2,640,000	0	6,900,000	0	9,540,000
Total	\$3,931,922	\$3,443,932	\$29,597,366	\$30,906,539	\$33,529,288	\$34,350,471

This balance reflected a decrease from the previous year's balance. Debts were reduced as principal payments were made. General obligation bonds were issued to retire bond anticipation notes.

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, OWDA loan and general obligation bonds that were issued for major upgrades to the power plant.

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
Unaudited

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

Additional information on the City's long-term debt can be found in Note 16 of this report.

Current Financial Issues

The City took advantage of a competitive bond market and issued a general obligation bond to pay off all outstanding bond anticipation notes. The issuance allowed to City to finance this debt at an attractive fixed rate which will save Dover thousands of dollars of interest in the years to come. Although the City plans to issue no debt in the near future, the prospect of building a new city hall is never far from the minds of the administration and City Council. As with all planned projects the City embarks upon we will do so with a down payment of our own money and finance only what we need to complete the endeavor.

An opportunity to purchase a property adjacent to the rear of the fire department presented itself in early 2011. In keeping with the plan of an eventual new city hall, the property was purchased for \$150,000. The building was built by the Fraternal Order of the Elks after vacating their former building and selling that building to the City. When it was no longer economically feasible for the Elks to operate, they closed their doors leaving the property for sale. The City saw this opportunity to purchase not only adjoining property but also a handicapped accessible Council Chambers that could also house City offices during the construction of a new city hall in the future. The City paid cash for the building and renovations. The Dover City Council Chambers were dedicated in July of 2011. The basement of the building is being used for a much needed climate controlled, monitored storage area.

The City, with the help of a grant and an interest free loan from the Ohio Public Works Commission, completed a longstanding goal of the replacing and extending storm sewer in the Reeves Heights addition of the City. The project involved many streets and was completed under budget allowing for additional work to be done in the area

Two sources of funding continue to offer the City flexibility in controlling revenues to the general fund. One is the KWH tax collected by the electric fund. This tax was imposed by the State as part of the legislation passed for electric deregulation. The tax collected from power sold within City limits is to be transferred to the general fund. Legislation was passed by City Council to allow the tax to be returned to the electric fund. In an effort to keep rates low, it is the City's intent to return the money to the electric fund each year unless there are significant revenue shortfalls in the general fund. In 2011, it was decided to keep all of the revenue in the general fund balance in an effort to build the year end fund balance. The other flexible source of funding is the split of the income tax. The standard practice is for 40 percent of tax collections to be allocated to the master capital fund for capital projects, however, in 2010 and again in 2011 that amount was reduced to 20 percent. The percentage can be adjusted yearly by City Council to aid in keep adequate operating balances.

In 2006, the citizens of Dover passed a ½ percent tax increase which was greatly needed, however, it wasn't long before the economic downturn affected the area leaving revenue estimates falling short. In 2011, the State of Ohio's biennial budget made significant cuts to the Local Government Fund subsidies to the City along with an accelerated phase out of the personal property tax reimbursement from the State. These measures reduced 2011 revenue expectations, which were only offset by an increase in income tax

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
Unaudited

collections. The City continued a hiring freeze for every department, with the only exceptions being for safety sensitive positions. Budgets were trimmed to essential spending only. The AFSCME union contract was negotiated for a 0 percent increase in 2010 and 1 percent in 2011. The City's non-bargaining unit has agreed to no increase in 2011. These measures, along with a careful eye on spending, made 2011 a year of forward progress financially.

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

The City of Dover prides itself on providing reliable, affordable utility services to all its residents and reviews each project with that mission as the top priority. An economic development electric rate as a tool to attract new business to the City is being used by a few qualifying customers. This discounted rate allows the business time to become financially stable and is conditionally offered to any business looking to locate within the City. The City continues to be involved with AMP (American Municipal Power) projects. The City along with AMP continues to research alternative methods of power generation, such as hydropower. The City's goal is to diversify our power sources, through purchased power and our own generation, to provide the most reliable power at the lowest cost to our citizens.

The strength of Dover continues to be the number of small businesses who provide the City of Dover diversity in its tax base. No one employer has more than 1,000 employees, the closest in number is 785 at Union Hospital, which continues to expand its facilities and provide new services.

The plans for the future are always made keeping a careful watch on the financial condition of the City. The City of Dover has a firm commitment to its citizens and has continued to provide a high level of services in 2011. Our goal remains to grow and meet the needs of the future while maintaining fiscal soundness. City departments are adequately staffed and the City continues to replace equipment by necessity. We are proceeding with our yearly paving program, and extending our streets and utilities to new areas based on need.

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

Contacting the City's Finance Department

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

City of Dover, Ohio
Statement of Net Assets
December 31, 2011

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$4,284,673	\$9,164,899	\$13,449,572
Cash and Cash Equivalents:			
Held by Trustee	0	1,523,522	1,523,522
With Fiscal Agents	4,375	11,391	15,766
Materials and Supplies Inventory	172,102	984,348	1,156,450
Accounts Receivable	565,616	4,088,774	4,654,390
Internal Balances	215,601	(215,601)	0
Intergovernmental Receivable	888,309	4,090	892,399
Prepaid Items	67,714	241,081	308,795
Income Tax Receivable	2,067,288	0	2,067,288
Property Taxes Receivable	887,981	0	887,981
Loans Receivable	220,749	0	220,749
Deferred Charges	36,229	373,092	409,321
Investment in Joint Venture	0	1,524,181	1,524,181
Nondepreciable Capital Assets	1,307,512	633,874	1,941,386
Depreciable Capital Assets, Net	16,207,681	50,644,535	66,852,216
<i>Total Assets</i>	<u>26,925,830</u>	<u>68,978,186</u>	<u>95,904,016</u>
Liabilities			
Accounts Payable	43,504	112,201	155,705
Accrued Wages	90,956	73,761	164,717
Contracts Payable	31,624	1,826,664	1,858,288
Intergovernmental Payable	356,867	214,214	571,081
Matured Interest Payable	1,735	3,204	4,939
Accrued Interest Payable	7,475	57,984	65,459
Vacation Benefits Payable	283,979	235,749	519,728
Retainage Payable	2,640	8,187	10,827
Customer Deposits	0	77,460	77,460
Claims Payable	249,225	0	249,225
Deferred Revenue	850,093	0	850,093
Long-Term Liabilities:			
Due Within One Year	316,129	1,381,220	1,697,349
Due In More Than One Year	4,774,030	28,965,036	33,739,066
<i>Total Liabilities</i>	<u>7,008,257</u>	<u>32,955,680</u>	<u>39,963,937</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	14,781,422	22,166,478	36,947,900
Restricted for:			
Cemetery	697,975	0	697,975
Street Maintenance and Repair	365,841	0	365,841
Revolving Loan Program	529,605	0	529,605
Law Enforcement and Education	39,141	0	39,141
Debt Service	0	1,485,064	1,485,064
Capital Projects	104,782	0	104,782
Electric Replacement and Improvement	0	2,036,185	2,036,185
Water Replacement and Improvement	0	480,926	480,926
Unrestricted	3,398,807	9,853,853	13,252,660
<i>Total Net Assets</i>	<u>\$19,917,573</u>	<u>\$36,022,506</u>	<u>\$55,940,079</u>

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Activities
For the Year Ended December 31, 2011

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$1,284,689	\$0	\$0	\$0
Security of Persons and Property	4,647,659	55,291	8,930	0
Transportation	2,186,664	195	593,393	850,056
Public Health Services	788,705	802,036	0	0
Community Environment	115,729	0	94,400	315,058
Basic Utility Services	570,453	806,117	0	0
Leisure Time Activities	1,007,014	0	0	0
Interest and Fiscal Charges	40,903	0	0	0
<i>Total Governmental Activities</i>	<u>10,641,816</u>	<u>1,663,639</u>	<u>696,723</u>	<u>1,165,114</u>
Business-Type Activities:				
Sewer	3,518,361	3,055,858	0	0
Electric	20,818,346	20,123,656	0	0
Water	1,931,539	1,993,661	0	0
<i>Total Business-Type Activities</i>	<u>26,268,246</u>	<u>25,173,175</u>	<u>0</u>	<u>0</u>
<i>Total - Primary Government</i>	<u>\$36,910,062</u>	<u>\$26,836,814</u>	<u>\$696,723</u>	<u>\$1,165,114</u>

General Revenues

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

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year

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
(\$1,284,689)	\$0	(\$1,284,689)
(4,583,438)	0	(4,583,438)
(743,020)	0	(743,020)
13,331	0	13,331
293,729	0	293,729
235,664	0	235,664
(1,007,014)	0	(1,007,014)
(40,903)	0	(40,903)
<u>(7,116,340)</u>	<u>0</u>	<u>(7,116,340)</u>
0	(462,503)	(462,503)
0	(694,690)	(694,690)
0	62,122	62,122
<u>0</u>	<u>(1,095,071)</u>	<u>(1,095,071)</u>
<u>(7,116,340)</u>	<u>(1,095,071)</u>	<u>(8,211,411)</u>
756,066	0	756,066
143,431	0	143,431
4,018,591	0	4,018,591
522,226	0	522,226
348,053	0	348,053
405,322	0	405,322
1,283,425	0	1,283,425
1,868,255	0	1,868,255
61,496	975	62,471
267,158	633,331	900,489
<u>9,674,023</u>	<u>634,306</u>	<u>10,308,329</u>
2,557,683	(460,765)	2,096,918
<u>17,359,890</u>	<u>36,483,271</u>	<u>53,843,161</u>
<u>\$19,917,573</u>	<u>\$36,022,506</u>	<u>\$55,940,079</u>

City of Dover, Ohio

Balance Sheet

Governmental Funds

December 31, 2011

	General	Master Capital	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,719,068	\$1,148,843	\$1,348,004	\$4,215,915
Cash and Cash Equivalents With Fiscal Agents	0	2,640	1,735	4,375
Materials and Supplies Inventory	30,269	0	141,833	172,102
Accounts Receivable	102,445	0	460,436	562,881
Intergovernmental Receivable	584,725	9,381	294,203	888,309
Prepaid Items	40,210	0	27,504	67,714
Income Taxes Receivable	1,252,618	403,162	411,508	2,067,288
Property Taxes Receivable	762,307	0	125,674	887,981
Loans Receivable	0	0	220,749	220,749
<i>Total Assets</i>	<u>\$4,491,642</u>	<u>\$1,564,026</u>	<u>\$3,031,646</u>	<u>\$9,087,314</u>
Liabilities				
Accounts Payable	\$18,687	\$6,122	\$18,695	\$43,504
Accrued Wages	76,312	0	14,644	90,956
Contracts Payable	1,227	30,397	0	31,624
Intergovernmental Payable	159,167	0	197,700	356,867
Matured Interest Payable	0	0	1,735	1,735
Retainage Payable	0	2,640	0	2,640
Deferred Revenue	2,130,703	229,723	1,134,589	3,495,015
<i>Total Liabilities</i>	<u>2,386,096</u>	<u>268,882</u>	<u>1,367,363</u>	<u>4,022,341</u>
Fund Balances				
Nonspendable	76,178	0	169,337	245,515
Restricted	0	0	1,439,977	1,439,977
Committed	0	1,295,144	178,319	1,473,463
Assigned	103,666	0	0	103,666
Unassigned (Deficit)	1,925,702	0	(123,350)	1,802,352
<i>Total Fund Balances</i>	<u>2,105,546</u>	<u>1,295,144</u>	<u>1,664,283</u>	<u>5,064,973</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$4,491,642</u>	<u>\$1,564,026</u>	<u>\$3,031,646</u>	<u>\$9,087,314</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, 2011*

Total Governmental Fund Balances	\$5,064,973
 <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.	17,515,193
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Property Taxes	37,888
Income Tax	1,358,564
Grants	788,034
Charges for Services	460,436
Total	2,644,922
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.	(177,732)
An internal balance is recorded in governmental activities to reflect underpayments to the internal service fund by the business-type activities.	215,601
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.	(7,475)
Vacation benefits payable is a contractually required benefit not expected to be paid with expendable available financial resources and therefore not reported in the funds.	(283,979)
Bond issuance costs are considered deferred charges and will be amortized over the life of the bonds on the statement of net assets.	36,229
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Police and Fire Pension	(266,551)
General Obligation Bonds	(2,705,897)
State Infrastructure Bank Loan	(859,474)
OPWC Loan	(100,000)
Compensated Absences	(1,158,237)
Total	(5,090,159)
<i>Net Assets of Governmental Activities</i>	\$19,917,573

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, 2011

	General	Master Capital	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$755,629	\$0	\$143,341	\$898,970
Income Taxes	3,874,604	1,286,661	1,255,000	6,416,265
Intergovernmental	1,788,384	847,316	1,012,433	3,648,133
Interest	33,409	0	28,087	61,496
Fines, Licenses and Permits	53,593	0	1,893	55,486
Charges for Services	806,117	0	409,754	1,215,871
Contributions and Donations	0	2,740	0	2,740
Other	58,129	15,231	53,721	127,081
<i>Total Revenues</i>	<u>7,369,865</u>	<u>2,151,948</u>	<u>2,904,229</u>	<u>12,426,042</u>
Expenditures				
Current:				
General Government	1,115,260	0	0	1,115,260
Security of Persons and Property	3,789,041	0	542,029	4,331,070
Transportation	0	0	1,037,961	1,037,961
Public Health Services	8,915	0	698,987	707,902
Community Environment	111,227	0	0	111,227
Basic Utility Services	570,453	0	0	570,453
Leisure Time Activities	829,489	0	0	829,489
Capital Outlay	0	2,202,785	325,661	2,528,446
Debt Service:				
Principal Retirement	0	2,640,000	6,521	2,646,521
Interest and Fiscal Charges	0	52,154	11,524	63,678
Issuance Costs	0	36,229	0	36,229
<i>Total Expenditures</i>	<u>6,424,385</u>	<u>4,931,168</u>	<u>2,622,683</u>	<u>13,978,236</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>945,480</u>	<u>(2,779,220)</u>	<u>281,546</u>	<u>(1,552,194)</u>
Other Financing Sources				
General Obligation Bonds Issued	0	2,670,000	0	2,670,000
State Infrastructure Bank Loan Issued	0	328,614	0	328,614
OPWC Loan Issued	0	100,000	0	100,000
Premium on General Obligation Bonds	0	35,897	0	35,897
<i>Total Other Financing Sources</i>	<u>0</u>	<u>3,134,511</u>	<u>0</u>	<u>3,134,511</u>
<i>Net Change in Fund Balances</i>	945,480	355,291	281,546	1,582,317
<i>Fund Balances Beginning of Year</i>	<u>1,160,066</u>	<u>939,853</u>	<u>1,382,737</u>	<u>3,482,656</u>
<i>Fund Balances End of Year</i>	<u>\$2,105,546</u>	<u>\$1,295,144</u>	<u>\$1,664,283</u>	<u>\$5,064,973</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, 2011*

Net Change in Fund Balances - Total Governmental Funds	\$1,582,317
<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	
Capital Asset Additions:	
Capital Outlay	1,668,857
Current Year Depreciation	<u>(907,880)</u>
Total	760,977
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.	
	(54,523)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:	
Property Taxes	527
Income Tax	161,352
Grants	79,219
Charges for Services	<u>392,282</u>
Total	633,380
Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	
	2,646,521
In the statement of activities, interest is accrued on outstanding notes, whereas in governmental funds, an interest expenditure is reported when due.	
	22,775
Other financing sources in the governmental funds that increase long-term liabilities in the statement of net assets are not reported as revenues in the statement of activities.	
General Obligation Bonds Issued	(2,670,000)
Premium on General Obligation Bonds	(35,897)
OPWC Loan Issued	(100,000)
State Infrastructure Bank Loan Issued	<u>(328,614)</u>
Total	(3,134,511)
In the statement of activities, bond issuance costs are amortized over the term of the bonds, whereas in governmental funds a bond issuance expenditure is reported when the bonds are issued.	
	36,229
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	73,179
Vacation Benefits Payable	<u>(852)</u>
Total	72,327
The internal service funds used by management are not reported in the City-wide statement of activities. Governmental fund expenditures and related internal service fund revenue are eliminated. The net revenue (expense) of the internal service funds is allocated among the governmental activities.	
Change in Net Assets	(139,046)
Change in Internal Balance	<u>131,237</u>
Total	<u>(7,809)</u>
<i>Change in Net Assets of Governmental Activities</i>	<u><u>\$2,557,683</u></u>

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, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$785,000	\$785,000	\$755,629	(\$29,371)
Income Taxes	3,559,491	3,560,068	3,820,175	260,107
Intergovernmental	1,606,877	1,607,137	1,795,830	188,693
Interest	49,992	50,000	33,409	(16,591)
Fines, Licenses and Permits	31,545	31,550	54,130	22,580
Charges for Services	753,503	753,625	804,424	50,799
Other	171,243	171,271	58,129	(113,142)
<i>Total Revenues</i>	<u>6,957,651</u>	<u>6,958,651</u>	<u>7,321,726</u>	<u>363,075</u>
Expenditures				
Current:				
General Government	1,885,780	1,927,303	1,180,434	746,869
Security of Persons and Property	3,955,309	4,033,757	3,870,722	163,035
Public Health Services	10,000	14,000	8,915	5,085
Community Environment	112,490	114,490	111,616	2,874
Basic Utility Services	589,440	574,340	570,453	3,887
Leisure Time Activities	889,973	894,974	848,434	46,540
<i>Total Expenditures</i>	<u>7,442,992</u>	<u>7,558,864</u>	<u>6,590,574</u>	<u>968,290</u>
<i>Net Change in Fund Balance</i>	(485,341)	(600,213)	731,152	1,331,365
<i>Fund Balance Beginning of Year</i>	802,290	802,290	802,290	0
Prior Year Encumbrances Appropriated	<u>90,728</u>	<u>90,728</u>	<u>90,728</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$407,677</u>	<u>\$292,805</u>	<u>\$1,624,170</u>	<u>\$1,331,365</u>

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2011

	Business-Type Activities				Governmental Activities - Internal Service Fund
	Sewer	Electric	Water	Total	
Assets					
<i>Current Assets:</i>					
Equity in Pooled Cash and Cash Equivalents	\$3,701,740	\$2,367,432	\$445,550	\$6,514,722	\$68,758
Cash and Cash Equivalents					
With Fiscal Agents	2,071	7,043	2,277	11,391	0
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	0	755,749	335,238	1,090,987	0
Receivables:					
Accounts	498,897	3,211,317	378,560	4,088,774	2,735
Intergovernmental	4,090	0	0	4,090	0
Materials and Supplies Inventory	7,278	837,901	139,169	984,348	0
Prepaid Items	85,577	130,455	25,049	241,081	0
<i>Total Current Assets</i>	<u>4,299,653</u>	<u>7,309,897</u>	<u>1,325,843</u>	<u>12,935,393</u>	<u>71,493</u>
<i>Non-Current Assets:</i>					
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	0	1,367,296	191,894	1,559,190	0
Cash Equivalents Held by Trustee	0	1,013,952	509,570	1,523,522	0
Deferred Charges	0	270,984	102,108	373,092	0
Investment in Joint Venture	0	1,524,181	0	1,524,181	0
Land and Construction in Progress	173,382	423,071	37,421	633,874	0
Depreciable Capital Assets, Net	22,145,544	19,626,141	8,872,850	50,644,535	0
<i>Total Non-Current Assets</i>	<u>22,318,926</u>	<u>24,225,625</u>	<u>9,713,843</u>	<u>56,258,394</u>	<u>0</u>
<i>Total Assets</i>	<u>26,618,579</u>	<u>31,535,522</u>	<u>11,039,686</u>	<u>69,193,787</u>	<u>71,493</u>
Liabilities					
<i>Current Liabilities:</i>					
Accounts Payable	14,085	86,818	11,298	112,201	0
Accrued Wages	16,950	45,433	11,378	73,761	0
Contracts Payable	26,133	1,775,883	24,648	1,826,664	0
Intergovernmental Payable	47,560	137,435	29,219	214,214	0
Vacation Benefits Payable	50,299	146,130	39,320	235,749	0
Compensated Absences Payable	0	121,220	0	121,220	0
Matured Interest Payable	0	927	2,277	3,204	0
Accrued Interest Payable	0	42,746	15,238	57,984	0
Retainage Payable	2,071	6,116	0	8,187	0
Customer Deposits	0	77,460	0	77,460	0
General Obligation Bonds Payable	0	285,000	0	285,000	0
Revenue Bonds Payable	0	655,000	320,000	975,000	0
Claims Payable	0	0	0	0	249,225
<i>Total Current Liabilities</i>	<u>157,098</u>	<u>3,380,168</u>	<u>453,378</u>	<u>3,990,644</u>	<u>249,225</u>
<i>Long-Term Liabilities:</i>					
Compensated Absences Payable (net of current portion)	208,212	272,762	146,696	627,670	0
General Obligation Payable (net of current portion)	0	6,802,343	0	6,802,343	0
Revenue Bonds Payable (net of current portion)	0	5,750,678	4,031,075	9,781,753	0
OWDA Loans Payable (net of current portion)	11,753,270	0	0	11,753,270	0
<i>Total Long-Term Liabilities</i>	<u>11,961,482</u>	<u>12,825,783</u>	<u>4,177,771</u>	<u>28,965,036</u>	<u>0</u>
<i>Total Liabilities</i>	<u>12,118,580</u>	<u>16,205,951</u>	<u>4,631,149</u>	<u>32,955,680</u>	<u>249,225</u>
Net Assets					
Invested in Capital Assets, Net of Related Debt	10,565,656	6,939,518	4,661,304	22,166,478	0
Restricted for:					
Debt Service	0	990,732	494,332	1,485,064	0
Replacement and Improvement	0	2,036,185	480,926	2,517,111	0
Unrestricted (Deficit)	3,934,343	5,363,136	771,975	10,069,454	(177,732)
<i>Total Net Assets (Deficit)</i>	<u>\$14,499,999</u>	<u>\$15,329,571</u>	<u>\$6,408,537</u>	<u>36,238,107</u>	<u>(\$177,732)</u>
Some amounts reported for business-type activities in the statement of net assets are different because they include accumulated underpayments to the internal service fund.				(215,601)	
			Net assets of business-type activities	<u>\$36,022,506</u>	

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, 2011*

	Business-Type	
	Sewer	Electric
Operating Revenues		
Charges for Services	\$3,055,858	\$20,123,656
Other	95,837	513,244
<i>Total Operating Revenues</i>	<u>3,151,695</u>	<u>20,636,900</u>
Operating Expenses		
Salaries and Wages	776,805	2,432,867
Fringe Benefits	571,923	1,287,150
Purchased Services	268,430	1,847,421
Materials and Supplies	103,491	4,805,130
Purchased Power	0	8,753,893
Depreciation	1,364,798	1,102,102
Claims	0	0
<i>Total Operating Expenses</i>	<u>3,085,447</u>	<u>20,228,563</u>
<i>Operating Income (Loss)</i>	<u>66,248</u>	<u>408,337</u>
Non-Operating Revenues (Expenses)		
Interest	0	760
Loss on Investment in Joint Venture	0	(145,039)
Interest and Fiscal Charges	(408,919)	(369,332)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(408,919)</u>	<u>(513,611)</u>
<i>Change in Net Assets</i>	(342,671)	(105,274)
<i>Net Assets (Deficit) Beginning of Year</i>	<u>14,842,670</u>	<u>15,434,845</u>
<i>Net Assets (Deficit) End of Year</i>	<u>\$14,499,999</u>	<u>\$15,329,571</u>

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

Change in net assets of business-type activities

See accompanying notes to the basic financial statements

Activities		Governmental Activities - Internal Service Fund
Water	Total	
\$1,993,661	\$25,173,175	\$2,076,005
24,250	633,331	140,077
<u>2,017,911</u>	<u>25,806,506</u>	<u>2,216,082</u>
479,933	3,689,605	0
398,949	2,258,022	0
147,182	2,263,033	167,439
128,121	5,036,742	0
0	8,753,893	0
510,427	2,977,327	0
<u>0</u>	<u>0</u>	<u>2,187,689</u>
<u>1,664,612</u>	<u>24,978,622</u>	<u>2,355,128</u>
<u>353,299</u>	<u>827,884</u>	<u>(139,046)</u>
215	975	0
0	(145,039)	0
<u>(235,097)</u>	<u>(1,013,348)</u>	<u>0</u>
<u>(234,882)</u>	<u>(1,157,412)</u>	<u>0</u>
118,417	(329,528)	(139,046)
<u>6,290,120</u>		<u>(38,686)</u>
<u>\$6,408,537</u>		<u>(\$177,732)</u>
	<u>(131,237)</u>	
	<u>(\$460,765)</u>	

City of Dover, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2011

	Business-Type Activities			Total	Governmental Activities - Internal Service Fund
	Sewer	Electric	Water		
Increase (Decrease) in Cash and Cash Equivalents					
Cash Flows from Operating Activities					
Cash Received from Customers	\$3,072,358	\$20,147,691	\$1,995,643	\$25,215,692	\$0
Cash Received from Transactions with Other Funds	0	0	0	0	2,076,005
Other Cash Receipts	95,837	513,244	24,250	633,331	140,225
Electric Deposits Received	0	29,280	0	29,280	0
Cash Payments to Employees for Services	(1,460,739)	(3,754,095)	(994,637)	(6,209,471)	0
Cash Payments for Purchased Power	0	(7,883,526)	0	(7,883,526)	0
Cash Payments for Goods and Services	(388,790)	(6,474,372)	(300,120)	(7,163,282)	(167,439)
Electric Deposits Returned	0	(27,654)	0	(27,654)	0
Cash Payments for Claims	0	0	0	0	(2,122,561)
<i>Net Cash Provided by (Used for) Operating Activities</i>	1,318,666	2,550,568	725,136	4,594,370	(73,770)
Cash Flows from Capital and Related Financing Activities					
Proceeds from Sale of Notes	0	6,900,000	0	6,900,000	0
Proceeds from Issuance of Bonds	0	6,978,571	0	6,978,571	0
Principal Paid on Loans	(529,571)	0	0	(529,571)	0
Interest Paid on Loans	(408,919)	0	0	(408,919)	0
Principal Paid on Bonds	0	(630,000)	(310,000)	(940,000)	0
Interest Paid on Bonds	0	(294,847)	(187,141)	(481,988)	0
Principal Paid on Notes	0	(14,100,000)	0	(14,100,000)	0
Interest Paid on Notes	0	(113,046)	0	(113,046)	0
Disposal of Capital Assets	1,774	1,774	1,775	5,323	0
Payments for Capital Acquisitions	(298,216)	(337,439)	(96,553)	(732,208)	0
<i>Net Cash Used in Capital and Related Financing Activities</i>	(1,234,932)	(1,594,987)	(591,919)	(3,421,838)	0
Cash Flows from Investing Activities					
Purchase of Investments	0	(17)	(43,225)	(43,242)	0
Interest on Investments	0	760	138	898	0
<i>Net Cash Provided by (Used in) Investing Activities</i>	0	743	(43,087)	(42,344)	0
<i>Net Increase in Cash and Cash Equivalents</i>	83,734	956,324	90,130	1,130,188	(73,770)
<i>Cash and Cash Equivalents Beginning of Year</i>	3,620,077	4,555,148	1,394,399	9,569,624	142,528
<i>Cash and Cash Equivalents End of Year</i>	\$3,703,811	\$5,511,472	\$1,484,529	\$10,699,812	\$68,758

(continued)

City of Dover, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2011

	Business-Type Activities				Governmental Activities - Internal Service Fund
	Sewer	Electric	Water	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities					
Operating Income (Loss)	\$66,248	\$408,337	\$353,299	\$827,884	(\$139,046)
Adjustments:					
Depreciation	1,364,798	1,102,102	510,427	2,977,327	0
(Increase) Decrease in Assets:					
Accounts Receivable	24,002	119,040	4,065	147,107	148
Intergovernmental Receivable	(10)	0	0	(10)	0
Prepaid Items	(31,203)	(32,343)	2,771	(60,775)	0
Materials and Supplies Inventory	581	220,164	(10,558)	210,187	0
Increase (Decrease) in Liabilities:					
Accounts Payable	(20,881)	(71,124)	(40,975)	(132,980)	0
Contracts Payable	26,002	833,160	24,337	883,499	0
Retainage Payable	1,001	5,615	(1,760)	4,856	0
Accrued Wages	(17)	1,263	(992)	254	0
Vacation Benefits Payable	(12,882)	1,217	(15,405)	(27,070)	0
Compensated Absences Payable	(93,031)	(24,376)	(96,933)	(214,340)	0
Intergovernmental Payable	(5,942)	(14,113)	(3,140)	(23,195)	0
Customer Deposits	0	1,626	0	1,626	0
Claims Payable	0	0	0	0	65,128
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$1,318,666</u>	<u>\$2,550,568</u>	<u>\$725,136</u>	<u>\$4,594,370</u>	<u>(\$73,770)</u>

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Fiduciary Net Assets
Fiduciary Fund
December 31, 2011

	Private Purpose Trust
Assets	
Equity in Pooled Cash and Cash Equivalents	\$227,035
Net Assets	
Held in Trust for Cemetery	\$227,035

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Year Ended December 31, 2011

	Private-Purpose Trust
Additions	
Deposits for Burial Expenses	\$19,650
Interest	115
	19,765
<i>Total Additions</i>	19,765
Deductions	
Burial Expense	15,630
	4,135
<i>Change in Net Assets</i>	4,135
<i>Net Assets Beginning of Year</i>	222,900
	\$227,035
<i>Net Assets End of Year</i>	\$227,035

See accompanying notes to the basic financial statements

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 1 - Description of the City and Reporting Entity

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

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

Reporting Entity

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

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

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

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

Note 2 - Summary of Significant Accounting Policies

The financial statements of the City of Dover have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The 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 more 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, 2011

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.

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

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

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

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 money held for individuals for their future burial costs.

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net 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.

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)

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

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.

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 7). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), fines, interest, grants and rentals.

Deferred 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, 2011, but which were levied to finance year 2012 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, 2011

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

Cash and Cash Equivalents

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

During 2011, investments were limited to STAROhio, Huntington Treasury Money Market II Mutual Fund and First American Funds Government Obligations Mutual Fund.

Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such and nonnegotiable certificates of deposit are reported at cost. The fair value of the mutual funds is determined by the fund’s December 31, 2011, share price. Any increase or decrease in fair value is reported as a component of interest income.

The City of Dover has invested in the State Treasury Asset Reserve of Ohio (STAROhio) during 2011. STAROhio is an investment pool managed by the State Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio’s net asset value per share which is the price the investment could be sold at December 31, 2011.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest is distributed to the general fund, street maintenance and repair, cemetery and revolving loan special revenue funds, the cemetery interment private-purpose trust fund and the electric and water enterprise funds. Interest revenue credited to the general fund during 2011 amounted to \$33,409 which includes \$29,805 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 6.

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2011, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expenditure/expense in the year in which the services are consumed.

Inventory

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Restricted Assets

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

Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net 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. The City was able to estimate the historical cost for the initial reporting of capital assets by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of one thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

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

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

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Interfund Balances

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

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service. Since the City's policy limits the accrual of vacation time to the amount accrued in one year, the outstanding liability is recorded as “vacation benefits payable” on the statement of net assets rather than as a long-term liability.

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

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

Accrued Liabilities and Long-Term Obligations

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

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

Bond Issuance Costs

Bond issuance costs are being amortized using the straight-line method over the life of the water and electric revenue bonds and the various purpose bonds on the government-wide and enterprise fund statements. The straight-line method of amortization is not materially different from the effective-interest method.

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Fund Balance

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

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

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

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

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute.

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

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

Net 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.

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.

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.

Estimates

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

Budgetary Process

All funds are legally required to be budgeted and appropriated. There was no budget adopted for the nonmajor law enforcement block grant special revenue fund and the nonmajor debt service fund in 2011 as there was no budgetary activity for 2011. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the object level within each department. Any budgetary modifications at this level may only be made by resolution of City Council.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

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

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

Note 3 – Change in Accounting Principles

For fiscal year 2011, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions” and Statement No. 59, “Financial Instruments Omnibus”.

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The implementation of this statement did not result in any change in the City’s financial statements.

GASB Statement No. 59 addresses significant practice issues that have arisen when accounting for financial instruments and external investment pools. The implementation of this statement did not result in any change in the City’s financial statements.

Note 4 – Accountability

At December 31, 2011, the police and fire pension special revenue fund had a deficit fund balance of \$123,350. The deficit in this fund is caused by the application of generally accepted accounting principles to this fund. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

At December 31, 2011, the employee health insurance internal service fund had deficit net assets in the amount of \$177,732. Management is currently analyzing the operations of this fund to determine appropriate action to alleviate the deficit.

Note 5 - Budgetary Basis of Accounting

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

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

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

Net Change in Fund Balance	
GAAP Basis	\$945,480
Net Adjustment for Revenue Accruals	(46,427)
Unrecorded Cash	(1,712)
Net Adjustment for Expenditure Accruals	(73,003)
Encumbrances	<u>(93,186)</u>
Budget Basis	<u><u>\$731,152</u></u>

Note 6 - Deposits and Investments

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

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

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

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

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement exceeds the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligation of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations;
7. The State Treasurer's investment pool (STAROhio); and
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for investment at any one time.

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

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

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

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, the carrying amount of the City's deposits was \$8,720,423 and the bank balance was \$8,821,965. Of the bank balance \$5,399,287 was covered by Federal depository insurance or was collateralized with pledged securities and \$3,422,678 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institutions' trust department or agent, but not in the City's name.

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

Investments

Investments are reported at fair value. As of December 31, 2011, the City had the following investments:

	Fair Value	Maturity
Investment in State		
Treasurer's Investment Pool	\$4,971,950	57 day average
Huntington Treasury Money		
Market II Mutual Fund	509,570	43 day average
First American Funds Government		
Obligations Mutual Fund	1,013,952	51 day average
Total Investments	\$6,495,472	

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

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

Concentration of Credit Risk The City places no limit on the amount it may invest in any one issuer. The following is the City's allocation as of December 31, 2011:

	Percentage of Investments
Huntington Treasury Money	
Market II Mutual Fund	7.85 %
First American Funds Government	
Obligations Mutual Fund	15.61 %

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 7 - Receivables

Receivables at December 31, 2011, consisted primarily of municipal income taxes, property taxes, intergovernmental receivables arising from entitlements and shared revenues, accrued interest on investments and accounts (billings for utility service). Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. All allowances for uncollectibles represent estimates of uncollectible receivables in the accounts receivable classification.

	Accounts Receivable	Allowance for Uncollectibles	Net Accounts Receivable
Governmental Type Activities	\$565,616	\$0	\$565,616
Business Type Activities	4,290,251	201,477	4,088,774

The community development block grant monies loaned to local businesses are reported as loans receivable and are also considered collectible in full. \$147,766 of the \$220,749 loans receivable are not scheduled to be collected within one year.

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 2011 for real and public utility property taxes represents collections of the 2010 taxes. Property tax payments received during 2011 for tangible personal property (other than public utility property) are for 2011 taxes.

2011 real property taxes are levied after October 1, 2011, on the assessed value as of January 1, 2011, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2011 real property taxes are collected in and intended to finance 2012.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2011 public utility property taxes which became a lien December 31, 2010, are levied after October 1, 2011, and are collected in 2012 with real property taxes.

Tangible personal property tax revenue received during 2011 (other than public utility property tax) represents the collection of 2011 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in 2011 were levied after October 1, 2010, on the value as of December 21, 2010. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

The full tax rate for all City operations for the year ended December 31, 2011, was \$6.60 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2011 property tax receipts were based are as follows:

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

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

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Dover. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2011 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 2011 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On an accrual basis, collectible delinquent property taxes have been recorded as revenue while on a modified accrual basis the revenue is deferred.

Income Taxes

For 2011, the City levied a municipal income tax of 1.5 percent on substantially all earned income arising from employment, residency or business activities within the City. The City allows a credit of 100 percent for the income tax paid to another municipality, not to exceed one and a half percent of taxable income, to a maximum of the total amount assessed.

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

Intergovernmental Receivables

A summary of intergovernmental receivables follows:

	Amount
Governmental Activities	
Local Government	\$292,313
Estate Tax	240,771
Gasoline Tax	238,471
Homestead and Rollback	59,610
Motor Vehicle Tax	46,676
Grants	9,381
Municipal Court Fines	830
Hotel/Motel Tax	257
<i>Total Governmental Activities</i>	<u><u>\$888,309</u></u>
Business-Type Activities	
Sewer	<u><u>\$4,090</u></u>

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 8 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2011, the City contracted with The Travelers Company for boiler and machinery insurance. EMC covers the general liability and property insurance. Ohio Casualty covers electronic data processing, while police and professional liability are protected by Westfield/Scottsdale/Merchants Mutual with a \$1,000,000 limit and a \$10,000 deductible. An umbrella policy with Clarendon America 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 \$1,000 deductible for comprehensive and collision. Automobile liability has a \$1,000,000 combined single limit of liability.

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

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

The City has elected to provide employee medical/surgical benefits through a self-insured program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. A third-party administrator, Aultcare, Inc. located in Canton, Ohio, reviews all claims which are then paid by the City. An excess coverage insurance policy covers claims in excess of \$125,000 per employee and an aggregate of \$2,439,737 per year. The City pays into the self-insurance internal service fund \$900 family coverage or \$450 individual coverage per employee per month which represents the entire premium required. This premium is paid by the fund that pays the salary of the employee and is based on historic cost information. In 2007, a resolution was adopted which allows an additional \$100 premium to be paid for each employee monthly on an as needed basis.

The claims liability of \$249,225 reported in the fund at December 31, 2011, 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 2010 and 2011 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2010	\$94,659	\$1,783,836	\$1,694,398	\$184,097
2011	184,097	2,187,689	2,122,561	249,225

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 9 – Other Employee Benefits

Compensated Absences

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

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

Life Insurance

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

Note 10 - Capital Assets

Capital asset activity for the year ended December 31, 2011, was as follows:

	Balance 12/31/10	Additions	Deductions	Balance 12/31/11
Governmental Activities				
Capital Assets, not being depreciated:				
Land	\$1,265,813	\$40,000	\$0	\$1,305,813
Construction in Progress	58,759	3,191	(60,251)	1,699
Total Capital Assets, not being Depreciated	<u>1,324,572</u>	<u>43,191</u>	<u>(60,251)</u>	<u>1,307,512</u>
Capital Assets, being Depreciated				
Buildings	2,878,989	160,829	(12,078)	3,027,740
Improvements Other Than Buildings	1,731,228	95,877	(13,496)	1,813,609
Equipment and Machinery	3,041,441	184,423	(160,385)	3,065,479
Furniture and Fixtures	54,716	0	0	54,716
Vehicles	3,006,425	47,202	(32,202)	3,021,425
Infrastructure	21,722,590	1,197,586	(10,800)	22,909,376
Total Capital Assets, being Depreciated	<u>32,435,389</u>	<u>1,685,917</u>	<u>(228,961)</u>	<u>33,892,345</u>
Less Accumulated Depreciation:				
Buildings	(916,923)	(64,654)	0	(981,577)
Improvements Other Than Buildings	(705,439)	(74,952)	0	(780,391)
Equipment and Machinery	(1,547,851)	(164,983)	126,405	(1,586,429)
Furniture and Fixtures	(47,708)	(1,214)	0	(48,922)
Vehicles	(2,171,821)	(189,378)	37,233	(2,323,966)
Infrastructure	(11,561,480)	(412,699)	10,800	(11,963,379)
Total Accumulated Depreciation	<u>(16,951,222)</u>	<u>(907,880) *</u>	<u>174,438</u>	<u>(17,684,664)</u>
Total Capital Assets, being Depreciated, net	<u>15,484,167</u>	<u>778,037</u>	<u>(54,523)</u>	<u>16,207,681</u>
Governmental Activities Capital Assets, Net	<u>\$16,808,739</u>	<u>\$821,228</u>	<u>(\$114,774)</u>	<u>\$17,515,193</u>

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

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

General Government	\$33,448
Security of Persons and Property	211,796
Transportation	517,456
Public Health Services	22,060
Leisure Time Activities	<u>123,120</u>
Total Governmental Depreciation Expense	<u><u>\$907,880</u></u>

	Balance 12/31/10	Additions	Deductions	Balance 12/31/11
Business-Type Activities				
Capital Assets, not being depreciated:				
Land	\$435,066	\$0	\$0	\$435,066
Construction in Progress	343,520	55,653	(200,365)	198,808
Total Capital Assets, not being Depreciated	<u>778,586</u>	<u>55,653</u>	<u>(200,365)</u>	<u>633,874</u>
Capital Assets, being Depreciated				
Buildings	29,566,803	0	0	29,566,803
Improvements Other Than Buildings	2,858,195	18,075	0	2,876,270
Equipment and Machinery	24,137,171	247,522	(41,246)	24,343,447
Furniture and Fixtures	151,155	0	0	151,155
Vehicles	1,623,991	119,529	(13,873)	1,729,647
Infrastructure	31,463,396	491,794	(22,854)	31,932,336
Total Capital Assets, being Depreciated	<u>89,800,711</u>	<u>876,920</u>	<u>(77,973)</u>	<u>90,599,658</u>
Less Accumulated Depreciation:				
Buildings	(6,925,385)	(746,571)	0	(7,671,956)
Improvements Other Than Buildings	(968,935)	(167,338)	0	(1,136,273)
Equipment and Machinery	(14,137,499)	(1,162,166)	35,923	(15,263,742)
Furniture and Fixtures	(90,254)	(6,415)	0	(96,669)
Vehicles	(1,085,209)	(238,755)	13,873	(1,310,091)
Infrastructure	(13,843,164)	(656,082)	22,854	(14,476,392)
Total Accumulated Depreciation	<u>(37,050,446)</u>	<u>(2,977,327)</u>	<u>72,650</u>	<u>(39,955,123)</u>
Total Capital Assets, being Depreciated, net	<u>52,750,265</u>	<u>(2,100,407)</u>	<u>(5,323)</u>	<u>50,644,535</u>
Business-Type Activities Capital Assets, Net	<u><u>\$53,528,851</u></u>	<u><u>(\$2,044,754)</u></u>	<u><u>(\$205,688)</u></u>	<u><u>\$51,278,409</u></u>

Note 11 - Contingent Liabilities

Litigation

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

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, 2011, 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
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 12 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

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

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for State and local employer units. Member contribution rates, as set in the Ohio Revised Code, are not to exceed 10 percent. For the year ended December 31, 2011, members in state and local classifications contributed 10 percent of covered payroll. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. For 2011, member and employer contribution rates were consistent across all three plans.

The City's 2011 contribution rate was 14.0 percent. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 4.0 percent for 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2011. Employer contribution rates are actuarially determined.

The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2011, 2010, and 2009 were \$592,228, \$576,795, and \$505,515, respectively. For 2011, 86 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009. There were no contributions to the member-directed plan for 2011.

Ohio Police and Fire Pension Fund

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

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

The OP&F Pension Fund is authorized by the Ohio Revised Code to allocate a portion of the employer contributions to retiree health care benefits. The portion of employer contributions used to fund pension benefits was 12.75 percent of covered payroll for police officers and 17.25 percent of covered payroll for firefighters. The City's contributions to OP&F for police and firefighters pension were \$157,821 and \$214,258 for the year ended December 31, 2011, \$160,776 and \$214,047 for the year ended December 31, 2010, and \$151,792 and \$197,550 for the year ended December 31, 2009, respectively. For 2011, 68.69 percent has been contributed for police and 70.10 percent has been contributed for firefighters with the balance for both police and firefighters being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009.

In addition to current contributions, the City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2011, the unfunded liability of the City was \$266,551, payable in semi-annual payments through the year of 2035. This is an accounting liability of the City which will not vary.

Note 13 – Postemployment Benefits

Ohio Public Employees Retirement System

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

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

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

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

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2011, State and local employers contributed at a rate of 14.0 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for State and local employer units.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0 percent for 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2011.

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

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2011, 2010, and 2009 were \$236,891, \$328,489, and \$365,526, respectively. For 2011, 86 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year from 2006 to 2009. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

Ohio Police and Fire Pension Fund

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

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

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required by Ohio Revised Code to contribute to the pension plan at rates expressed as percentages of the

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

payroll of active pension plan members, currently, 19.5 percent and 24.0 percent of covered payroll for police and fire employers, respectively. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2011, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$83,552 and \$83,840 for the year ended December 31, 2011, \$85,117 and \$83,757 for the year ended December 31, 2010, and \$80,360 and \$77,302 for the year ended December 31, 2009. For 2011, 68.69 percent has been contributed for police and 70.10 percent has been contributed for firefighters with the balance for both police and firefighters being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009.

Note 14 – Jointly Governed Organizations

Community Improvement Corporation of Tuscarawas County

The City is associated with the Community Improvement Corporation of Tuscarawas County as a Jointly Governed Organization. The Corporation advances, encourages and promotes the industrial, economic, commercial, and civic development of all Tuscarawas County. The Corporation is operated by Tuscarawas County, New Philadelphia, Dover, Uhrichsville, Dennison, Strasburg, Sugarcreek and Gnadenhutten. It is controlled by fifty trustees consisting of the three County Commissioners, the mayor of each participating city and forty elected trustees. The board exercises total control over the operation of the corporation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the board. In 2011, the City contributed \$23,363.

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 2011, the City contributed \$1,709 which represents 2.39 percent of total contributions.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

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 2011, OMEGA received \$1,832 from the City of Dover for an annual fee. OMEGA has no outstanding debt.

Note 15 - Notes Payable

A summary of the note transactions for the year ended December 31, 2011, follows:

	Outstanding 12/31/10	Issued	Retired	Outstanding 12/31/11
Governmental Activities:				
1.50% Various Purpose - Master Capital 2010	\$100,000	\$0	\$100,000	\$0
.695% Various Purpose - Master Capital 2011	0	2,640,000	2,640,000	0
<i>Total Governmental Activities</i>	100,000	2,640,000	2,740,000	0
Business Type Activities:				
1.25% Municipal Electric Series 2010	300,000	0	300,000	0
.695% Municipal Electric Series 2011	0	6,900,000	6,900,000	0
<i>Total Business Type Activities</i>	300,000	6,900,000	7,200,000	0
Total	\$400,000	\$9,540,000	\$9,940,000	\$0

On April 1, 2011, the City issued the various purpose 2011 note to retire the various purpose 2010 note. The 2011 note matured on November 30, 2011.

On April 1, 2011, the City issued the municipal electric series 2011 note to retire the municipal electric series 2010 note. The 2011 note matured on November 30, 2011.

All of the notes are bond anticipation notes, are backed by the full faith and credit of the City, and matured within one year. The note liability was reflected in the fund which received the proceeds and repaid the debt.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 16 - Long-Term Debt

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
Governmental Activities			
Various Purpose Bond Anticipation Note	1.50%	\$2,640,000	March 31, 2011
Various Purpose General Obligation Bonds	2.0-3.625	2,670,000	December 1, 2031
OPWC Loan	0.00	100,000	December 31, 2021
Business-Type Activities			
Waterworks System Refunding Revenue Bonds - 2004	2.0-4.5	5,785,000	December 1, 2022
Municipal Electric System Refunding Revenue Bonds - 2005	3.7-5.0	9,670,000	December 1, 2019
Waterworks System Improvement Revenue Bonds - 2003	2.0-4.5	805,000	December 1, 2022
Various Purpose General Obligation Bonds	2.0-3.25	6,975,000	December 1, 2026

A schedule of changes in bonds and other long-term obligations of the City during 2011 follows:

	Amount Outstanding 12/31/10	Additions	Deletions	Amount Outstanding 12/31/11	Amounts Due in One Year
Governmental Activities					
Police and Fire Pension	\$273,072	\$0	\$6,521	\$266,551	\$6,801
Various Purpose Bond Anticipation Note	2,640,000	0	2,640,000	0	0
Various Purpose General Obligation Bonds	0	2,670,000	0	2,670,000	100,000
Premium on Various Purpose Bonds	0	35,897	0	35,897	0
State Infrastructure Bank Loan	530,860	328,614	0	859,474	96,576
OPWC Loan	0	100,000	0	100,000	10,000
Compensated Absences	1,231,416	59,603	132,782	1,158,237	102,752
Total Governmental Activities	<u>\$4,675,348</u>	<u>\$3,194,114</u>	<u>\$2,779,303</u>	<u>\$5,090,159</u>	<u>\$316,129</u>
Business-Type Activities					
<u>Revenue Bonds</u>					
Waterworks System Refunding	\$4,055,645	\$0	\$272,132	\$3,783,513	\$280,910
Discount	(21,063)	0	(1,755)	(19,308)	0
Accounting Loss	65,873	0	5,490	60,383	0
Municipal Electric System Refunding	6,850,000	0	630,000	6,220,000	655,000
Premium	165,969	0	18,441	147,528	0
Accounting Loss	42,919	0	4,769	38,150	0
Waterworks System Improvement	564,355	0	37,868	526,487	39,090
Total Revenue Bonds	<u>11,723,698</u>	<u>0</u>	<u>966,945</u>	<u>10,756,753</u>	<u>975,000</u>
Various Purpose General Obligation Bonds	0	6,975,000	0	6,975,000	285,000
Premium on Various Purpose Bonds	0	112,343	0	112,343	0
Municipal Electric Series 2010	6,900,000	0	6,900,000	0	0
OWDA Loan Payable	12,282,841	0	529,571	11,753,270	0
Compensated Absences	963,230	40,907	255,247	748,890	121,220
Total Business-Type Activities	<u>\$31,869,769</u>	<u>\$7,128,250</u>	<u>\$8,651,763</u>	<u>\$30,346,256</u>	<u>\$1,381,220</u>

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

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

The revenue bonds and the enterprise general obligation bonds will be paid from charges for services revenue in the enterprise funds. The 2010 municipal electric note was issued to retire a note that was issued to construct, install and equip pollution control facilities and was retired with the 2011 municipal electric note.

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.

In 2011, the City issued \$9,645,000 of various purpose general obligation bonds to retire bond anticipation notes. These bonds were issued at a premium of \$148,240.

Revenue Bonds

In 2004, the City issued \$5,785,000 in Waterworks System Refunding Revenue Bonds with interest rates varying from 2.0 percent to 4.5 percent. Proceeds were used to current refund the \$5,215,000 current outstanding waterworks system revenue bonds and take advantage of lower interest rates. The refunded bonds were callable at 102 percent. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2011, \$3,665,000 of the defeased bonds are still outstanding.

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

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

Restricted assets relating to the water revenue bonds at December 31, 2011, were as follows:

Restricted Assets Held by City	
Replacement and Improvement	\$480,926
Restricted Assets Held by the Trustee	
Revenue Bond Current Debt Service	\$494,332

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

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

The City has pledged future revenues to repay the Waterworks System Improvement Refunding Revenue and Revenue Bonds. The bonds are payable solely from net revenues and are payable through 2022. Net revenues include all revenues received by the water utility less all operating expenses other than depreciation expense. The total principal and interest remaining to be paid on the bonds is \$5,464,906. Principal and interest paid for the current year were \$497,141, net revenues were \$863,941 and total revenues were \$2,018,126.

In 2006, the City issued \$9,670,000 in Municipal Electric System Refunding Revenue Bonds with interest rates varying from 3.7 percent to 5.0 percent. Proceeds were used to refund the \$7,190,000 current outstanding waterworks system revenue bonds and \$2,200,000 in bond anticipation notes to take advantage of lower interest rates. The refunded bonds were callable at 101 percent. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2011, \$4,795,000 of the defeased bonds are still outstanding.

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

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

Restricted assets relating to the electric revenue bonds at December 31, 2011, were as follows:

Restricted Assets Held by City	
Replacement and Improvement	\$2,036,185
Restricted Assets Held by the Trustee	
Revenue Bond Current Debt Service	\$990,732

The City has pledged future revenues to repay the Municipal Electric System Refunding Revenue Bonds. The bonds are payable solely from net revenues and are payable through 2019. Net revenues include all revenues received by the water utility less all operating expenses other than depreciation expense. The total principal and interest remaining to be paid on the bonds is \$7,438,561. Principal and interest paid for the current year were \$924,847, net revenues were \$1,511,199 and total revenues were \$20,637,660.

The City has entered into a contractual agreement for a line of credit in the amount of \$13,722,732 from the Ohio Water Development Authority for improvements to the wastewater treatment plant. The City has also entered into a contractual agreement for a State Infrastructure Bank line of credit in the amount of \$1,868,675 from the Ohio Department of Transportation. Since the loan repayment schedules have not yet been finalized, repayment schedules are not included in the schedule of debt service requirements.

In 2011, the City received a \$100,000 interest free loan from the Ohio Public Works Commission for the replacement and extension of a storm sewer. This loan will be repaid over 10 years.

As of December 31, 2011, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$13,955,128 and the unvoted legal debt margin was \$2,260,079. Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2011 are as follows:

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Year Ending December 31	Waterworks System		Municipal Electric System		Electric	
	Revenue Bonds		Revenue Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$320,000	\$176,954	\$655,000	\$269,647	\$285,000	\$232,114
2013	330,000	165,594	700,000	236,897	305,000	210,139
2014	345,000	150,744	730,000	201,899	305,000	201,580
2015	355,000	137,978	760,000	165,398	315,000	197,139
2016	375,000	124,489	790,000	137,278	320,000	191,614
2017-2021	2,115,000	378,702	2,585,000	207,442	1,710,000	780,711
2022-2026	470,000	20,445	0	0	1,980,000	517,238
2027-2031	0	0	0	0	1,755,000	189,797
Total	\$4,310,000	\$1,154,906	\$6,220,000	\$1,218,561	\$6,975,000	\$2,520,332

Year Ending December 31	Various Purpose		OPWC Loan	Police and	
	General Obligation Bond			Fire Pension	
	Principal	Interest		Principal	Interest
2012	\$100,000	\$81,443	\$10,000	\$6,801	\$11,244
2013	105,000	72,343	10,000	7,093	10,952
2014	110,000	72,701	10,000	7,398	10,647
2015	110,000	68,842	10,000	7,715	10,330
2016	110,000	65,867	10,000	8,047	9,998
2017-2021	595,000	271,845	50,000	45,724	44,501
2022-2026	700,000	182,844	0	56,425	33,800
2027-2031	840,000	90,915	0	69,628	20,597
2032-2035	0	0	0	57,720	4,934
Total	\$2,670,000	\$906,800	\$100,000	\$266,551	\$157,003

American Municipal Power Generating Station Project

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

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

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

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

Note 17 – Joint Venture

Ohio Municipal Electric Generation Agency (JV2)

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

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

OMEGA JV2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economic status of the participants' respective municipal electric utility system. The Project consists of 138.65 MW of distributed generation of which 134.081 MW is the participants' entitlement and 4.569 MW are held in reserve. On dissolution of OMEGA JV2, the net assets will be shared by the participants on a percentage of ownership basis. OMEGA JV2 is managed by AMP, which acts as the joint venture's agent. During 2001, AMP issued \$50,260,000 of 20 year fixed rate bonds on behalf of the Financing Participants of OMEGA JV2. The net proceeds of the bond issue of \$45,904,712 were contributed to OMEGA JV2. On January 3, 2011, AMP redeemed all of the \$31,110,000 OMEGA JV2 Project Distributive Generation Bonds then outstanding by borrowing on AMP's revolving credit facility. As such, the remaining outstanding bond principal of the OMEGA JV2 indebtedness was reduced to zero, with the remaining principal balance now residing on the AMP credit facility. As of December 31, 2011, the outstanding debt was \$23,633,931. The City's net investment and its share of operating results of OMEGA JV2 are reported in the City's electric fund (an enterprise fund). The City's net investment in OMEGA JV2 was \$1,524,181 at December 31, 2011. Complete financial statements for OMEGA JV2 may be obtained from AMP or from the State Auditor's website at www.auditor.state.oh.us.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 18 – Fund Balances

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

Fund Balances	General	Master Capital	Other Governmental Funds	Total
<u>Nonspendable:</u>				
Inventory	\$30,269	\$0	\$141,833	\$172,102
Prepays	40,210	0	27,504	67,714
Unclaimed Monies	5,699	0	0	5,699
<i>Total Nonspendable</i>	<u>76,178</u>	<u>0</u>	<u>169,337</u>	<u>245,515</u>
<u>Restricted for:</u>				
Street Maintenance	0	0	72,700	72,700
Cemetery	0	0	693,749	693,749
Law Enforcement	0	0	39,141	39,141
Community Development	0	0	634,387	634,387
<i>Total Restricted</i>	<u>0</u>	<u>0</u>	<u>1,439,977</u>	<u>1,439,977</u>
<u>Committed to:</u>				
Ambulance	0	0	175,582	175,582
Shade Tree	0	0	2,737	2,737
Capital Improvements	0	1,295,144	0	1,295,144
<i>Total Committed</i>	<u>0</u>	<u>1,295,144</u>	<u>178,319</u>	<u>1,473,463</u>
<u>Assigned to:</u>				
Other Purposes	103,666	0	0	103,666
Unassigned (Deficit)	1,925,702	0	(123,350)	1,802,352
Total Fund Balances	<u><u>\$2,105,546</u></u>	<u><u>\$1,295,144</u></u>	<u><u>\$1,664,283</u></u>	<u><u>\$5,064,973</u></u>

**Combining and Individual Fund
Statements and Schedules**

Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

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

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

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

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

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

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

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

Law Enforcement Block Grant Fund - To account for and report grant monies restricted for upgrades to police computer systems. This fund has no budgetary activity for 2011.

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

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

(continued)

Fund Descriptions – Nonmajor Governmental Funds (continued)

Nonmajor Debt Service Fund

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

Debt Service Fund - To account for and report matured interest payable on past bond coupons held by a fiscal agent and restricted for debt payments. This fund has no budgetary activity for 2011.

Nonmajor Capital Projects Fund

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

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

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

City of Dover, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2011

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,243,222	\$0	\$104,782	\$1,348,004
Cash and Cash Equivalents With Fiscal Agents	0	1,735	0	1,735
Materials and Supplies Inventory	141,833	0	0	141,833
Accounts Receivable	460,436	0	0	460,436
Intergovernmental Receivable	294,203	0	0	294,203
Prepaid Items	27,504	0	0	27,504
Income Tax Receivable	411,508	0	0	411,508
Property Taxes Receivable	125,674	0	0	125,674
Loans Receivable	220,749	0	0	220,749
<i>Total Assets</i>	<u>\$2,925,129</u>	<u>\$1,735</u>	<u>\$104,782</u>	<u>\$3,031,646</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$18,695	\$0	\$0	\$18,695
Accrued Wages	14,644	0	0	14,644
Intergovernmental Payable	197,700	0	0	197,700
Matured Interest Payable	0	1,735	0	1,735
Deferred Revenue	1,134,589	0	0	1,134,589
<i>Total Liabilities</i>	<u>1,365,628</u>	<u>1,735</u>	<u>0</u>	<u>1,367,363</u>
Fund Balances				
Nonspendable	169,337	0	0	169,337
Restricted	1,335,195	0	104,782	1,439,977
Committed	178,319	0	0	178,319
Unassigned (Deficit)	(123,350)	0	0	(123,350)
<i>Total Fund Balances</i>	<u>1,559,501</u>	<u>0</u>	<u>104,782</u>	<u>1,664,283</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,925,129</u>	<u>\$1,735</u>	<u>\$104,782</u>	<u>\$3,031,646</u>

City of Dover, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$143,341	\$0	\$143,341
Income Taxes	1,255,000	0	1,255,000
Intergovernmental	602,975	409,458	1,012,433
Interest	28,057	0	28,057
Fines, Licenses and Permits	1,893	0	1,893
Charges for Services	409,754	0	409,754
Other	53,721	30	53,751
<i>Total Revenues</i>	<u>2,494,741</u>	<u>409,488</u>	<u>2,904,229</u>
Expenditures			
Current:			
Security of Persons and Property	542,029	0	542,029
Transportation	1,037,961	0	1,037,961
Public Health Services	698,987	0	698,987
Capital Outlay	0	325,661	325,661
Debt Service:			
Principal Retirement	6,521	0	6,521
Interest and Fiscal Charges	11,524	0	11,524
<i>Total Expenditures</i>	<u>2,297,022</u>	<u>325,661</u>	<u>2,622,683</u>
<i>Net Change in Fund Balances</i>	197,719	83,827	281,546
<i>Fund Balances Beginning of Year</i>	<u>1,361,782</u>	<u>20,955</u>	<u>1,382,737</u>
<i>Fund Balances End of Year</i>	<u><u>\$1,559,501</u></u>	<u><u>\$104,782</u></u>	<u><u>\$1,664,283</u></u>

City of Dover, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2011

	Street Maintenance and Repair	State Highway	Police and Fire Pension	Ambulance	Cemetery
Assets					
Equity in Pooled Cash and Cash Equivalents	\$11,284	\$3,646	\$5,643	\$175,582	\$696,346
Materials and Supplies Inventory	141,833	0	0	0	0
Accounts Receivable	0	0	0	460,436	0
Intergovernmental Receivable	269,010	16,137	9,043	0	0
Prepaid Items	5,893	0	0	20,491	1,120
Income Tax Receivable	172,145	0	127,879	0	111,484
Property Taxes Receivable	0	0	125,674	0	0
Loans Receivable	0	0	0	0	0
<i>Total Assets</i>	<u>\$600,165</u>	<u>\$19,783</u>	<u>\$268,239</u>	<u>\$656,509</u>	<u>\$808,950</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$6,482	\$0	\$0	\$0	\$12,213
Accrued Wages	8,167	0	0	0	6,477
Intergovernmental Payable	24,800	0	158,993	0	13,907
Deferred Revenue	347,477	12,596	232,596	460,436	81,484
<i>Total Liabilities</i>	<u>386,926</u>	<u>12,596</u>	<u>391,589</u>	<u>460,436</u>	<u>114,081</u>
Fund Balances					
Nonspendable	147,726	0	0	20,491	1,120
Restricted	65,513	7,187	0	0	693,749
Committed	0	0	0	175,582	0
Unassigned (Deficit)	0	0	(123,350)	0	0
<i>Total Fund Balances (Deficit)</i>	<u>213,239</u>	<u>7,187</u>	<u>(123,350)</u>	<u>196,073</u>	<u>694,869</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$600,165</u>	<u>\$19,783</u>	<u>\$268,239</u>	<u>\$656,509</u>	<u>\$808,950</u>

Revolving Loan	Drug Law Enforcement	Law Enforcement Block Grant	Enforcement and Education	Shade Tree	Total Nonmajor Special Revenue Funds
\$308,856	\$10,765	\$427	\$27,936	\$2,737	\$1,243,222
0	0	0	0	0	141,833
0	0	0	0	0	460,436
0	0	0	13	0	294,203
0	0	0	0	0	27,504
0	0	0	0	0	411,508
0	0	0	0	0	125,674
220,749	0	0	0	0	220,749
<u>\$529,605</u>	<u>\$10,765</u>	<u>\$427</u>	<u>\$27,949</u>	<u>\$2,737</u>	<u>\$2,925,129</u>
\$0	\$0	\$0	\$0	\$0	\$18,695
0	0	0	0	0	14,644
0	0	0	0	0	197,700
0	0	0	0	0	1,134,589
0	0	0	0	0	1,365,628
0	0	0	0	0	169,337
529,605	10,765	427	27,949	0	1,335,195
0	0	0	0	2,737	178,319
0	0	0	0	0	(123,350)
529,605	10,765	427	27,949	2,737	1,559,501
<u>\$529,605</u>	<u>\$10,765</u>	<u>\$427</u>	<u>\$27,949</u>	<u>\$2,737</u>	<u>\$2,925,129</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, 2011

	Street Maintenance and Repair	State Highway	Police and Fire Pension	Ambulance	Cemetery
Revenues					
Property Taxes	\$0	\$0	\$143,341	\$0	\$0
Income Taxes	525,000	0	390,000	0	340,000
Intergovernmental	551,640	42,616	8,719	0	0
Interest	128	0	0	0	17,244
Fines, Licenses and Permits	195	0	0	0	0
Charges for Services	0	0	0	300,299	109,455
Other	498	65	222	6,800	46,111
<i>Total Revenues</i>	<u>1,077,461</u>	<u>42,681</u>	<u>542,282</u>	<u>307,099</u>	<u>512,810</u>
Expenditures					
Current:					
Security of Persons and Property	0	0	541,694	0	0
Transportation	1,012,870	25,091	0	0	0
Public Health Services	0	0	0	210,422	488,565
Debt Service:					
Principal Retirement	0	0	6,521	0	0
Interest and Fiscal Charges	0	0	11,524	0	0
<i>Total Expenditures</i>	<u>1,012,870</u>	<u>25,091</u>	<u>559,739</u>	<u>210,422</u>	<u>488,565</u>
<i>Net Change in Fund Balances</i>	64,591	17,590	(17,457)	96,677	24,245
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>148,648</u>	<u>(10,403)</u>	<u>(105,893)</u>	<u>99,396</u>	<u>670,624</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$213,239</u>	<u>\$7,187</u>	<u>(\$123,350)</u>	<u>\$196,073</u>	<u>\$694,869</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	\$143,341
0	0	0	0	0	1,255,000
0	0	0	0	0	602,975
10,685	0	0	0	0	28,057
0	45	0	1,653	0	1,893
0	0	0	0	0	409,754
0	0	0	25	0	53,721
<u>10,685</u>	<u>45</u>	<u>0</u>	<u>1,678</u>	<u>0</u>	<u>2,494,741</u>
0	0	0	335	0	542,029
0	0	0	0	0	1,037,961
0	0	0	0	0	698,987
0	0	0	0	0	6,521
0	0	0	0	0	11,524
<u>0</u>	<u>0</u>	<u>0</u>	<u>335</u>	<u>0</u>	<u>2,297,022</u>
10,685	45	0	1,343	0	197,719
<u>518,920</u>	<u>10,720</u>	<u>427</u>	<u>26,606</u>	<u>2,737</u>	<u>1,361,782</u>
<u>\$529,605</u>	<u>\$10,765</u>	<u>\$427</u>	<u>\$27,949</u>	<u>\$2,737</u>	<u>\$1,559,501</u>

City of Dover, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2011

	Small Cities Block Grant	CHIP	Total Nonmajor Capital Projects Funds
Revenues			
Intergovernmental	\$94,400	\$315,058	\$409,458
Other	0	30	30
<i>Total Revenues</i>	<u>94,400</u>	<u>315,088</u>	<u>409,488</u>
Expenditures			
Capital Outlay	94,400	231,261	325,661
<i>Net Change in Fund Balances</i>	0	83,827	83,827
<i>Fund Balances Beginning of Year</i>	<u>0</u>	<u>20,955</u>	<u>20,955</u>
<i>Fund Balances End of Year</i>	<u>\$0</u>	<u>\$104,782</u>	<u>\$104,782</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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$785,000	\$785,000	\$755,629	(\$29,371)
Income Taxes	3,559,491	3,560,068	3,820,175	260,107
Intergovernmental	1,606,877	1,607,137	1,795,830	188,693
Interest	49,992	50,000	33,409	(16,591)
Fines, Licenses and Permits	31,545	31,550	54,130	22,580
Charges for Services	753,503	753,625	804,424	50,799
Other	171,243	171,271	58,129	(113,142)
<i>Total Revenues</i>	<i>6,957,651</i>	<i>6,958,651</i>	<i>7,321,726</i>	<i>363,075</i>
Expenditures				
Current:				
General Government:				
Mayor:				
Salaries and Wages	123,954	123,954	120,676	3,278
Fringe Benefits	67,130	68,196	65,873	2,323
Purchased Services	16,166	15,100	12,297	2,803
Materials and Supplies	6,735	6,735	6,552	183
<i>Total Mayor</i>	<i>213,985</i>	<i>213,985</i>	<i>205,398</i>	<i>8,587</i>
Auditor:				
Salaries and Wages	145,588	145,588	111,326	34,262
Fringe Benefits	79,336	82,336	80,493	1,843
Purchased Services	15,690	29,190	25,207	3,983
Materials and Supplies	4,250	4,250	1,873	2,377
<i>Total Auditor</i>	<i>244,864</i>	<i>261,364</i>	<i>218,899</i>	<i>42,465</i>
Treasurer:				
Salaries and Wages	13,709	13,709	13,709	0
Fringe Benefits	4,615	4,615	4,606	9
Purchased Services	1,300	1,300	655	645
Materials and Supplies	50	50	0	50
<i>Total Treasurer</i>	<i>\$19,674</i>	<i>\$19,674</i>	<i>\$18,970</i>	<i>\$704</i>

(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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Law Director:				
Salaries and Wages	\$69,941	\$69,941	\$66,933	\$3,008
Fringe Benefits	34,200	34,200	30,167	4,033
Purchased Services	101,205	101,205	87,094	14,111
Materials and Supplies	3,600	3,600	0	3,600
Total Law Director	208,946	208,946	184,194	24,752
Civil Service Commission:				
Salaries and Wages	3,000	3,000	3,000	0
Fringe Benefits	600	600	463	137
Purchased Services	3,550	6,050	5,219	831
Materials and Supplies	50	50	0	50
Total Civil Service Commission	7,200	9,700	8,682	1,018
Income Tax Department:				
Salaries and Wages	89,906	89,906	86,438	3,468
Fringe Benefits	51,288	53,288	52,204	1,084
Purchased Services	73,885	78,885	16,118	62,767
Materials and Supplies	7,165	7,165	6,850	315
Total Income Tax Department	222,244	229,244	161,610	67,634
Council:				
Salaries and Wages	46,310	46,685	46,682	3
Fringe Benefits	16,075	16,075	14,752	1,323
Purchased Services	24,178	24,177	19,976	4,201
Materials and Supplies	651	651	524	127
Total Council	87,214	87,588	81,934	5,654
Clerk of Council:				
Salaries and Wages	5,850	5,850	5,700	150
Fringe Benefits	2,635	7,135	6,821	314
Purchased Services	550	550	468	82
Materials and Supplies	350	350	300	50
Total Clerk of Council	\$9,385	\$13,885	\$13,289	\$596

(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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Service Director:				
Salaries and Wages	\$104,294	\$104,294	\$15,463	\$88,831
Fringe Benefits	63,570	65,569	62,191	3,378
Purchased Services	6,500	8,500	6,648	1,852
Materials and Supplies	3,500	5,000	3,835	1,165
	177,864	183,363	88,137	95,226
Total Service Director				
Rubbish-Janitor-City Hall:				
Salaries and Wages	1,000	1,000	0	1,000
Fringe Benefits	3,604	2,600	2,460	140
Purchased Services	0	21,104	19,111	1,993
Materials and Supplies	750	750	0	750
	5,354	25,454	21,571	3,883
Total Rubbish-Janitor-City Hall				
Other:				
Purchased Services	620,603	603,772	158,797	444,975
Materials and Supplies	3,000	3,000	2,367	633
Capital Outlay	44,998	54,328	12,866	41,462
Other	20,449	13,000	3,720	9,280
	689,050	674,100	177,750	496,350
Total Other				
Total General Government	1,885,780	1,927,303	1,180,434	746,869
Security of Persons and Property:				
Police:				
Salaries and Wages	1,413,888	1,413,888	1,343,970	69,918
Fringe Benefits	417,232	433,232	431,476	1,756
Purchased Services	83,738	84,738	79,172	5,566
Materials and Supplies	73,240	98,190	86,273	11,917
	1,988,098	2,030,048	1,940,891	89,157
Total Police				
Traffic Safety:				
Salaries and Wages	144,700	144,700	133,914	10,786
Fringe Benefits	81,194	81,192	79,692	1,500
Purchased Services	35,565	35,565	33,983	1,582
Materials and Supplies	38,053	38,052	32,675	5,377
	\$299,512	\$299,509	\$280,264	\$19,245
Total Traffic Safety				

(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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fire Prevention:				
Salaries and Wages	\$1,161,186	\$1,161,186	\$1,122,145	\$39,041
Fringe Benefits	334,163	361,662	351,671	9,991
Purchased Services	68,739	76,241	73,165	3,076
Materials and Supplies	59,978	60,478	59,789	689
Total Fire Prevention	1,624,066	1,659,567	1,606,770	52,797
Director of Public Safety:				
Salaries and Wages	31,429	31,429	31,429	0
Fringe Benefits	9,115	9,115	8,499	616
Purchased Services	2,989	2,989	1,945	1,044
Materials and Supplies	100	1,100	924	176
Total Director of Public Safety	43,633	44,633	42,797	1,836
Total Security of Persons and Property	3,955,309	4,033,757	3,870,722	163,035
Public Health Services:				
County Health Services:				
Purchased Services	10,000	14,000	8,915	5,085
Community Environment:				
Demolition and Mowing:				
Purchased Services	16,600	18,600	18,504	96
Building Inspector:				
Salaries and Wages	55,286	55,286	55,286	0
Fringe Benefits	36,103	36,103	34,592	1,511
Purchased Services	3,150	3,150	1,985	1,165
Materials and Supplies	1,351	1,351	1,249	102
Total Building Inspector	95,890	95,890	93,112	2,778
Total Community Environment	\$112,490	\$114,490	\$111,616	\$2,874

(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, 2011

	<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	\$589,440	\$574,340	\$570,453	\$3,887
Leisure Time Activities:				
Parks and Recreation:				
Personal Services	479,172	479,172	454,067	25,105
Fringe Benefits	217,378	217,378	209,493	7,885
Purchased Services	100,114	100,113	89,540	10,573
Materials and Supplies	93,309	98,311	95,334	2,977
Total Leisure Time Activities	889,973	894,974	848,434	46,540
<i>Total Expenditures</i>	<u>7,442,992</u>	<u>7,558,864</u>	<u>6,590,574</u>	<u>968,290</u>
<i>Net Change in Fund Balance</i>	(485,341)	(600,213)	731,152	1,331,365
<i>Fund Balance Beginning of Year</i>	802,290	802,290	802,290	0
Prior Year Encumbrances Appropriated	90,728	90,728	90,728	0
<i>Fund Balance End of Year</i>	<u>\$407,677</u>	<u>\$292,805</u>	<u>\$1,624,170</u>	<u>\$1,331,365</u>

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Master Capital Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Income Taxes	\$880,712	\$1,155,808	\$1,229,545	\$73,737
Intergovernmental	654,761	859,280	837,935	(21,345)
Contributions and Donations	3,810	5,000	2,740	(2,260)
Other	190,812	250,412	15,231	(235,181)
<i>Total Revenues</i>	<u>1,730,095</u>	<u>2,270,500</u>	<u>2,085,451</u>	<u>(185,049)</u>
Expenditures				
Capital Outlay	3,874,479	3,733,380	2,992,159	741,221
Debt Service:				
Principal Retirement	2,146,700	5,457,800	5,380,000	77,800
Interest and Fiscal Charges	53,300	53,300	53,300	0
<i>Total Debt Service</i>	<u>2,200,000</u>	<u>5,511,100</u>	<u>5,433,300</u>	<u>77,800</u>
<i>Total Expenditures</i>	<u>6,074,479</u>	<u>9,244,480</u>	<u>8,425,459</u>	<u>819,021</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(4,344,384)</u>	<u>(6,973,980)</u>	<u>(6,340,008)</u>	<u>633,972</u>
Other Financing Sources				
General Obligation Notes Issued	2,740,000	2,640,000	2,640,000	0
General Obligation Bonds Issued	0	2,830,000	2,669,668	(160,332)
State Infrastructure Bank Loan Issued	0	0	328,614	328,614
OPWC Loan Issued	0	0	100,000	0
<i>Total Other Financing Sources</i>	<u>2,740,000</u>	<u>5,470,000</u>	<u>5,738,282</u>	<u>168,282</u>
<i>Net Change in Fund Balance</i>	<u>(1,604,384)</u>	<u>(1,503,980)</u>	<u>(601,726)</u>	<u>802,254</u>
<i>Fund Balance Beginning of Year</i>	2,079	2,079	2,079	0
Prior Year Encumbrances Appropriated	1,628,313	1,628,313	1,628,313	0
<i>Fund Balance End of Year</i>	<u>\$26,008</u>	<u>\$126,412</u>	<u>\$1,028,666</u>	<u>\$802,254</u>

City of Dover, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$3,132,869	\$3,099,000	\$3,072,358	(\$26,642)
Other	567,131	561,000	95,837	(465,163)
<i>Total Revenues</i>	<u>3,700,000</u>	<u>3,660,000</u>	<u>3,168,195</u>	<u>(491,805)</u>
Expenses				
Salaries and Wages:				
Sewer Office	55,001	84,025	82,887	1,138
Sewer Disposal Plant	841,320	841,320	799,848	41,472
Total Salaries and Wages	<u>896,321</u>	<u>925,345</u>	<u>882,735</u>	<u>42,610</u>
Fringe Benefits:				
Sewer Office	40,813	40,813	35,035	5,778
Sewer Disposal Plant	523,855	582,045	543,069	38,976
Total Fringe Benefits	<u>564,668</u>	<u>622,858</u>	<u>578,104</u>	<u>44,754</u>
Purchased Services:				
Sewer Office	111,960	82,936	55,768	27,168
Sewer Disposal Plant	307,939	299,749	268,756	30,993
Total Purchased Services	<u>419,899</u>	<u>382,685</u>	<u>324,524</u>	<u>58,161</u>
Materials and Supplies:				
Sewer Office	9,044	9,044	4,076	4,968
Sewer Disposal Plant	162,424	162,425	150,616	11,809
Total Materials and Supplies	<u>171,468</u>	<u>171,469</u>	<u>154,692</u>	<u>16,777</u>
Capital Outlay:				
Sewer Office	26,800	26,800	15,142	11,658
Sewer Disposal Plant	1,178,523	838,522	79,970	758,552
Wastewater Reserve	913,867	913,867	595,866	318,001
Wastewater Construction	300,000	300,000	0	300,000
Total Capital Outlay	<u>2,419,190</u>	<u>2,079,189</u>	<u>690,978</u>	<u>1,388,211</u>
Debt Service:				
Principal Retirement	529,571	529,571	529,571	0
Interest and Fiscal Charges	409,919	408,919	408,919	0
Total Debt Service	<u>939,490</u>	<u>938,490</u>	<u>938,490</u>	<u>0</u>
<i>Total Expenses</i>	<u>\$5,411,036</u>	<u>\$5,120,036</u>	<u>\$3,569,523</u>	<u>\$1,550,513</u>

(continued)

City of Dover, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Sewer Fund (continued)
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Net Change in Fund Equity</i>	(\$1,711,036)	(\$1,460,036)	(\$401,328)	\$1,058,708
<i>Fund Equity Beginning of Year</i>	3,544,585	3,544,585	3,544,585	0
<i>Prior Year Encumbrances Appropriated</i>	73,249	73,249	73,249	0
<i>Fund Equity End of Year</i>	\$1,906,798	\$2,157,798	\$3,216,506	\$1,058,708

City of Dover, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Electric Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$27,654	\$35,500	\$760	(\$34,740)
Charges for Services	16,973,021	21,789,000	20,147,691	(1,641,309)
Electric Deposits Received	23,369	30,000	29,280	(720)
Notes Issued	5,374,907	6,900,000	6,900,000	0
Bonds Issued	5,702,075	7,320,000	6,978,571	(341,429)
Other	163,974	210,500	513,244	302,744
<i>Total Revenues</i>	<u>28,265,000</u>	<u>36,285,000</u>	<u>34,569,546</u>	<u>(1,715,454)</u>
Expenses				
Salaries and Wages:				
Electric Office	124,620	145,900	141,978	3,922
Electric Distribution	1,053,076	1,053,076	992,798	60,278
Electric Plant	1,413,549	1,413,549	1,319,987	93,562
Total Salaries and Wages	<u>2,591,245</u>	<u>2,612,525</u>	<u>2,454,763</u>	<u>157,762</u>
Fringe Benefits:				
Electric Office	57,289	57,289	54,610	2,679
Electric Distribution	602,786	602,786	567,158	35,628
Electric Plant	684,725	691,725	681,371	10,354
Total Fringe Benefits	<u>1,344,800</u>	<u>1,351,800</u>	<u>1,303,139</u>	<u>48,661</u>
Purchased Services:				
Electric Office	98,036	61,756	48,983	12,773
Electric Distribution	423,108	423,109	358,333	64,776
Electric Plant	2,123,561	2,373,562	1,538,174	835,388
Total Purchased Services	<u>2,644,705</u>	<u>2,858,427</u>	<u>1,945,490</u>	<u>912,937</u>
Materials and Supplies:				
Electric Office	9,787	9,787	5,151	4,636
Electric Distribution	165,095	215,096	187,712	27,384
Electric Plant	4,484,015	4,284,015	4,069,047	214,968
Total Materials and Supplies	<u>4,658,897</u>	<u>4,508,898</u>	<u>4,261,910</u>	<u>246,988</u>
Purchased Power:				
Electric Plant	<u>\$8,000,000</u>	<u>\$8,600,000</u>	<u>\$7,883,526</u>	<u>\$716,474</u>

(continued)

City of Dover, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Electric Fund (continued)
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Capital Outlay:				
Electric Construction	\$25,000	\$25,000	\$0	\$25,000
Electric Capital Reserve	100,000	100,000	0	100,000
Electric Surplus	100,000	100,000	0	100,000
Electric Office	16,000	31,000	23,109	7,891
Municipal Electric Improvement	9,272	9,272	0	9,272
Electric Distribution	742,808	742,805	527,364	215,441
Electric Plant	755,000	755,000	364,022	390,978
	<u>1,748,080</u>	<u>1,763,077</u>	<u>914,495</u>	<u>848,582</u>
Total Capital Outlay				
Debt Service:				
Principal Retirement	8,128,100	15,152,100	14,730,000	422,100
Interest and Fiscal Charges	410,600	410,600	407,893	2,707
	<u>8,538,700</u>	<u>15,562,700</u>	<u>15,137,893</u>	<u>424,807</u>
Total Debt Service				
Electric Deposits Returned:				
Refunds	85,000	85,000	51,379	33,621
	<u>85,000</u>	<u>85,000</u>	<u>51,379</u>	<u>33,621</u>
<i>Total Expenses</i>	<u>29,611,427</u>	<u>37,342,427</u>	<u>33,952,595</u>	<u>3,389,832</u>
<i>Net Change in Fund Equity</i>	(1,346,427)	(1,057,427)	616,951	1,674,378
<i>Fund Equity Beginning of Year</i>	3,122,780	3,122,780	3,122,780	0
Prior Year Encumbrances Appropriated	362,958	362,958	362,958	0
<i>Fund Equity End of Year</i>	<u>\$2,139,311</u>	<u>\$2,428,311</u>	<u>\$4,102,689</u>	<u>\$1,674,378</u>

City of Dover, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest	\$764	\$750	\$138	(\$612)
Charges for Services	1,944,285	1,909,400	1,995,643	86,243
Other	5,651	5,550	24,250	18,700
<i>Total Revenues</i>	<u>1,950,700</u>	<u>1,915,700</u>	<u>2,020,031</u>	<u>104,331</u>
Expenses				
Salaries and Wages:				
Water Office	53,887	67,911	42,731	25,180
Water Plant	652,906	632,906	550,532	82,374
Total Salaries and Wages	<u>706,793</u>	<u>700,817</u>	<u>593,263</u>	<u>107,554</u>
Fringe Benefits:				
Water Office	45,083	45,083	28,263	16,820
Water Plant	343,047	428,046	373,271	54,775
Total Fringe Benefits	<u>388,130</u>	<u>473,129</u>	<u>401,534</u>	<u>71,595</u>
Purchased Services:				
Water Office	87,310	58,286	49,164	9,122
Water Plant	113,624	113,625	98,898	14,727
Total Purchased Services	<u>200,934</u>	<u>171,911</u>	<u>148,062</u>	<u>23,849</u>
Materials and Supplies:				
Water Office	7,229	7,229	4,046	3,183
Water Plant	135,553	155,553	137,250	18,303
Total Materials and Supplies	<u>142,782</u>	<u>162,782</u>	<u>141,296</u>	<u>21,486</u>
Capital Outlay:				
Water Office	15,500	30,500	15,000	15,500
Water Plant	376,013	273,013	144,376	128,637
Water Surplus	200,000	200,000	0	200,000
Total Capital Outlay	<u>\$591,513</u>	<u>\$503,513</u>	<u>\$159,376</u>	<u>\$344,137</u>

(continued)

City of Dover, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Water Fund (continued)
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Debt Service:				
Principal Retirement	\$310,500	\$310,500	\$310,000	\$500
Interest and Fiscal Charges	194,435	194,435	187,141	7,294
Total Debt Service	<u>504,935</u>	<u>504,935</u>	<u>497,141</u>	<u>7,794</u>
<i>Total Expenses</i>	<u>2,535,087</u>	<u>2,517,087</u>	<u>1,940,672</u>	<u>576,415</u>
<i>Net Change in Fund Equity</i>	(584,387)	(601,387)	79,359	680,746
<i>Fund Equity Beginning of Year</i>	735,523	735,523	735,523	0
Prior Year Encumbrances Appropriated	<u>98,899</u>	<u>98,899</u>	<u>98,899</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$250,035</u>	<u>\$233,035</u>	<u>\$913,781</u>	<u>\$680,746</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Income Taxes	\$575,000	\$575,000	\$525,000	(\$50,000)
Intergovernmental	569,500	569,500	552,811	(16,689)
Interest	4,500	4,500	128	(4,372)
Fines, Licenses and Permits	0	0	195	195
Other	10,000	10,000	498	(9,502)
<i>Total Revenues</i>	<u>1,159,000</u>	<u>1,159,000</u>	<u>1,078,632</u>	<u>(80,368)</u>
Expenditures				
Current:				
Transportation:				
Street Construction and Reconstruction:				
Salaries and Wages	573,319	535,202	491,743	43,459
Fringe Benefits	339,429	339,429	323,516	15,913
Purchased Services	88,379	61,496	56,561	4,935
Materials and Supplies	166,457	251,457	246,341	5,116
Capital Outlay	3,500	3,500	2,850	650
<i>Total Expenditures</i>	<u>1,171,084</u>	<u>1,191,084</u>	<u>1,121,011</u>	<u>70,073</u>
<i>Net Change in Fund Balance</i>	(12,084)	(32,084)	(42,379)	(10,295)
<i>Fund Balance Beginning of Year</i>	31,528	31,528	31,528	0
Prior Year Encumbrances Appropriated	<u>11,711</u>	<u>11,711</u>	<u>11,711</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$31,155</u>	<u>\$11,155</u>	<u>\$860</u>	<u>(\$10,295)</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$50,000	\$50,000	\$42,711	(\$7,289)
Other	<u>0</u>	<u>0</u>	<u>65</u>	<u>65</u>
<i>Total Revenues</i>	50,000	50,000	42,776	(7,224)
Expenditures				
Current:				
Transportation:				
Street Construction and Reconstruction:				
Materials and Supplies	<u>45,000</u>	<u>45,000</u>	<u>43,017</u>	<u>1,983</u>
<i>Net Change in Fund Balance</i>	5,000	5,000	(241)	(5,241)
<i>Fund Balance Beginning of Year</i>	<u>3,887</u>	<u>3,887</u>	<u>3,887</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$8,887</u></u>	<u><u>\$8,887</u></u>	<u><u>\$3,646</u></u>	<u><u>(\$5,241)</u></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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$137,400	\$113,200	\$143,341	\$30,141
Income Taxes	343,800	415,000	390,000	(25,000)
Intergovernmental	11,000	11,000	8,719	(2,281)
Other	0	0	222	222
<i>Total Revenues</i>	<u>492,200</u>	<u>539,200</u>	<u>542,282</u>	<u>3,082</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police Disability and Pension:				
Fringe Benefits	245,000	245,500	245,481	19
Fire Disability and Pension:				
Fringe Benefits	<u>265,000</u>	<u>309,500</u>	<u>307,882</u>	<u>1,618</u>
<i>Total Expenditures</i>	<u>510,000</u>	<u>555,000</u>	<u>553,363</u>	<u>1,637</u>
<i>Net Change in Fund Balance</i>	(17,800)	(15,800)	(11,081)	4,719
<i>Fund Balance Beginning of Year</i>	<u>16,724</u>	<u>16,724</u>	<u>16,724</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$1,076)</u></u>	<u><u>\$924</u></u>	<u><u>\$5,643</u></u>	<u><u>\$4,719</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$225,000	\$225,000	\$300,299	\$75,299
Other	<u>0</u>	<u>0</u>	<u>6,800</u>	<u>6,800</u>
<i>Total Revenues</i>	<u>225,000</u>	<u>225,000</u>	<u>307,099</u>	<u>82,099</u>
Expenditures				
Current:				
Public Health Services:				
Ambulance:				
Salaries and Wages	125,000	125,000	124,772	228
Purchased Services	25,000	25,000	2,424	22,576
Materials and Supplies	<u>100,327</u>	<u>100,327</u>	<u>80,956</u>	<u>19,371</u>
<i>Total Expenditures</i>	<u>250,327</u>	<u>250,327</u>	<u>208,152</u>	<u>42,175</u>
<i>Net Change in Fund Balance</i>	(25,327)	(25,327)	98,947	124,274
<i>Fund Balance Beginning of Year</i>	72,979	72,979	72,979	0
Prior Year Encumbrances Appropriated	<u>10,327</u>	<u>10,327</u>	<u>10,327</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$57,979</u>	<u>\$57,979</u>	<u>\$182,253</u>	<u>\$124,274</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Income Taxes	\$311,927	\$340,000	\$340,000	\$0
Interest	22,936	25,000	17,244	(7,756)
Charges for Services	119,265	130,000	109,455	(20,545)
Other	45,872	50,000	46,111	(3,889)
<i>Total Revenues</i>	<u>500,000</u>	<u>545,000</u>	<u>512,810</u>	<u>(32,190)</u>
Expenditures				
Current:				
Public Health Services:				
Cemetery:				
Salaries and Wages	292,995	292,995	271,114	21,881
Fringe Benefits	178,904	178,904	170,559	8,345
Purchased Services	22,363	22,363	12,959	9,404
Materials and Supplies	28,803	28,803	23,931	4,872
Capital Outlay	6,049	6,049	858	5,191
Other	40,000	40,000	0	40,000
<i>Total Expenditures</i>	<u>569,114</u>	<u>569,114</u>	<u>479,421</u>	<u>89,693</u>
<i>Net Change in Fund Balance</i>	(69,114)	(24,114)	33,389	57,503
<i>Fund Balance Beginning of Year</i>	654,504	654,504	654,504	0
Prior Year Encumbrances Appropriated	9,180	9,180	9,180	0
<i>Fund Balance End of Year</i>	<u>\$594,570</u>	<u>\$639,570</u>	<u>\$697,073</u>	<u>\$57,503</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$76,000	\$76,000	\$71,030	(\$4,970)
Interest	500	500	10	(490)
<i>Total Revenues</i>	76,500	76,500	71,040	(5,460)
Expenditures				
Current:				
Community Environment:				
Other Community Environment:				
Purchased Services	175,000	175,000	0	175,000
<i>Net Change in Fund Balance</i>	(98,500)	(98,500)	71,040	169,540
<i>Fund Balance Beginning of Year</i>	237,817	237,817	237,817	0
<i>Fund Balance End of Year</i>	<u>\$139,317</u>	<u>\$139,317</u>	<u>\$308,857</u>	<u>\$169,540</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines, Licenses, and Permits	\$0	\$0	\$45	\$45
Expenditures				
Current:				
Security of Persons and Property:				
Drug Law Enforcement:				
Materials and Supplies	8,000	8,000	0	8,000
<i>Net Change in Fund Balance</i>	(8,000)	(8,000)	45	8,045
<i>Fund Balance Beginning of Year</i>	10,720	10,720	10,720	0
<i>Fund Balance End of Year</i>	<u>\$2,720</u>	<u>\$2,720</u>	<u>\$10,765</u>	<u>\$8,045</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines, Licenses and Permits	\$3,500	\$3,500	\$1,666	(\$1,834)
Other	<u>0</u>	<u>0</u>	<u>25</u>	<u>25</u>
<i>Total Revenues</i>	3,500	3,500	1,691	(1,809)
Expenditures				
Current:				
Security of Persons and Property:				
Enforcement and Education:				
Materials and Supplies	<u>30,000</u>	<u>30,000</u>	<u>335</u>	<u>29,665</u>
<i>Net Change in Fund Balance</i>	(26,500)	(26,500)	1,356	27,856
<i>Fund Balance Beginning of Year</i>	<u>26,580</u>	<u>26,580</u>	<u>26,580</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$80</u></u>	<u><u>\$80</u></u>	<u><u>\$27,936</u></u>	<u><u>\$27,856</u></u>

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Shade Tree Fund
For the Year Ended December 31, 2011

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

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Small Cities Block Grant Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$53,000	\$94,400	\$94,400	\$0
Expenditures				
Capital Outlay	<u>41,400</u>	<u>94,400</u>	<u>94,400</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	11,600	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$11,600</u></u>	<u><u>\$0</u></u>	<u><u>\$0</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
CHIP Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$300,000	\$524,000	\$315,058	(\$208,942)
Interest	0	0	30	30
<i>Total Revenues</i>	300,000	524,000	315,088	(208,912)
Expenditures				
Capital Outlay	324,000	500,000	231,261	268,739
<i>Net Change in Fund Balance</i>	(24,000)	24,000	83,827	59,827
<i>Fund Balance Beginning of Year</i>	20,955	20,955	20,955	0
<i>Fund Balance (Deficit) End of Year</i>	(\$3,045)	\$44,955	\$104,782	\$59,827

City of Dover, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Employee Health Insurance Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$1,956,332	\$2,240,000	\$2,076,005	(\$163,995)
Other	43,668	50,000	140,225	90,225
<i>Total Revenues</i>	<u>2,000,000</u>	<u>2,290,000</u>	<u>2,216,230</u>	<u>(73,770)</u>
Expenses				
Contractual Services	146,235	167,439	167,439	0
Claims	1,853,765	2,122,561	2,122,561	0
<i>Total Expenses</i>	<u>2,000,000</u>	<u>2,290,000</u>	<u>2,290,000</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	0	0	(73,770)	(73,770)
<i>Fund Equity Beginning of Year</i>	<u>142,528</u>	<u>142,528</u>	<u>142,528</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$142,528</u></u>	<u><u>\$142,528</u></u>	<u><u>\$68,758</u></u>	<u><u>(\$73,770)</u></u>

City of Dover, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Cemetery Interment Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Deposits for Burial Expenses	\$20,000	\$20,000	\$19,650	(\$350)
Interest	5,000	5,000	115	(4,885)
<i>Total Revenues</i>	25,000	25,000	19,765	(5,235)
Expenses				
Current:				
Public Health Services:				
Cemetery:				
Other	40,000	40,600	15,630	24,970
<i>Net Change in Fund Equity</i>	(15,000)	(15,600)	4,135	19,735
<i>Fund Equity Beginning of Year</i>	222,900	222,900	222,900	0
<i>Fund Equity End of Year</i>	<u>\$207,900</u>	<u>\$207,300</u>	<u>\$227,035</u>	<u>\$19,735</u>

STATISTICAL SECTION



THE CITY OF **DOVER**, OHIO

This page intentionally left blank.

City of Dover, Ohio

Statistical Section

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

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

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

	2011	2010	2009	2008
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$14,781,422	\$14,068,739	\$14,563,145	\$14,733,397
Restricted	1,737,344	2,230,639	3,060,273	3,852,663
Unrestricted (Deficit)	3,398,807	1,060,512	(528,355)	170,354
<i>Total Governmental Activities Net Assets</i>	<u>19,917,573</u>	<u>17,359,890</u>	<u>17,095,063</u>	<u>18,756,414</u>
Business Type - Activities				
Invested in Capital Assets, Net of Related Debt	22,166,478	22,616,181	22,607,499	20,850,882
Restricted	4,002,175	3,941,464	3,960,033	4,024,091
Unrestricted	9,853,853	9,925,626	7,656,769	8,125,965
<i>Total Business-Type Activities Net Assets</i>	<u>36,022,506</u>	<u>36,483,271</u>	<u>34,224,301</u>	<u>33,000,938</u>
Primary Government				
Invested in Capital Assets, Net of Related Debt	36,947,900	36,684,920	37,170,644	35,584,279
Restricted	5,739,519	6,172,103	7,020,306	7,876,754
Unrestricted	13,252,660	10,986,138	7,128,414	8,296,319
<i>Total Primary Government Net Assets</i>	<u>\$55,940,079</u>	<u>\$53,843,161</u>	<u>\$51,319,364</u>	<u>\$51,757,352</u>

2007	2006	2005	2004	2003	2002
\$13,272,279	\$13,573,055	\$13,189,789	\$13,192,577	\$12,422,701	\$11,664,774
3,946,056	2,311,499	2,689,957	2,290,983	3,074,163	1,729,383
281,189	12,369	199,864	227,630	352,507	3,010,884
17,499,524	15,896,923	16,079,610	15,711,190	15,849,371	16,405,041
17,417,960	19,479,944	15,227,727	14,177,927	16,313,496	14,937,981
4,188,957	3,967,516	3,812,435	4,137,860	4,718,108	4,269,181
8,802,130	7,476,271	9,078,102	8,818,043	6,473,109	8,228,061
30,409,047	30,923,731	28,118,264	27,133,830	27,504,713	27,435,223
30,690,239	33,052,999	28,417,516	27,370,504	28,736,197	26,602,755
8,135,013	6,279,015	6,502,392	6,428,843	7,792,271	5,998,564
9,083,319	7,488,640	9,277,966	9,045,673	6,825,616	11,238,945
\$47,908,571	\$46,820,654	\$44,197,874	\$42,845,020	\$43,354,084	\$43,840,264

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

	2011	2010	2009	2008
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$0	\$0	\$0	\$0
Security of Persons and Property	55,291	53,280	39,557	58,882
Transportation	195	12	132	24
Public Health Services	802,036	355,597	419,193	285,747
Community Environment	0	0	0	0
Basic Utility Services	806,117	813,825	785,970	732,707
Leisure Time Activities	0	0	0	0
Subtotal - Charges for Services	<u>1,663,639</u>	<u>1,222,714</u>	<u>1,244,852</u>	<u>1,077,360</u>
Operating Grants and Contributions:				
Security of Persons and Property	8,930	18,328	9,928	0
Transportation	593,393	681,292	548,731	814,109
Public Health Services	0	0	0	0
Community Environment	94,400	0	276,833	83,171
Subtotal - Operating Grants and Contributions	<u>696,723</u>	<u>699,620</u>	<u>835,492</u>	<u>897,280</u>
Capital Grants and Contributions:				
Security of Persons and Property	0	0	0	0
Transportation	850,056	32,174	0	0
Community Environment	315,058	305,251	0	0
Leisure Time Activities	0	0	0	236,422
Subtotal - Capital Grants and Contributions	<u>1,165,114</u>	<u>337,425</u>	<u>0</u>	<u>236,422</u>
<i>Total Governmental Activities Program Revenues</i>	<u>3,525,476</u>	<u>2,259,759</u>	<u>2,080,344</u>	<u>2,211,062</u>
Business-Type Activities:				
Charges for Services:				
Sewer	3,055,858	3,160,156	3,187,337	3,223,641
Electric	20,123,656	20,680,073	18,748,969	20,080,589
Water	1,993,661	2,021,476	1,962,129	1,902,828
Subtotal - Charges for Services	<u>25,173,175</u>	<u>25,861,705</u>	<u>23,898,435</u>	<u>25,207,058</u>
Capital Grants and Contributions				
Sewer	0	0	0	0
Water	0	0	0	0
Subtotal - Capital Grants and Contributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>25,173,175</u>	<u>25,861,705</u>	<u>23,898,435</u>	<u>25,207,058</u>
<i>Total Primary Government Program Revenues</i>	<u>\$28,698,651</u>	<u>\$28,121,464</u>	<u>\$25,978,779</u>	<u>\$27,418,120</u>

2007	2006	2005	2004	2003	2002
\$0	\$24,207	\$24,025	\$24,917	\$24,779	\$40,206
55,318	82,473	100,455	92,138	69,315	109,674
0	0	6	12	0	1,308
339,393	319,218	341,713	283,036	239,944	241,210
0	23,796	20,524	23,059	20,632	21,122
496,765	515,941	426,042	424,740	444,926	418,426
144,707	78,897	84,998	72,478	59,852	67,845
1,036,183	1,044,532	997,763	920,380	859,448	899,791
0	10,847	8,978	0	0	0
715,192	806,875	780,801	413,393	539,613	456,671
0	0	65,538	285,005	0	0
0	0	0	0	0	0
715,192	817,722	855,317	698,398	539,613	456,671
0	0	0	0	0	20,607
0	0	0	0	261,000	262,000
257,835	404,216	640,088	202,273	39,600	39,600
78,600	0	0	0	0	0
336,435	404,216	640,088	202,273	300,600	322,207
2,087,810	2,266,470	2,493,168	1,821,051	1,699,661	1,678,669
3,132,570	2,889,367	2,720,284	2,429,520	2,326,892	1,900,129
20,145,313	18,299,853	15,559,521	13,946,111	13,443,971	13,382,771
1,701,213	1,785,102	1,757,607	1,704,158	1,895,600	1,762,441
24,979,096	22,974,322	20,037,412	18,079,789	17,666,463	17,045,341
0	0	132,955	8,166	93,732	44,472
0	0	179,644	29,993	119,225	53,220
0	0	312,599	38,159	212,957	97,692
24,979,096	22,974,322	20,350,011	18,117,948	17,879,420	17,143,033
\$27,066,906	\$25,240,792	\$22,843,179	\$19,938,999	\$19,579,081	\$18,821,702

(continued)

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

	2011	2010	2009	2008
Expenses				
Governmental Activities:				
General Government	\$1,284,689	\$1,396,691	\$1,394,202	\$1,378,583
Security of Persons and Property	4,647,659	4,566,373	4,637,683	4,732,202
Transportation	2,186,664	842,745	3,666,602	2,019,895
Public Health Services	788,705	1,078,392	757,168	672,959
Community Environment	115,729	106,332	108,259	195,913
Basic Utility Services	570,453	610,467	532,610	463,671
Leisure Time Activities	1,007,014	2,474,704	1,010,371	1,223,705
Interest and Fiscal Charges	40,903	9,673	73,248	31,636
<i>Total Governmental Activities Expenses</i>	<u>10,641,816</u>	<u>11,085,377</u>	<u>12,180,143</u>	<u>10,718,564</u>
Business-Type Activities				
Sewer	3,518,361	2,886,179	2,839,223	2,421,889
Electric	20,818,346	19,311,806	18,429,586	18,448,428
Water	1,931,539	2,047,070	1,715,425	2,277,084
<i>Total Business-Type Activities Expenses</i>	<u>26,268,246</u>	<u>24,245,055</u>	<u>22,984,234</u>	<u>23,147,401</u>
<i>Total Primary Government Expenses</i>	<u>36,910,062</u>	<u>35,330,432</u>	<u>35,164,377</u>	<u>33,865,965</u>
Net (Expense)/Revenue				
Governmental Activities	(7,116,340)	(8,825,618)	(10,099,799)	(8,507,502)
Business-Type Activities	<u>(1,095,071)</u>	<u>1,616,650</u>	<u>914,201</u>	<u>2,059,657</u>
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$8,211,411)</u>	<u>(\$7,208,968)</u>	<u>(\$9,185,598)</u>	<u>(\$6,447,845)</u>

2007	2006	2005	2004	2003	2002
\$1,421,425	\$1,098,324	\$1,053,903	\$1,030,940	\$1,210,455	\$969,886
4,114,123	3,845,604	3,799,383	3,492,242	3,687,742	3,104,690
1,886,315	1,355,383	1,539,960	1,323,868	1,056,544	1,296,099
734,164	616,158	685,021	645,274	547,149	483,663
406,736	454,646	462,327	590,541	91,624	82,789
578,515	433,167	423,012	459,082	360,112	361,789
861,788	666,868	647,646	602,131	658,363	540,740
1,468	164,594	33,675	51,326	62,513	119,045
<u>10,004,534</u>	<u>8,634,744</u>	<u>8,644,927</u>	<u>8,195,404</u>	<u>7,674,502</u>	<u>6,958,701</u>
2,321,173	2,112,304	2,005,511	1,857,449	1,826,540	1,732,960
21,582,963	18,228,596	17,121,282	14,883,421	14,672,954	13,961,954
2,326,837	1,517,568	1,881,816	2,574,878	2,062,920	1,999,392
<u>26,230,973</u>	<u>21,858,468</u>	<u>21,008,609</u>	<u>19,315,748</u>	<u>18,562,414</u>	<u>17,694,306</u>
<u>36,235,507</u>	<u>30,493,212</u>	<u>29,653,536</u>	<u>27,511,152</u>	<u>26,236,916</u>	<u>24,653,007</u>
(7,916,724)	(6,368,274)	(6,151,759)	(6,374,353)	(5,974,841)	(5,280,032)
(1,251,877)	1,115,854	(658,598)	(1,197,800)	(682,994)	(551,273)
<u>(\$9,168,601)</u>	<u>(\$5,252,420)</u>	<u>(\$6,810,357)</u>	<u>(\$7,572,153)</u>	<u>(\$6,657,835)</u>	<u>(\$5,831,305)</u>

(continued)

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

	2011	2010	2009	2008
General Revenues				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$756,066	\$785,909	\$1,027,642	\$1,053,027
Police and Fire Pension	143,431	155,799	155,866	158,448
Income Taxes levied for:				
General Purposes	4,018,591	3,802,963	2,257,720	2,908,923
Street Maintenance and Repair	522,226	611,838	438,574	535,272
Cemetery	348,053	356,637	316,676	331,960
Police and Fire Pension	405,322	482,557	340,000	241,842
Capital Outlay	1,283,425	896,384	2,138,200	2,576,903
Grants and Entitlements not Restricted to Specific Programs	1,868,255	1,627,904	1,243,082	1,487,366
Investment Income	61,496	81,244	333,594	228,603
Miscellaneous	267,158	289,210	187,094	242,048
<i>Total Governmental Activities</i>	<u>9,674,023</u>	<u>9,090,445</u>	<u>8,438,448</u>	<u>9,764,392</u>
Business-Type Activities				
Investment Income	975	4,417	21,616	198,481
Miscellaneous	633,331	637,903	287,546	333,753
<i>Total Business-Type Activities</i>	<u>634,306</u>	<u>642,320</u>	<u>309,162</u>	<u>532,234</u>
<i>Total Primary Government General Revenues</i>	<u>10,308,329</u>	<u>9,732,765</u>	<u>8,747,610</u>	<u>10,296,626</u>
Transfers				
Governmental Activities	0	0	0	0
Business-Type Activities	0	0	0	0
Change in Net Assets				
Governmental Activities	2,557,683	264,827	(1,661,351)	1,256,890
Business-Type Activities	(460,765)	2,258,970	1,223,363	2,591,891
<i>Total Primary Government Change in Net Assets</i>	<u>\$2,096,918</u>	<u>\$2,523,797</u>	<u>(\$437,988)</u>	<u>\$3,848,781</u>

2007	2006	2005	2004	2003	2002
\$1,032,747	\$1,041,905	\$1,013,703	\$926,655	\$922,657	\$960,839
126,312	155,395	147,803	139,826	136,848	109,480
2,507,749	2,119,470	2,204,050	1,955,294	1,481,810	1,035,582
312,374	243,398	362,831	355,425	371,883	316,752
341,515	305,224	311,280	290,001	232,810	198,297
347,105	278,085	313,730	301,522	278,556	237,261
2,577,460	705,775	749,608	641,075	1,088,144	1,192,437
1,708,557	1,785,908	1,711,617	1,865,282	1,136,833	1,545,024
319,702	174,285	186,319	106,991	171,851	313,767
245,804	126,142	119,238	133,753	118,164	86,492
9,519,325	6,935,587	7,120,179	6,715,824	5,939,556	5,995,931
490,570	442,634	122,992	68,639	37,128	85,604
246,623	496,979	920,040	278,626	194,971	84,893
737,193	939,613	1,043,032	347,265	232,099	170,497
10,256,518	7,875,200	8,163,211	7,063,089	6,171,655	6,166,428
0	(650,000)	(600,000)	(579,652)	(520,385)	7,125
0	650,000	600,000	579,652	520,385	(7,125)
1,602,601	(82,687)	368,420	(238,181)	(555,670)	723,024
(514,684)	2,705,467	984,434	(270,883)	69,490	(387,901)
\$1,087,917	\$2,622,780	\$1,352,854	(\$509,064)	(\$486,180)	\$335,123

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

	2011	2010	2009	2008
General Fund				
Nonspendable	\$76,178	\$105,973	N/A	N/A
Assigned	103,666	90,960	N/A	N/A
Unassigned	1,925,702	963,133	N/A	N/A
Reserved	N/A	N/A	\$0	\$0
Unreserved	N/A	N/A	573,465	1,161,245
Total General Fund	<u>2,105,546</u>	<u>1,160,066</u>	<u>573,465</u>	<u>1,161,245</u>
All Other Governmental Funds				
Nonspendable	\$169,337	\$137,508	N/A	N/A
Restricted	1,439,977	1,262,129	N/A	N/A
Committed	1,473,463	1,039,249	N/A	N/A
Unassigned (Deficit)	(123,350)	(116,296)	N/A	N/A
Reserved	N/A	N/A	625,665	427,335
Unreserved, Undesignated, Reported in:				
Special Revenue funds	N/A	N/A	1,175,161	1,173,059
Capital Projects funds (Deficit)	N/A	N/A	846,252	1,569,386
Total All Other Governmental Funds	<u>2,959,427</u>	<u>2,322,590</u>	<u>2,647,078</u>	<u>3,169,780</u>
Total Governmental Funds	<u><u>\$5,064,973</u></u>	<u><u>\$3,482,656</u></u>	<u><u>\$3,220,543</u></u>	<u><u>\$4,331,025</u></u>

2007	2006	2005	2004	2003	2002
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
\$42,249	\$22,292	\$29,998	\$19,265	\$56,173	\$87,425
759,758	277,213	213,625	371,280	865,044	1,856,975
802,007	299,505	243,623	390,545	921,217	1,944,400
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
688,582	967,528	562,989	201,187	242,876	463,459
1,112,140	955,905	836,398	1,238,929	1,426,594	1,529,433
1,023,428	(147,694)	807,721	616,736	931,630	1,066,092
2,824,150	1,775,739	2,207,108	2,056,852	2,601,100	3,058,984
\$3,626,157	\$2,075,244	\$2,450,731	\$2,447,397	\$3,522,317	\$5,003,384

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

	2011	2010	2009	2008
Revenues				
Property Taxes	\$898,970	\$944,163	\$1,175,280	\$1,218,183
Income Taxes	6,416,265	5,641,156	5,618,512	6,770,438
Intergovernmental	3,648,133	2,417,233	2,179,043	2,377,839
Interest	61,496	81,244	333,594	228,603
Fines, Licenses and Permits	55,486	53,292	39,689	58,906
Charges for Services	1,215,871	1,188,938	1,163,085	1,040,296
Contributions and Donations	2,740	0	0	0
Other	127,081	146,375	187,094	242,048
<i>Total Revenues</i>	<u>12,426,042</u>	<u>10,472,401</u>	<u>10,696,297</u>	<u>11,936,313</u>
Expenditures				
Current:				
General Government	1,115,260	1,114,329	1,218,905	1,197,585
Security of Persons and Property	4,331,070	4,041,571	4,092,027	3,990,259
Transportation	1,037,961	1,212,992	1,181,395	1,234,454
Public Health Services	707,902	804,618	703,975	631,723
Community Environment	111,227	103,808	98,389	182,588
Basic Utility Services	570,453	610,467	532,610	463,671
Leisure Time Activities	829,489	823,753	837,296	872,576
Capital Outlay	2,528,446	2,543,177	2,959,903	2,412,778
Debt Service:				
Principal Retirement	2,646,521	106,252	105,995	175,747
Interest and Fiscal Charges	63,678	20,181	76,284	70,064
Issuance Costs	36,229	0	0	0
<i>Total Expenditures</i>	<u>13,978,236</u>	<u>11,381,148</u>	<u>11,806,779</u>	<u>11,231,445</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,552,194)</u>	<u>(908,747)</u>	<u>(1,110,482)</u>	<u>704,868</u>
Other Financing Sources (Uses)				
General Obligation Bonds Issued	2,670,000	0	0	0
Notes Issued	0	2,640,000	2,100,000	2,200,000
Proceeds of Loan	428,614	530,860	0	0
Premium on Debt Issuance	35,897	0	0	0
Payment to Refund Notes	0	(2,000,000)	(2,100,000)	(2,200,000)
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>3,134,511</u>	<u>1,170,860</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u><u>\$1,582,317</u></u>	<u><u>\$262,113</u></u>	<u><u>(\$1,110,482)</u></u>	<u><u>\$704,868</u></u>
Debt Service as a Percentage of Noncapital Expenditures	22.0%	1.2%	1.6%	2.7%

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

2007	2006	2005	2004	2003	2002
\$1,156,640	\$1,190,154	\$1,164,720	\$1,056,781	\$1,079,529	\$1,074,537
5,692,860	3,855,822	3,759,707	3,461,933	3,391,790	3,043,487
2,958,335	2,946,020	3,041,171	2,796,069	2,162,986	1,999,867
319,702	174,285	186,319	106,991	171,846	313,754
55,318	53,418	54,106	53,242	51,425	72,000
962,375	989,636	943,280	866,364	802,403	838,405
78,600	0	0	0	0	0
245,804	126,142	115,022	132,767	117,508	86,121
<u>11,469,634</u>	<u>9,335,477</u>	<u>9,264,325</u>	<u>8,474,147</u>	<u>7,777,487</u>	<u>7,428,171</u>
1,237,668	1,063,197	1,032,690	1,021,408	1,079,208	959,875
3,787,088	3,584,484	3,448,079	3,346,954	3,391,342	3,192,292
1,067,923	934,808	998,710	914,163	913,496	820,998
685,428	653,822	673,682	639,736	521,479	477,570
107,893	116,239	105,040	600,399	89,066	70,183
578,515	433,167	423,012	459,082	360,112	361,789
710,690	610,942	599,512	566,443	588,496	578,440
1,522,384	1,517,533	1,212,199	1,267,063	1,746,083	919,272
205,511	55,284	105,066	4,858	0	0
15,621	121,795	63,001	51,378	65,925	119,073
0	0	0	0	0	0
<u>9,918,721</u>	<u>9,091,271</u>	<u>8,660,991</u>	<u>8,871,484</u>	<u>8,755,207</u>	<u>7,499,492</u>
<u>1,550,913</u>	<u>244,206</u>	<u>603,334</u>	<u>(397,337)</u>	<u>(977,720)</u>	<u>(71,321)</u>
0	0	0	0	0	0
2,370,000	2,570,000	2,520,000	0	0	0
0	0	0	0	0	0
0	30,307	0	0	17,038	0
(2,370,000)	(2,570,000)	(2,520,000)	0	0	0
0	0	0	0	7,454	103,114
0	(650,000)	(600,000)	(677,583)	(527,839)	(95,989)
0	(619,693)	(600,000)	(677,583)	(503,347)	7,125
<u>\$1,550,913</u>	<u>(\$375,487)</u>	<u>\$3,334</u>	<u>(\$1,074,920)</u>	<u>(\$1,481,067)</u>	<u>(\$64,196)</u>
2.4%	2.2%	2.0%	0.7%	0.9%	1.9%

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

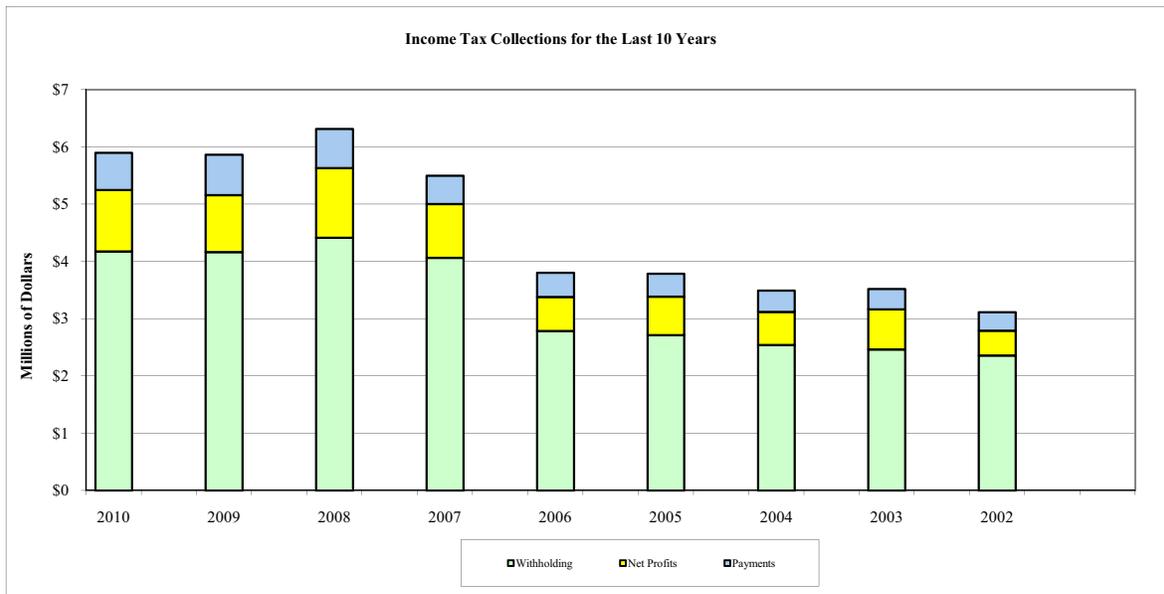
Tax Year	Tax Rate (1)	Total Tax Collected (2)	Taxes From Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes from Individual Payments	Percentage of Taxes from Individual Payments
2011	1.50%	\$6,304,720	\$4,464,372	70.81%	\$1,178,983	18.70%	\$661,365	10.49%
2010	1.50	5,898,575	4,174,422	70.77	1,072,951	18.19	651,203	11.04
2009	1.50	5,865,095	4,164,217	71.00	997,066	17.00	703,811	12.00
2008	1.50	6,314,388	4,413,757	69.90	1,218,045	19.29	682,585	10.81
2007	1.50	5,500,103	4,065,676	73.92	938,318	17.06	496,109	9.02
2006	1.00	3,803,674	2,787,387	73.28	592,434	15.58	423,853	11.14
2005	1.00	3,790,428	2,717,521	71.69	669,197	17.65	403,710	10.65
2004	1.00	3,495,550	2,543,794	72.77	576,160	16.48	375,596	10.74
2003	1.00	3,519,700	2,464,205	70.01	699,420	19.87	356,075	10.12
2002	1.00	3,116,478	2,357,931	75.66	435,323	13.97	323,224	10.37

Source: City Income Tax Department

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

(2) Gross Collections - Cash Basis of Accounting

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



This page intentionally left blank.

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

	2011	2010	2009	2008
Electric Sold (MWH) (000)				
Residential	59,323	60,813	55,830	58,807
Commercial	30,758	30,437	27,042	23,424
Industrial	138,487	141,090	128,300	134,536
Total	<u>228,568</u>	<u>232,340</u>	<u>211,172</u>	<u>216,767</u>
 Number of Customers				
Residential	5,775	5,770	5,762	5,822
Commercial	848	841	836	868
Industrial	113	117	122	124
Total	<u>6,736</u>	<u>6,728</u>	<u>6,720</u>	<u>6,814</u>

Source: City Records

2007	2006	2005	2004	2003	2002
58,317	55,846	57,161	53,935	52,773	55,496
24,942	24,392	25,913	25,742	25,554	25,930
139,024	134,977	129,454	123,696	116,989	121,233
<u>222,283</u>	<u>215,215</u>	<u>212,528</u>	<u>203,373</u>	<u>195,316</u>	<u>202,659</u>
5,741	5,714	5,692	5,704	5,635	5,579
846	840	842	865	862	856
119	117	115	112	112	106
<u>6,706</u>	<u>6,671</u>	<u>6,649</u>	<u>6,681</u>	<u>6,609</u>	<u>6,541</u>

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

Type of Customer:	2011	2010	2009	2008
Residential:				
Customer Charge	\$5.97000	\$5.97000	\$5.97000	\$5.97000
First 800 KWH	0.06107	0.06107	0.06107	0.06107
Next 700 KWH - per KWH	0.05609	0.05609	0.05609	0.05609
All Over 1500 KWH - per KWH	0.04950	0.04950	0.04950	0.04950
Commercial:				
Customer Charge	5.97000	5.97000	5.97000	5.97000
First 50 KWH per KW of demand - per KWH	0.09900	0.09900	0.09900	0.09900
Next 150 KWH per KW of demnd - per KWH				
First 3,000 KWH per KWH	0.07997	0.07997	0.07997	0.07997
Over 3,000 KWH per KWH	0.05970	0.05970	0.05970	0.05970
For all remaining KWH per KWH	0.04701	0.04701	0.04701	0.04701
Industrial (per KVA):				
Minimum Charge - per KVA of demand	2.75000	2.75000	2.75000	2.75000
First 30 KWH, per KVA of demand - per KWH	0.12189	0.12189	0.12189	0.12189
Next 170 KWH per KVA of demand				
2,000 KWH - per KWH	0.08010	0.08010	0.08010	0.08010
8,000 KWH - per KWH	0.06765	0.06765	0.06765	0.06765
90,000 KWH - per KWH	0.05597	0.05597	0.05597	0.05597
Over 100,000 KWH - per KWH	0.04801	0.04801	0.04801	0.04801
Over 200 KWH per KVA of demand				
First 200,000 KWH - per KWH	0.03842	0.03842	0.03842	0.03842
All remaining KWH - per KWH	0.03283	0.03283	0.03283	0.03283

Source: City Records

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

2007	2006	2005	2004	2003	2002
\$5.97000	\$5.97000	\$5.97000	\$5.97000	\$5.97000	\$5.97000
0.06107	0.06107	0.05310	0.05310	0.05310	0.05310
0.05609	0.05609	0.04877	0.04877	0.04877	0.04877
0.04950	0.04950	0.04304	0.04304	0.04304	0.04304
5.97000	5.97000	5.97000	5.97000	5.97000	5.97000
0.09900	0.09900	0.08609	0.08609	0.08609	0.08609
0.07997	0.07997	0.06954	0.06954	0.06954	0.06954
0.05970	0.05970	0.05191	0.05191	0.05191	0.05191
0.04701	0.04701	0.04088	0.04088	0.04088	0.04088
2.75000	2.75000	2.75000	2.75000	2.75000	2.75000
0.12189	0.12189	0.10599	0.10599	0.10599	0.10599
0.08010	0.08010	0.06965	0.06965	0.06965	0.06965
0.06765	0.06765	0.05883	0.05883	0.05883	0.05883
0.05597	0.05597	0.04867	0.04867	0.04867	0.04867
0.04801	0.04801	0.04175	0.04175	0.04175	0.04175
0.03842	0.03842	0.03341	0.03341	0.03341	0.03341
0.03283	0.03283	0.02855	0.02855	0.02855	0.02855

City of Dover, Ohio
Principal Electric Customers
 2011 and 2004 (1)

Customer	<i>2011</i>	
	MWH Sold	Percentage of Total MWH Sold
Arizona Chemical Corporation	22,398,720	9.80 %
Dover Chemical Corporation	18,864,720	8.25
Meteor Sealing Systems LLC	9,379,693	4.10
Union Hospital	9,280,740	4.06
Allied Machine and Engineering Corporation	8,380,500	3.67
Deflecto Corporation	7,288,200	3.19
Inca Presswood Pallets Ltd	7,200,000	3.15
Zimmer Patient Care	4,050,990	1.77
Giant Eagle Incorporated	3,806,000	1.67
Buehlers Food Market Incorporated	3,285,500	1.44
Totals	<u>93,935,063</u>	<u>41.10 %</u>
Total MWH Sold	<u>228,568,028</u>	

Customer	<i>2004</i>	
	MWH Sold	Percentage of Total MWH Sold
Arizona Chemical Corporation	22,104,600	10.87 %
Dover Chemical Corporation	17,387,280	8.55
Allied Machine and Engineering Corporation	8,032,000	3.95
Union Hospital	8,024,460	3.93
Zimmer Patient Care	5,731,065	2.82
INCA Presswood Pallets Ltd	5,594,500	2.75
Meteor Sealing Systems LLC	4,214,295	2.07
Buehlers Food Market Incorporated	3,998,500	1.97
Giant Eagle Incorporated	3,897,500	1.92
Snyder Manufacturing Incorporated	2,349,000	1.16
Totals	<u>81,333,200</u>	<u>39.99 %</u>
Total MWH Sold	<u>203,373,000</u>	

Source: City Records

(1) Data from nine years ago is not available

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

Year	Governmental Activities			Total	Actual Taxable Value of Property	Percentage of Actual Taxable Value of Property	Per Capita (1)
	General Obligation Bonds	Bond Anticipation Notes	Loans				
2011	\$2,705,897	\$0	\$959,474	\$3,665,371	\$668,288,486	0.55 %	286
2010	0	2,640,000	530,860	3,170,860	714,079,200	0.44	247
2009	0	2,100,000	0	2,100,000	714,079,200	0.29	154
2008	0	2,470,000	0	2,470,000	729,445,967	0.34	183
2007	0	2,770,000	0	2,770,000	898,534,287	0.31	203
2006	0	2,970,000	0	2,970,000	841,281,475	0.35	219
2005	0	2,720,000	0	2,720,000	843,684,435	0.32	202
2004	0	2,820,000	0	2,820,000	841,547,469	0.34	212
2003	0	2,820,000	0	2,820,000	791,259,012	0.36	207
2002	0	2,550,000	0	2,550,000	789,271,832	0.32	187

Year	Business-Type Activities				Total Debt (2)	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	OWDA Loans	Revenue Bonds	Bond Anticipation Notes			
2011	\$7,087,343	\$11,753,270	\$10,756,753	\$0	\$33,262,737	12.02 %	\$2,593
2010	0	12,282,841	11,723,698	6,900,000	34,077,399	12.32	2,657
2009	0	12,795,611	12,655,641	7,200,000	34,751,252	13.49	2,553
2008	0	12,511,688	13,562,586	7,800,000	36,344,274	14.19	2,687
2007	260,000	8,248,331	14,434,531	8,100,000	33,812,862	13.11	2,482
2006	455,000	0	15,276,476	8,750,000	27,451,476	10.68	2,021
2005	640,000	0	16,108,419	6,000,000	25,468,419	9.97	1,888
2004	815,000	0	13,907,216	6,500,000	24,042,216	9.53	1,803
2003	985,000	0	13,855,000	5,750,000	23,410,000	9.07	1,716
2002	1,205,000	0	13,530,000	6,250,000	23,535,000	9.14	1,730

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

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

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

City of Dover, Ohio

Computation of Direct and Overlapping Debt Attributable to Governmental Activities

December 31, 2011

	<u>Debt Attributable to Governmental Activities</u>	<u>Overlapping Percentage Applicable to Dover (1)</u>	<u>Amount of Direct and Overlapping Debt</u>
<u>Direct:</u>			
City of Dover			
General Obligation Bonds	\$2,670,000	100.00 %	\$2,670,000
State Infrastructure Bank Loan	859,474	100.00	859,474
OPWC Loan	100,000	100.00	100,000
Police and Fire Pension	<u>266,551</u>	100.00	<u>266,551</u>
Total Direct Debt	<u>3,896,025</u>		<u>3,896,025</u>
<u>Overlapping Debt:</u>			
Payable from Property Taxes			
Dover City School District Bonds	3,661,797	70.04	2,564,723
Tuscarawas County General Obligation Bonds	1,384,553	16.17	223,882
Tuscarawas County Bond Anticipation Notes	788,000	16.17	127,420
Payable from Other Sources			
Dover City School District Capital Leases	67,799	70.04	47,486
Tuscarawas County Capital Leases	<u>18,895</u>	16.17	<u>3,055</u>
Total Overlapping Debt	<u>5,921,044</u>		<u>2,966,566</u>
Total	<u><u>\$9,817,069</u></u>		<u><u>\$6,862,591</u></u>

Source: Tuscarawas County, Ohio; County Auditor

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

This page intentionally left blank.

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

	2011	2010	2009	2008
Overall Legal Debt Limit (10.5% of Assessed Valuation)	\$24,559,602	\$24,606,409	\$26,242,211	\$27,400,427
Net Debt Applicable to Debt Limit	10,604,474	3,270,860	2,200,000	2,470,000
Overall Legal Debt Margin (10.5% of Assessed Valuation)	<u>\$13,955,128</u>	<u>\$21,335,549</u>	<u>\$24,042,211</u>	<u>\$24,930,427</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>56.82%</u>	<u>86.71%</u>	<u>91.62%</u>	<u>90.99%</u>
Unvoted Legal Debt Limit (5.5% of Assessed Valuation)	\$12,864,553	\$12,889,071	\$13,746,025	\$14,352,605
Net Debt Applicable to Debt Limit	10,604,474	3,270,860	2,200,000	2,470,000
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	<u>\$2,260,079</u>	<u>\$9,618,211</u>	<u>\$11,546,025</u>	<u>\$11,882,605</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>17.57%</u>	<u>74.62%</u>	<u>84.00%</u>	<u>82.79%</u>

Legal Debt Margin Calculation for the Year Ended December 31, 2011

	Overall Margin Within 10.5%	Unvoted Margin Within 5.5%
Assessed property value	<u>\$233,900,970</u>	<u>\$233,900,970</u>
Debt Limitation (percentage of assessed property value)	\$24,559,602	\$12,864,553
Gross Indebtedness	33,154,295	33,154,295
Less: Revenue Bonds	(10,530,000)	(10,530,000)
OWDA Loan	(11,753,270)	(11,753,270)
Police and Fire Pension	<u>(266,551)</u>	<u>(266,551)</u>
Net Debt Applicable to Debt Limit	<u>10,604,474</u>	<u>10,604,474</u>
Legal Debt Margin Within Limitations	<u>\$13,955,128</u>	<u>\$2,260,079</u>

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

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$28,608,566	\$28,027,064	\$28,791,693	\$28,450,248	\$27,162,737	\$27,224,687
<u>2,770,000</u>	<u>2,970,000</u>	<u>2,620,000</u>	<u>2,720,000</u>	<u>2,820,000</u>	<u>2,550,000</u>
<u>\$25,838,566</u>	<u>\$25,057,064</u>	<u>\$26,171,693</u>	<u>\$25,730,248</u>	<u>\$24,342,737</u>	<u>\$24,674,687</u>
<u>90.32%</u>	<u>89.40%</u>	<u>90.90%</u>	<u>90.44%</u>	<u>89.62%</u>	<u>90.63%</u>
\$14,985,439	\$14,680,843	\$15,081,363	\$14,902,511	\$14,260,550	\$14,260,550
<u>2,770,000</u>	<u>2,970,000</u>	<u>2,620,000</u>	<u>2,720,000</u>	<u>2,820,000</u>	<u>2,550,000</u>
<u>\$12,215,439</u>	<u>\$11,710,843</u>	<u>\$12,461,363</u>	<u>\$12,182,511</u>	<u>\$11,440,550</u>	<u>\$11,710,550</u>
<u>81.52%</u>	<u>79.77%</u>	<u>82.63%</u>	<u>81.75%</u>	<u>80.23%</u>	<u>82.12%</u>

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

Year	Gross Revenues (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2011	\$2,018,126	\$1,154,185	\$863,941	\$310,000	\$187,141	1.74
2010	2,045,222	1,329,484	715,738	300,000	201,361	1.43
2009	1,994,092	1,045,257	948,835	290,000	189,176	1.98
2008	1,949,190	1,423,748	525,442	285,000	181,906	1.13
2007	1,761,325	1,594,531	166,794	280,000	221,016	0.33
2006	1,924,178	1,020,335	903,843	275,000	142,993	2.16
2005	1,803,621	1,237,465	566,156	270,000	230,861	1.13
2004	1,743,102	1,244,303	498,799	270,000	264,467	0.93
2003	1,902,977	1,255,591	647,386	180,000	318,735	1.30
2002	1,762,441	1,197,029	565,412	170,000	329,251	1.13

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

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

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

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

Year	Gross Revenues (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2011	\$20,637,660	\$19,126,461	\$1,511,199	\$630,000	\$294,847	1.63
2010	21,275,915	16,922,317	4,353,598	605,000	319,047	4.71
2009	18,953,012	17,290,371	1,662,641	590,000	362,835	1.74
2008	20,537,863	17,528,791	3,009,072	560,000	365,048	3.25
2007	20,774,394	19,761,146	1,013,248	610,000	431,448	0.97
2006	19,556,464	16,483,465	3,072,999	605,000	423,500	2.99
2005	16,897,572	15,451,875	1,445,697	330,000	286,815	2.34
2004	14,729,101	13,271,813	1,457,288	315,000	544,328	1.70
2003	14,146,329	13,124,341	1,021,988	300,000	633,549	1.09
2002	13,430,716	12,015,310	1,415,406	285,000	331,159	2.30

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

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

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

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

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (2)</u>	<u>Personal Income Per Capita (3)</u>	<u>Median Household Income (3)</u>	<u>Unemployment Rate (4)</u>
2011	12,826	\$276,708,124	\$21,574	\$43,951	7.5%
2010	12,826	276,708,124	21,574	43,951	10.5
2009	13,612	257,647,936	18,928	44,604	9.2
2008	13,528	256,057,984	18,928	44,604	6.4
2007	13,623	257,856,144	18,928	44,604	5.6
2006	13,585	257,136,880	18,928	44,604	5.1
2005	13,492	255,376,576	18,928	44,604	5.7
2004	13,331	252,329,168	18,928	44,604	5.2
2003	13,643	258,234,704	18,928	44,604	6.5
2002	13,602	257,458,656	18,928	44,604	5.4

(1) Estimated by the City

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

(3) Source: 2002-2009 - 2000 U.S. Census; 2010-2011 - 2010 U.S. Census

(4) Ohio Department of Job and Family Services

City of Dover, Ohio

Principal Employers

2011 and 2002

2011

Employer	Employees
Union Hospital	785
Allied Machine and Engineering Corporation	405
Dover City Schools	280
Zimmer Patient Care Division	275
Buehlers Food Market Incorporated	239
Meteor Sealing Systems	206
Marlite, Incorporated	174
City of Dover	141
Hennis Care Center	139
Dover Hydraulics	101
Total	<u>2,745</u>
Total Employment within the City	<u>n/a</u>

2002

Employer	Employees
Union Hospital	802
Allied Machine and Engineering Corporation	365
Marlite, Incorporated	322
Dover City Schools	303
Zimmer Patient Care Division	294
Buehlers Food Market Incorporated	250
Hennis Care Center Incorporated	195
New Dawn Health Care	174
Arizona Chemical Company	150
Meteor Sealing	123
Total	<u>2,978</u>
Total Employment within the City	<u>n/a</u>

Source: City Records

n/a - Information not available

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

Function/Program	2011	2010	2009	2008	2007
General Government					
Mayor and Council	11.0	11.0	11.0	11.0	11.0
Auditor	3.0	3.0	3.0	3.0	3.0
Treasurer	0.5	0.5	0.5	0.5	0.5
Law	1.0	1.0	1.0	1.0	1.0
Civil Service Commission	1.5	3.0	3.0	1.5	3.0
Income Tax Department	2.0	2.5	2.5	2.5	2.0
Service Director	2.0	2.5	2.5	2.5	2.5
Janitor	0.0	0.0	1.0	1.0	1.0
Shade Tree	0.0	0.0	0.0	0.0	0.0
Security of Persons and Property					
Police	22.0	20.0	22.0	22.0	23.0
Fire	17.0	19.0	18.0	19.0	18.0
Safety Director	0.5	0.5	0.5	0.5	0.5
Traffic Safety	7.0	11.0	9.0	8.0	8.5
Transportation					
Service/Street M&R	14.0	14.0	14.0	15.0	16.0
Public Health Services					
Cemetery	7.0	7.5	7.5	7.5	7.5
Community Environment					
Building	1.0	1.0	1.0	1.0	1.0
Leisure Time Activities					
Parks and Recreation	23.0	23.0	23.5	27.0	21.5
Basic Utility Services					
Sewer	17.0	18.0	17.0	17.0	16.0
Electric	41.0	44.0	47.5	41.0	39.5
Water	12.0	13.5	14.0	13.0	14.5
Totals:	<u>182.5</u>	<u>195.0</u>	<u>198.5</u>	<u>194.0</u>	<u>190.0</u>

Source: City of Dover, Ohio Payroll Department

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

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
11.0	11.0	11.5	12.0	11.0
3.0	3.0	3.0	3.0	3.0
0.5	0.5	0.5	0.5	0.5
1.0	1.0	1.0	1.0	1.0
3.0	3.0	3.0	3.0	3.0
2.0	2.0	2.0	2.0	2.0
2.5	2.5	2.5	2.5	2.5
1.0	1.0	1.0	1.0	1.0
0.0	0.5	0.5	0.0	0.5
23.0	23.0	23.0	22.0	22.0
16.0	16.0	16.0	17.0	17.0
0.5	0.5	0.5	0.5	0.5
9.5	10.5	10.5	10.5	11.0
14.5	14.5	14.5	14.5	14.5
8.5	7.5	7.0	7.5	8.0
1.0	1.0	1.0	1.0	1.0
21.0	20.0	20.0	21.5	19.0
17.5	17.0	18.0	17.0	17.5
42.5	42.0	43.0	43.0	44.0
14.0	14.5	15.0	15.5	17.0
<u>192.0</u>	<u>191.0</u>	<u>193.5</u>	<u>195.0</u>	<u>196.0</u>

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

Function/Program	2011	2010	2009	2008
General Government				
<i>Council and Clerk</i>				
Number of Ordinances Passed	57	66	70	71
Number of Resolutions Passed	19	22	22	32
<i>Planning Commission</i>				
Number of Planning Commission docket items	25	16	36	26
<i>Finance Department</i>				
Number of checks/ vouchers issued	4,037	3,981	4,048	7,904
Amount of checks written	\$58,220,483	\$54,842,028	\$50,816,846	\$55,934,193
Interest earnings for fiscal year (cash basis)	\$51,834	\$69,653	\$210,568	\$184,436
Number of Receipts issued	557	543	584	517
General Fund Receipts (cash basis)	\$7,500,648	\$6,777,345	\$6,167,226	\$5,893,616
General Fund Expenditures (cash basis)	\$6,652,344	\$6,347,883	\$6,321,992	\$6,194,109
<i>Income Tax Department</i>				
Number of Business net profit forms processed	1,294	1,238	1,261	1,278
Number of Individual forms processed	2,557	2,564	2,590	2,662
Amount of Penalties and Interest Collected	\$38,627	\$37,362	\$29,725	\$22,533
<i>Civil Service</i>				
Number of police entry tests administered	0	1	0	1
Number of fire entry tests administered	1	1	1	0
Number of police promotional tests administered	0	2	0	0
Number of fire promotional tests administered	0	0	0	0
Number of hires of Police Officers from certified lists	3	0	0	1
Number of hires of Fire/Medics from certified lists	0	0	0	1
Number of promotions from police certified lists	3	0	0	0
Number of promotions from fire certified lists	0	0	0	0
<i>Building and Zoning</i>				
Estimated Value of Construction	\$8,490,640	\$2,838,874	\$5,884,436	\$6,896,283
Number of permits issued (all types)	240	225	228	272
Amount of Revenue generated from permits	\$13,595	\$10,115	\$21,478	\$19,927
Number of contractor licenses	261	278	285	326
Zoning Board of Appeals hearings	26	22	29	26

Source: City Records

2007	2006	2005	2004	2003	2002
76	57	59	62	81	66
17	22	29	27	12	14
18	19	22	21	23	20
3,806	3,852	3,769	3,822	2,664	3,985
\$61,851,209	\$43,454,567	\$43,182,203	\$37,144,990	\$36,584,280	\$30,109,669
\$255,612	\$129,830	\$143,896	\$92,562	\$141,486	\$221,171
518	511	533	525	498	728
\$6,415,847	\$6,081,615	\$5,721,478	\$5,368,211	\$4,826,541	\$4,548,997
\$5,901,479	\$6,163,730	\$5,851,883	\$5,864,617	\$5,656,883	\$4,870,002
1,219	1,179	1,018	953	914	891
2,560	2,459	2,466	2,317	2,029	1,948
\$24,223	\$22,017	\$10,859	\$11,135	\$9,969	\$6,177
1	0	0	0	1	0
1	0	0	1	1	0
1	1	0	0	1	0
0	0	0	0	0	0
0	0	0	4	3	1
1	0	0	2	2	0
2	1	0	0	2	0
0	0	0	0	0	0
\$9,562,157	\$11,867,945	\$13,716,916	\$12,159,784	\$8,714,316	\$8,249,060
290	251	211	192	236	220
\$21,987	\$14,342	\$11,397	\$9,575	\$10,348	\$8,745
205	282	289	323	254	226
37	38	6	24	31	32

(continued)

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

Function/Program	2011	2010	2009	2008
Security of Persons and Property				
<i>Police</i>				
Total Calls for Services	9,367	10,443	10,802	10,148
Number of traffic citations issued	694	851	887	1,043
Number of parking citations issued	111	154	183	379
Number of felony arrests	68	27	79	81
Number of misdemeanor arrests	504	447	590	476
Number of traffic accidents investigated	393	366	343	396
Number of injury accidents	32	68	50	62
Number of fatal accidents	1	1	0	1
Prisoners	95	64	88	59
Prisoner meal costs	\$6,400	\$3,650	\$5,600	\$4,000
Total miles driven	157,409	161,908	162,104	147,554
Total gasoline used	14,249	14,892	14,438	13,242
<i>Fire</i>				
EMS Calls	1,349	1,316	1,238	1,338
Fire Calls	86	105	131	117
Training hours	1,074	1,674	1,338	1,891
Leisure Time Activities				
<i>Recreation</i>				
Recreation League fees	\$18,910	\$15,550	\$21,475	\$19,986
Transportation				
Tons of asphalt	3,037	6,500	4,593	7,582
Tons of limestone	1,213	1,149	1,357	1,167
Paint Striping (gallons of paint)	430	475	375	410
Street sweeping (days)	138	145	144	117
Man hours of leaf pick-up	1,048	992	1,120	1,200
Tons of salt	2,027	2,125	1,575	2,353
Water Department				
Average residential gallons of water billed monthly	3,500	3,240	4,599	4,875
Wastewater Department				
Average residential gallons of sewer billed monthly	3,350	3,392	4,599	4,868

Source: City Records

2007	2006	2005	2004	2003	2002
11,007	11,866	12,270	12,586	12,148	12,473
929	1,243	1,270	1,111	1,481	1,260
293	389	267	185	188	136
39	83	260	78	86	109
427	540	372	473	581	696
375	391	441	410	480	502
94	84	112	83	94	99
1	1	1	1	0	1
44	56	63	118	116	14
\$2,600	\$3,645	\$5,130	\$5,715	\$6,570	\$3,600
139,049	154,186	154,883	144,860	153,797	149,881
13,025	13,928	14,179	13,411	14,107	13,696
1,165	1,182	1,128	1,160	n/a	1,110
118	119	101	134	n/a	177
1,178	1,325	1,632	1,505	n/a	2,384
\$11,915	\$6,044	\$10,280	\$12,486	\$11,527	\$11,695
3,930	4,052	7,137	5,965	7,500	7,664
1,255	1,217	1,500	n/a	1,500	n/a
575	445	710	585	760	695
123	111	134	n/a	155	n/a
1,328	1,284	1,284	1,352	1,192	1,608
1,361	976	n/a	n/a	2,135	n/a
4,913	5,100	5,100	5,040	5,490	5,460
4,913	5,010	5,010	4,950	4,950	4,950

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

Function/Program	2011	2010	2009	2008
General Government				
Square Footage Occupied	1,932	1,932	1,932	1,932
Vehicles	3	3	3	3
Security of Persons and Property				
 Police				
Stations	1	1	1	1
Square Footage of Building	6,468	6,468	6,468	6,468
Vehicles	10	10	13	11
 Fire				
Stations	1	1	1	1
Square Footage of Building	6,900	6,900	6,900	6,900
Fire Hydrants	633	633	633	633
Vehicles	12	12	12	12
Leisure Time Activities				
 Recreation				
Number of Parks	2	2	2	2
Number of Swimming Pools	2	2	2	2
Number of Tennis Courts	8	8	8	8
Number of Baseball Diamonds	10	10	10	10
Transportation				
 Service				
Streets (miles)	72	71	71	70
Street Lights	2,438	2,437	2,397	2,387
Storm Sewers (miles)	34	33	33	33
Utility Services				
Sanitary Sewers (miles)	67	67	67	67
Electric Lines (miles)	375	359	357	357
Water Lines (miles)	85	85	85	84

Source: City Records

2007	2006	2005	2004	2003	2002
1,932 3	1,932 1	1,932 1	1,932 1	1,932 1	1,932 1
1 6,468 10	1 6,468 9	1 6,468 9	1 6,468 9	1 6,468 9	1 6,468 9
1 6,900 614 12	1 6,900 582 15	1 6,900 582 15	1 6,900 566 13	1 6,900 562 13	1 6,900 555 11
2 2 8 10	2 2 8 9	2 2 8 9	2 2 8 8	2 2 8 8	2 2 8 8
70 2,380 33	70 2,369 33	70 2,352 33	69 2,318 32	68 2,314 32	68 2,307 32
66 354 84	66 354 84	66 355 84	65 331 82	64 339 82	63 369 81

This page intentionally left blank.



THE CITY OF DOVER, OHIO

WWW.DOVEROHIO.COM

This page intentionally left blank.



Dave Yost • Auditor of State

CITY OF DOVER

TUSCARAWAS COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
AUGUST 02, 2012