



Dave Yost • Auditor of State

**CITY OF DOVER
TUSCARAWAS COUNTY**

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Dave Yost • Auditor of State

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

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

To the Honorable Mayor and City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, Tuscarawas County, (the City) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 30, 2014.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying Schedule of Findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

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 a combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider Finding 2013-001 described in the accompanying Schedule of Findings to be a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as item 2013-002.

Entity's Responses to Findings

The City's responses to the findings identified in our audit are described in the accompanying Schedule of Findings. We did not audit the City's responses and, accordingly, we express no opinion on them.

Purpose of this Report

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



Dave Yost
Auditor of State
Columbus, Ohio

June 30, 2014



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO ITS 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:

Report on Compliance for the Major Federal Program

We have audited the City of Dover, Tuscarawas County, Ohio (the City's) compliance with the applicable 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 of Dover's major federal program for the year ended December 31, 2013. The *Summary of Auditor's Results* in the accompanying Schedule of Findings identifies the City's major federal program.

Management's Responsibility

The City's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for the City's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for 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 us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the City's major program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Major Federal Program

In our opinion, the City of Dover complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2013.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which OMB Circular A-133 requires us to report, described in the accompanying Schedule of Findings as items 2013-003 and 2013-004. These findings did not require us to modify our compliance opinion on the major federal program.

The City's responses to our noncompliance findings are described in the accompanying Schedule of Findings. We did not audit the City's responses and, accordingly, we express no opinion on them.

Report on Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine 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's applicable 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies, described in the accompanying Schedule of Findings as items 2013-003 and 2013-004.

Report on Schedule of Federal Awards Expenditures Required by OMB Circular A-133

We have also 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 as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated June 30, 2014. We conducted our audit to opine on the City's basic financial statements. The accompanying Federal Awards Receipts and Expenditures Schedule presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The Schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this Schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this Schedule 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 Schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The City's responses to the internal control over compliance findings we identified are described in the accompanying Schedule of Findings. We did not audit the City's responses and, accordingly, we express no opinion on them.

This report only describes the scope of our tests of internal control over compliance and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

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

Dave Yost
Auditor of State
Columbus, Ohio

June 30, 2014

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CITY OF DOVER
TUSCARAWAS COUNTY

FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Grant Year	Federal CFDA Number	Receipts	Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
<i>Passed Through Ohio Department of Development</i>				
Community Development Block Grant	A-C-10-2BG-1	14.228		\$12,300
	A-C-12-2BG-1	14.228	<u>\$182,726</u>	<u>150,413</u>
Total Community Development Block Grant			182,726	162,713
HOME Investment Partnership Program	A-C-12-2BG-2	14.239	<u>123,578</u>	<u>127,378</u>
Total U.S. Department of Housing and Urban Development			306,304	290,091
U.S. DEPARTMENT OF HOMELAND SECURITY				
<i>Direct</i>				
Assistance to Firefighter's Grant	2011	97.044	<u>423,951</u>	<u>494,482</u>
Total U.S. Department of Homeland Security			<u>423,951</u>	<u>494,482</u>
Total Federal Awards Receipts and Expenditures			<u>\$730,255</u>	<u>\$784,573</u>

See accompanying notes to the Federal Awards Receipts and Expenditures Schedule.

**CITY OF DOVER
TUSCARAWAS COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

**CITY OF DOVER
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2013**

SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	Yes
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	Yes
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under § .510(a)?	Yes
(d)(1)(vii)	Major Program (list): <ul style="list-style-type: none"> • CFDA #97.044 Assistance to Firefighters Grant 	
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

**CITY OF DOVER
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2013 (Continued)**

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

Finding Number 2013-001

Financial Reporting – Material Weakness

As a result of audit procedures performed, errors were noted in the City's financial statements and GAAP conversion that required audit adjustments and reclassifications as follows:

- Charges for Services totaling \$213,054 was improperly classified as Other Revenue in the Sewer Fund;
- Income Tax Receivable was overstated \$626,261 in the General Fund, \$268,192 in the Master Capital Fund and \$201,427 in certain non-major funds as a result of the income tax receivable calculation methodology not representing an accurate reflection of income tax receipt collections subsequent to year-end;
- Contract Payable totaling \$45,780 was incorrectly recorded in the Master Capital Fund rather than the Small Cities Block Grant Fund;
- Intergovernmental Receivable totaling \$101,636 in the Street Maintenance Fund and \$8,497 in the State Highway Fund was overstated;
- On the Statement of Activities, Charges for Services-Basic Utility Expense totaling \$240,812 was not properly allocated;
- Capital Asset adjustments were made to correct the following errors in the Business Type Activities: the Equipment Capital Asset category was overstated and Construction in Progress was understated totaling \$376,870; Depreciation related to the previous error was overstated \$27,190 and Construction in Progress was overstated \$213,475 since this amount was previously recorded in 2012.

Sound financial reporting is the responsibility of the City Auditor and is essential to help ensure the information provided to the readers of the financial statements is complete and accurate.

To help ensure the City's financial statements are complete and accurate, the City should adopt policies and procedures to identify and correct errors and omissions in reporting.

The City's financial statements have been adjusted accordingly.

Official's Response: The City Auditor is well aware of the need for sound financial reporting. We will continue to work closely with our conversion consultants and will implement new procedures to ensure the information in the financial statements is complete and accurate.

**CITY OF DOVER
TUSCARAWAS COUNTY

SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2013 (Continued)**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

Finding Number 2013-002

Noncompliance

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

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

1. "Then and Now" certificate – If the City Auditor can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the City can authorize the drawing of a warrant for the payment of the amount due. The City has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution. Amounts of less than \$3,000 (\$1,000 prior to April 7, 2003) may be paid by the City Auditor without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the City.

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

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

During 2013, 24% of expenditures tested were not certified by the City Auditor prior to incurring the obligation. It was also found that none of the exceptions noted above were utilized. Additionally, of the expenditures tested, the City did not present purchase orders for two expenditures; therefore, these expenditures were considered to not be properly certified. The City Auditor should certify the availability of funds for expenditure and also implement the use of Then and Now Certificates as further means to certify funds pursuant to Ohio Rev. Code § 5705.41(D).

**CITY OF DOVER
TUSCARAWAS COUNTY

SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2013 (Continued)**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

Finding Number 2013-002 (Continued)

Ohio Rev. Code § 5705.41(D) – Noncompliance (Continued)

In addition, the City had one out of two blanket purchase orders that were not properly closed at year end and were used to make 2014 purchases. Also, the City had one blanket certificate issued for \$250,000 and one for \$235,000 that exceeded the threshold limit of \$25,000 set by City ordinance.

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

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

Official's Response: ORC 5705.41 (D) is very difficult to comply with in a City of our size with various departments and emergencies. In the past, we have implemented the use of blanket purchase orders, multi-vendor purchase orders and the then and now certification which has helped reduce non-compliance. We are currently implementing new policies and procedures regarding our purchase order procedure to streamline the process which will aide in rectifying the above finding.

**CITY OF DOVER
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2013 (Continued)**

FINDINGS FOR FEDERAL AWARDS

Finding Number	2013-003
CFDA Title and Number	Assistance to Firefighters Grant, CFDA #97.044
Federal Award Number / Year	2011
Federal Agency	U.S. Department of Homeland Security (Direct)
Pass-Through Agency	N/A

Noncompliance and Significant Deficiency

OMB Circular A-110 (§____.44) and 2 CFR § 215.44 states all recipients shall establish written procurement procedures. These procedures shall provide for, at a minimum, that the following apply:

- Recipients avoid purchasing unnecessary items.
- Where appropriate, an analysis is made of lease and purchase alternatives to determine which would be the most economical and practical procurement for the Federal Government.
- Solicitations for goods and services provide for all of the following: (a) A clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description shall not contain features which unduly restrict competition; (b) Requirements which the bidder must fulfill and all other factors to be used in evaluating bids or proposals; (c) A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards; (d) The specific features of "brand name or equal" descriptions that bidders are required to meet when such items are included in the solicitation; (e) The acceptance, to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement; and (f) Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.

As of December 31, 2013, the City has not established a procurement policy for purchases made with federal grant monies.

The City should establish a procurement policy to help ensure compliance with OMB Circular A-110 (§____.44) and 2 CFR § 215.44 as they relate to federal grant purchases.

Official's Response: The City of Dover plans to draft and adopt a Procurement Procedure Policy which will be distributed to the various departments.

**CITY OF DOVER
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2013 (Continued)**

FINDINGS FOR FEDERAL AWARDS (Continued)

Finding Number	2013-004
CFDA Title and Number	Assistance to Firefighters Grant, CFDA #97.044
Federal Award Number / Year	2011
Federal Agency	U.S. Department of Homeland Security (Direct)
Pass-Through Agency	N/A

Noncompliance and Significant Deficiency

OMB Circular A-110 - Financial Reporting, 2 CFR § 215.52 (a) (1) (iv) states the federal awarding agency shall require recipients to submit the SF-245 no later than 30 days after the end of each specified reporting period for quarterly and semiannual reports and 90 calendar days for annual and final reports. Extensions for reporting due dates may be approved by the federal awarding agency upon request of the recipient.

Assistance to Firefighters Grant Agreement states that the grantee is required to submit semi-annual Federal Financial Reports (FFR) (SF-245) using the online e-Grant system based on the calendar year beginning with the period after the award is made. Grant recipients are required to submit an FFR throughout the entire performance period of the grant. Reports are due June 30 (for period January 1 - June 30) and not later than July 30 and December 31 (for period July 1 - December 31) and no later than January 31.

Assistance to Firefighters Grant Agreement states that the awardees are responsible for providing updated project(s) information on a semi-annual basis. The grantee is responsible for completing and submitting a programmatic Performance Report using the e-Grants system. The programmatic Performance Report is due six (6) months after the grant's award date and every six months after if applicable.

As the City's grant performance period ended August 30, 2013, the City completed one Federal Financial Report, SF-245, during 2013 for the period of January 1, 2013 to June 30, 2013. However, this report was filed through the e-Grants system on August 30, 2013, which is past the 30 day timeline. In addition, the information presented on the SF-245 was not correct. The City reported cash receipts of \$454,862 while actual cash receipts were \$119,343. In addition, the City reported cash disbursements of \$119,343 while actual cash disbursements were \$454,494.

The City also completed performance reports for the period of July 27, 2012 to January 27, 2013 and for the period of January 27, 2013 to July 27, 2013. The July 2013 report was filed on August 30, 2013, and the January 2013 report was not filed until March 28, 2013.

**CITY OF DOVER
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2013 (Continued)**

FINDINGS FOR FEDERAL AWARDS (Continued)

Finding Number 2013-004 (Continued)

OMB Circular A-110 - Financial Reporting, 2 CFR § 215.52 (a) (1) (iv) and Assistance to Firefighters Grant Agreement – Noncompliance and Significant Deficiency (Continued)

The City should implement procedures to ensure the semiannual financial and performance reports are filed within the required deadline and are properly completed. Failure to comply with these requirements could jeopardize the City's ability to receive future grants from the Federal Emergency Management Agency.

Official's Response: The City Auditor will implement new procedures to ensure the semiannual financial and performance reports are properly completed and filed.

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**CITY OF DOVER
TUSCARAWAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2013**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2012-001	Ohio Rev. Code § 5705.41(D) – 40% of expenditures were not properly certified	No	Not Corrected. See Schedule of Findings 2013-002

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**CITY OF DOVER
TUSCARAWAS COUNTY**

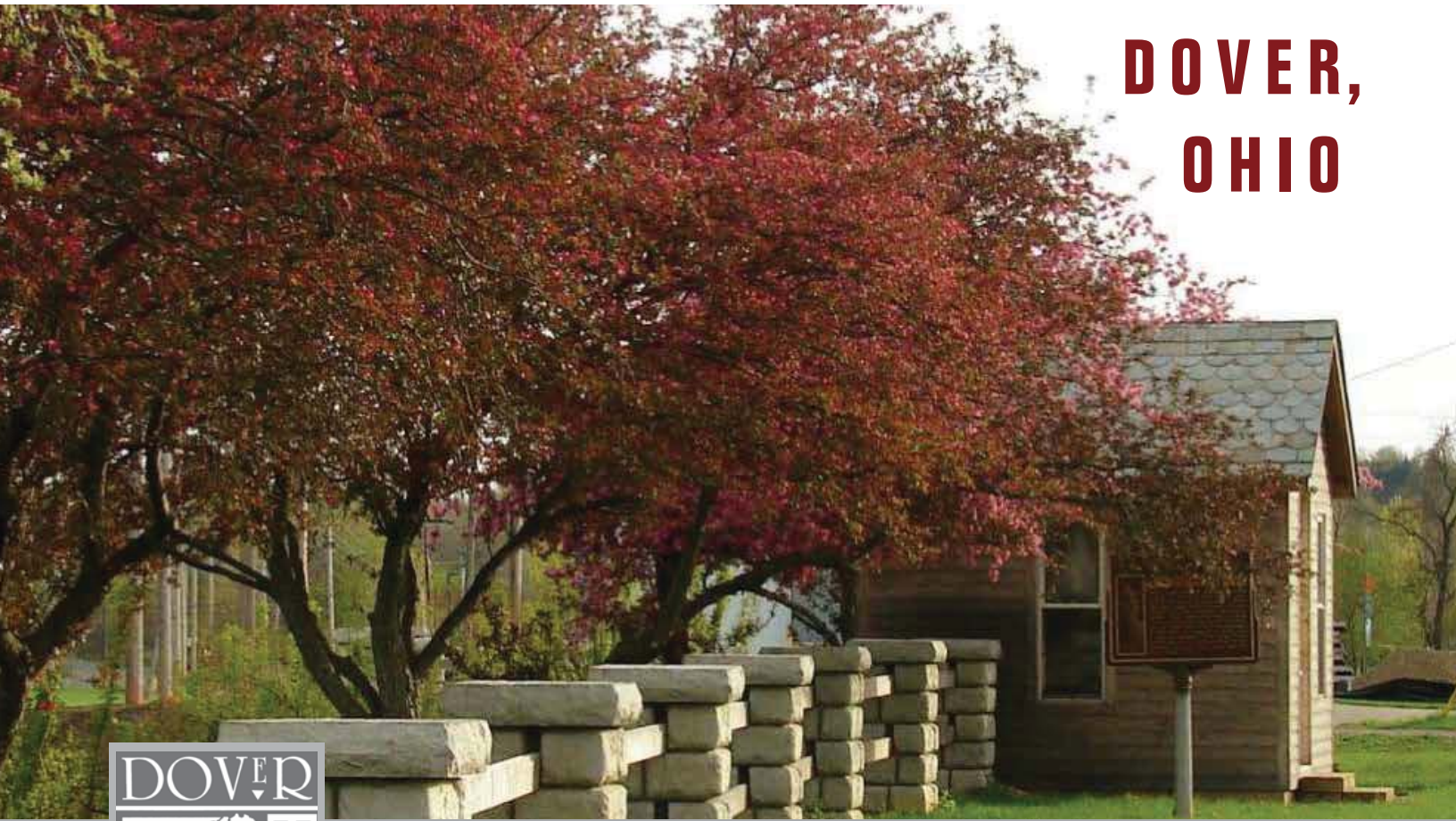
**CORRECTIVE ACTION PLAN
OMB CIRCULAR A -133 § .315 (c)
DECEMBER 31, 2013**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2013-003	The City of Dover plans to draft and adopt a Procurement Procedure Policy which will be distributed to the various departments.	In Progress	Nicole Stoldt, City Auditor
2013-004	The City Auditor will implement new procedures to ensure the semiannual financial and performance reports are properly completed and filed.	In Progress	Nicole Stoldt, City Auditor

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Comprehensive *Annual Financial Report*

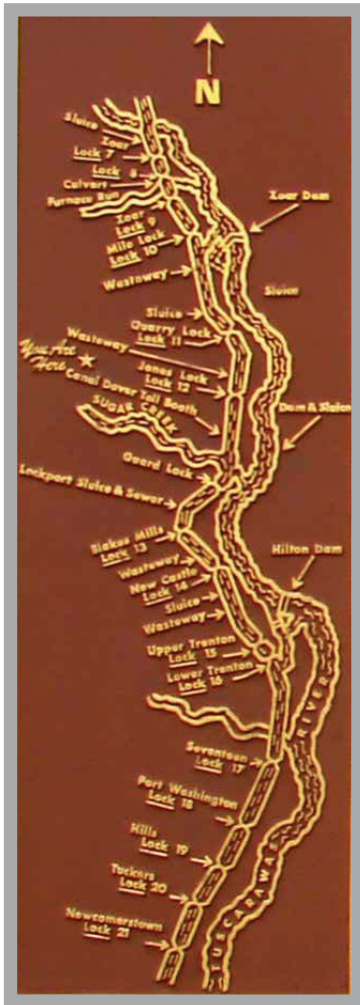
THE
CITY OF
DOVER,
OHIO



FOR THE YEAR ENDING **DECEMBER 31, 2013**

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THE OHIO-ERIE CANAL CANAL DOVER TOLL HOUSE



Strategically located along the entire length of the Ohio-Erie Canal were eleven toll houses at Cleveland, Akron, Massillon, Canal Dover, Roscoe, Newark, Carroll, Circleville, Waverly, and Portsmouth. Each canal boat was required to pay a toll or fee for use of the canal. The per-mile rate of the toll was usually in the form of pennies or mill, per weight or container. The Canal Dover Toll House was situated just east of this location between the canal and the Tuscarawas River.



THE CITY OF DOVER, OHIO
doverohio.com

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Comprehensive *Annual Financial Report*

FOR THE YEAR ENDING DECEMBER 31, 2013

Prepared by the City of Dover Auditor's Office

Nicole L. Stoldt - Dover City Auditor

Debra L. Edwards - Assistant Auditor

Kelly L. Elliott - Payroll and Benefits Coordinator

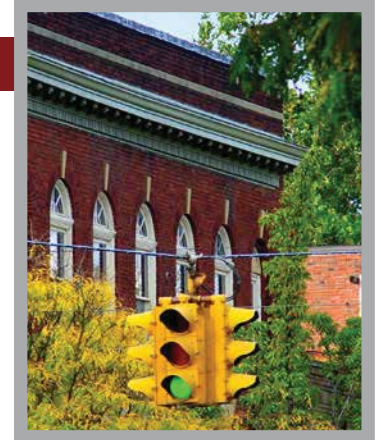


Photo credit: Russ Volkert, Fire Chief

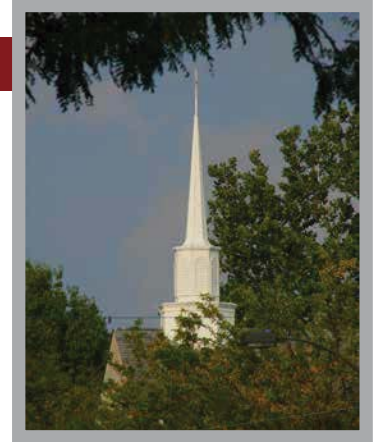


THE CITY OF DOVER, OHIO
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Introductory *Section*

FOR THE YEAR ENDING **DECEMBER 31, 2013**



THE CITY OF **DOVER, OHIO**
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City of Dover, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2013
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City Of Dover

Auditor's Office

122 EAST THIRD STREET, DOVER, OHIO 44622

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June 30, 2014

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, 2013, and details the status of City finances to residents, elected officials, investment bankers, underwriters, rating agencies and all other interested parties. This report enables the City to comply with Ohio Administrative Code Section 117-2-03(B), which requires reporting on a Generally Accepted Accounting Principles (GAAP) basis, and Ohio Revised Code Section 117.38 which requires cities reporting on a GAAP basis to file an annual report with the Auditor of State within 150 days of fiscal year end.

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

The Auditor of the State of Ohio has issued an unmodified ("clean") opinion on the City of Dover's financial statements for the year ended December 31, 2013. The independent auditor's report is located at the front of the financial section of this report.

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

City Profile

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



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, water back flow prevention and cross connection control programs, electric and electric pollution discharge elimination and PCB elimination programs, sewer and sewer industrial pretreatment programs, planning and zoning, and general administrative services.

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

Local Economy

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

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

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

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

A long standing Dover company started a major expansion project in 2012 that continued in 2013. Allied Machine, one of Dover's largest companies broke ground in September with expansions. The first phase of two planned expansions is an 11 million dollar, 60,000 square foot addition to the Deeds Drive facility, which is expected to provide 30 jobs and the generation of more than 1 million dollars in additional payroll in three years. The second phase consists of a 30,000 square foot expansion at the West Third Street facility. The location will house research and development space, training areas, office and cafeteria space at an estimated cost of \$6.2 million dollars.

Allied Machine is a global manufacturer of replaceable tip drilling systems established in Dover in 1941. Their specialty is systems comprised of carbide and coated high-speed steel holders and inserts to metal cutting industries. The local family owned company employed 437 in 2013.

In July of 2013 the Jerry McClain Company of Newark, Ohio broke ground for The Inn at Northwood Village, as senior assisted living residence facility that will serve 100 residents and employ 60 staff members. The 54,700 square-foot facility will offer 54 assisted suites, plus 23 special care suites with state-of-the-art communication and a licensed nurse onsite 24 hours a day. This is the 21st assisted living facility they have constructed. This will be a great addition to the north end of the City of Dover.

Union Hospital is a great asset to the City of Dover. Not only is it our City's largest employer, it is a nationally ranked and award winning hospital. In 2013, Union Hospital was recognized for various clinical quality achievements. The hospital received Quality Respiratory Care Recognition, achieved certification as a Primary Stroke Center and received the Midas+ Platinum Award. To have a local hospital that is ranked among America's 100 BEST in any area of care is a real accomplishment and Union Hospital has that distinction.

Major Initiatives

For the Year

On September 17, 2012, Dover City Council passed an Ordinance to impose a three percent lodging tax for establishments offering sleeping accommodations to guests and in which there are five or more rooms, starting on January 1, 2013. Currently this tax affects three local motels. The monies are to be deposited into the general fund and can be used for economic development and tourism in the City of Dover. Requests can be submitted by groups or organizations wanting funding for projects being completed in the City. The Dover Architectural Review Board reviews the requests and makes a recommendation to Council. It has been rewarding to see this tax be used for the purpose it was intended.

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.

2013 was a year for maintenance and upgrades to the City's largest asset. The Dover Light Plant continues to supply efficient and affordable electric to its residents and businesses for over 100 years. During the annual shut down much of the work is done to the plant. This year was no exception, the boiler, the turbine, our coal handling equipment, and various other equipment received its yearly inspection, maintenance and upgrades.

The City's Electric Field Division sees that the power is supplied to our consumers reliably and efficiently. Residentially 10 poles were replaced and maintenance on the existing lines was done throughout the City, making the system more reliable. Commercial and Industrial growth was better than expected. We added an additional five commercial and two industrial business accounts. Three phase power was extended to Allied Machine at two locations completing the expansion project. Expansion to The Inn at Northwood Village was completed as well.

Department Information

The snow season starting in late 2012 and continuing into 2013 was rough on the Street Department. The entire salting season required 1800 tons of salt, compared to 748 in the previous season.

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

The leaf season lasted about 30 working days. Leaves were picked up using our leaf machine and two truck mounted collection boxes. The loader and dump trucks were used to complete the removal. For the entire process, we used 848 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. A vacant lot near our City's Light Plant was utilized as drop off area for Earth and Woods of North Canton. At no charge to the City the company recycled the debris to make mulch. Construction materials were disposed of at Kimble's Landfill at a cost of \$9,772.

The street sweeper logged 109 days in 2013, the majority of the sweeping was done on Sunday nights. The painting program continued in 2013 with total supplies for the program consisting of 475 gallons of paint.

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. New signs are installed to replace old worn signs and stolen or damaged ones, while others are to keep in compliance with the Ohio Uniform Traffic Code.

Dover City Parks Department continues to be a great asset to the City. The department offers recreational men's, women's and co-ed leagues for softball, bocce, volleyball and basketball. Summer activities include a youth basketball camp, tennis, golf, and swimming lessons. Summer youth baseball and softball continues to be very popular along with the pool and our disc golf course. In 2013, the parks department hosted the City's annual end of summer celebration which featured a day of music, car/motorcycle show and food. The evening was topped off by an impressive fireworks display, sponsored by two local businesses, Kimble Recycling and Disposal and Gales Recycle-it

The City Park is always a busy place in the summer. The department operates two concession stands and is home to a state of the art playground donated in part to the City from a host of sponsors. Our picnic shelters had 53 reservations and the pool was rented 63 times. Memorial Hall which consists of a dining hall, meeting rooms and a gym received \$67,078 in rental fees throughout 2013.

The parks department also is responsible for the shade tree program. In 2013, 117 trees were maintained and 49 trees were removed. The City is proud to be a Tree City USA recipient for 32 consecutive years.

The parks department completed an eight piece outdoor fitness equipment center with a walking path around the entire perimeter. This earned the City a bronze award from the Healthy Ohio Foundation.

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

The Dover Police Department was kept busy in 2013. The department received 8,616 calls, investigated 477 traffic accidents, 56 of those involving injuries and with no fatalities. The department investigates all infractions of State law and City Ordinances.

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

The Police Department continued to support the residents of Dover with their yearly participation in community service programs such as the Fourth Grade Bicycle Safety Program, National Child Safety Program for grades K – 5, and Halloween Safety program for grades 1 – 6. The Department also participated in programs sponsored by the Tuscarawas Safe Kids Coalition, such as the TEEN Rodeo at the Tuscarawas County Fairgrounds involving students from all of the County's school districts. The Department was also involved with the Safe Kids/Healthy Kids day in May of 2013. All of the programs consist of officers working with others to provide information to the Dover school children promoting safety and good choices.

The Dover Fire Department also helped keep the community safe. The responded to 1,405 EMS calls, 84 Fire calls and completed over 1,300 training hours. The Fire Department hosts an annual open house to share their services with the community.

The City's Electric Field division received two awards from American Municipal Power in 2013. The first being a safety award for no time lost in 2012. The City continually offers safety training and supplies the employees with fire retardant arc flash related gear. The second award was for energy conservation; this award was achieved by replacing existing street lights with more energy efficient lighting. The electric field employees also provide year-long community service by installing banners and temporary wiring for all of the downtown events. The employees are responsible for decorating the downtown for the Christmas season and without their attention to detail, the City would never be able to light the downtown and surrounding areas all at once on the evening of our Christmas holiday parade.

Dover's Water/Wastewater Departments worked all year long to maintain and improve our systems. In 2013, four water main valves were installed, repairs were made on seventeen water service leaks and twenty-one new water services were installed. In order to ensure fire protection for the City, the department replaced sixteen fire hydrants and rebuilt six more.

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

In 2013, the City of Dover Wastewater Department worked on lift stations for 74 days, cleaned sewer lines on 70 occasions, conducted 21 sewer inspections and responded to 59 sewer calls. Sewer lift station operations are checked upon daily by Department employees.

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

For the Future

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

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

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

Long Term Financial Planning

The City ensures there are funding sources for all projects it undertakes. A portion of the City's income tax is allocated to the master capital fund to help provide considerable pay-as-you-go financing of governmental capital projects and capital assets. Traditionally, the City has funded projects for our enterprise funds by issuing mortgage revenue bonds and bond anticipation notes as necessary. In 2011, the City issued a general obligation bond to pay off all of its outstanding bond anticipation notes. 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 secured a loan for our portion of the Tuscarawas Avenue Bridge project through the State Infrastructure Bank. A no interest loan was obtained through the Ohio Department of Development to be used as part of the financing for the Wills Avenue storm sewer project.

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

Relevant Financial Planning

The financial planning for the City is based many times upon need. For example, in compliance with Ohio law, the City of Dover collects a kilowatt per hour tax; this tax revenue is to be receipted in the general fund in an effort to offset the general fund's loss of other revenues related to electric. The City has passed legislation that allows the transfer back to the 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 2013, only 25 percent of income tax was allocated to the master capital fund, as operating funds benefited from the additional revenue.

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

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

Awards

GFOA Certificate of Achievement The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dover for its Comprehensive Annual Financial Report for the year ended December 31, 2012.

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

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

Tree City USA The City received its thirty-second Tree City USA Award for the year ended December 31, 2013. These prestigious awards recognize the City for its annual program of planting new trees and maintaining and removing old trees. Dover has been the second longest recipient of this award at the City level.

Acknowledgments

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

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

Respectfully submitted,



Richard P. Homrighausen
Mayor



Nicole L. Stoldt
Auditor



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Dover
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

City of Dover, Ohio
Principal Officials
December 31, 2013

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

Finance Department

Auditor	Nicole L. Stoldt
Treasurer	Georgeanna Korn
Income Tax Administrator	Cheryl J. Saylor

Safety Department

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

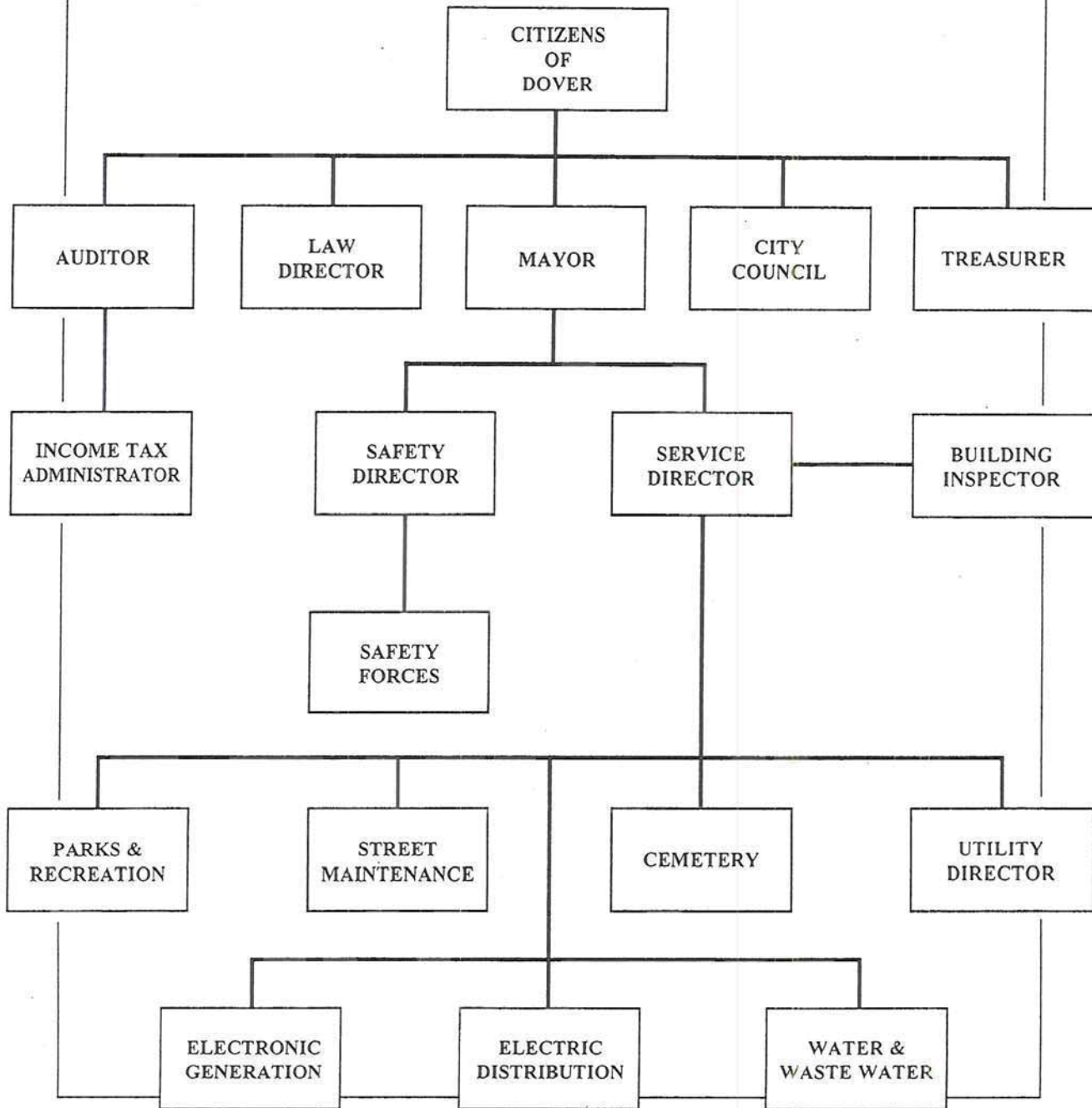
Service Department

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



CITY OF DOVER, OHIO

Organization Chart



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Financial *Section*

FOR THE YEAR ENDING **DECEMBER 31, 2013**



THE CITY OF **DOVER, OHIO**
doverohio.com

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

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

To the Honorable Mayor and City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, Tuscarawas County, Ohio (the City), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, Tuscarawas County, Ohio, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules 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, these statements and schedule are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2014 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Dave Yost
Auditor of State
Columbus, Ohio

June 30, 2014

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City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
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, 2013. 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 2013 are as follows:

In 2013, the City administration continued to look forward to future planning for the City of Dover. Loans and bonds have been secured for all of the City debt. Knowing what the payments will be for several years allows the City to make some long range plans for capital purchases and expansion. A new north end fire station has been a goal of the City for a very long time and is becoming closer to reality. In 2013 the City added a significant amount to the monies previously saved for that purpose. Each year we will continue to build up the balance of the master capital fund and will pay cash for as much of the costs of construction that we can.

As State funding is being cut at many levels, the City has found it necessary to change our practice of placing 40 percent of our income tax revenue into master capital fund. In 2013, we placed 25 percent of income tax collections into the fund for projects, leaving the additional 15 percent to be used for operating expenses.

The Parks and Recreation Department benefited in 2013 from the master capital fund and expanded its footprint. The Parks and Recreation/Shade Tree offices were relocated to the north end of Dover by the City park. The renovation of the offices was funded through the master capital fund. The park itself also expanded. An eight piece outdoor fitness equipment center with a walking path around the perimeter of the playground was added. This was partially funded by grants and earned the City a bronze award from the Healthy Ohio Foundation.

In September of 2012, the City passed an ordinance effective January 1, 2013, to enact a three percent lodging tax for any establishment which 5 rooms are provided for the accommodation of guests. The monies are to be deposited into the general fund and will be used for economic development and tourism in the City of Dover. Requests can be submitted by groups or organizations wanting funding for projects being completed in the City. The Dover Architectural Review Board reviews the requests and makes a recommendation to Council. It has been rewarding to see this tax be used for the purpose it was intended.

Using this Annual Financial Report

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

The Statement of Net Position and the Statement of Changes in Net Position provide information from a summary perspective showing the effects of the operations for the year 2013 and how they affected the operations of the City as a whole.

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

Reporting the City of Dover as a Whole

Statement of Net Position and Statement of Activities

The Statement of Net Position and the Statement of Activities provide summary information concerning the financial position and operations of the City as an entity. They provide a good resource for an overall evaluation of the City's financial performance "on one page." These statements include all non-fiduciary assets and liabilities using the accrual basis of accounting. This method takes into account all revenues when they are earned and all expenses when they are incurred. These transactions are booked when they occur and not when the actual cash is received for revenues or when invoices are paid for expenses.

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

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

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

Reporting on the Most Significant Funds of the City of Dover

Fund Financial Statements

The analysis of the City's major funds begins on page 10. 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 specific uses for the monies within the fund.

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

Governmental Funds All of the City's major activities (excluding the Water, Sewer and Electric funds) are reported in the governmental funds. This report shows how monies flow into and out of these funds and also shows what balances are available for future expenditures. The accounting method used to report this activity is the modified accrual method. This method reports cash and like-cash items that can 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

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police and fire protection, as well as improving and maintaining the City's streets, parks, cemeteries, and City Hall. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and the government funds is reconciled in the financial statements.

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

The City of Dover as a Whole

The Statement of Net Position provides an overall view of the City. Table 1 shows a summary of the City's net position for 2013 as they compare to 2012.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Assets						
Current and Other Assets	\$10,692,317	\$9,239,385	\$19,394,649	\$17,647,168	\$30,086,966	\$26,886,553
Capital Assets, Net	17,215,693	17,376,043	48,597,452	49,874,139	65,813,145	67,250,182
Total Assets	27,908,010	26,615,428	67,992,101	67,521,307	95,900,111	94,136,735
Deferred Outflows of Resources	0	0	78,017	88,275	78,017	88,275
Liabilities						
Current Liabilities	1,204,821	1,140,066	4,731,105	3,991,744	5,935,926	5,131,810
Long-Term Liabilities						
Due Within One Year	411,758	412,407	1,651,340	1,484,444	2,063,098	1,896,851
Due in More Than One Year	4,347,928	4,498,770	26,387,825	26,954,222	30,735,753	31,452,992
Total Liabilities	5,964,507	6,051,243	32,770,270	32,430,410	38,734,777	38,481,653
Deferred Inflows of Resources	865,377	855,320	0	0	865,377	855,320
Net Position						
Net Investment in Capital Assets	14,665,693	14,711,043	23,029,114	22,222,982	37,694,807	36,934,025
Restricted for:						
Cemetery	768,168	761,140	0	0	768,168	761,140
Street Maintenance and Repair	427,050	365,516	0	0	427,050	365,516
Police and Fire Pension	153,298	0	0	0	153,298	0
Revolving Loan Program	483,210	472,259	0	0	483,210	472,259
Law Enforcement and Education	40,543	40,207	0	0	40,543	40,207
Debt Service	0	0	1,489,847	1,411,713	1,489,847	1,411,713
Capital Projects	74,896	52,257	0	0	74,896	52,257
Replacement and Improvement	0	0	3,070,886	2,723,960	3,070,886	2,723,960
Unrestricted	4,465,268	3,306,443	7,710,001	8,820,517	12,175,269	12,126,960
Total Net Position	\$21,078,126	\$19,708,865	\$35,299,848	\$35,179,172	\$56,377,974	\$54,888,037

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

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

Table 2 shows the changes in net position for 2013 for both governmental and business-type activities.

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues						
Program Revenues						
Charges for Services and Sales	\$1,490,264	\$1,369,396	\$28,522,913	\$26,768,905	\$30,013,177	\$28,138,301
Operating Grants and Contributions	621,876	662,201	0	0	621,876	662,201
Capital Grants and Contributions	736,681	421,632	0	0	736,681	421,632
Total Program Revenues	2,848,821	2,453,229	28,522,913	26,768,905	31,371,734	29,222,134
General Revenues						
Property Taxes	1,006,265	883,442	0	0	1,006,265	883,442
Income Taxes	8,206,501	6,179,041	0	0	8,206,501	6,179,041
Grants and Entitlements	1,352,561	1,406,047	0	0	1,352,561	1,406,047
Unrestricted Contributions	14,700	0	0	0	14,700	0
Investments	18,961	29,144	1,153	913	20,114	30,057
Miscellaneous	355,472	549,004	849,769	904,590	1,205,241	1,453,594
Total General Revenues	10,954,460	9,046,678	850,922	905,503	11,805,382	9,952,181
Total Revenues	13,803,281	11,499,907	29,373,835	27,674,408	43,177,116	39,174,315
Program Expenses						
General Government	2,313,710	1,809,857	0	0	2,313,710	1,809,857
Security of Persons and Property	5,082,413	5,094,116	0	0	5,082,413	5,094,116
Transportation	1,928,227	1,879,829	0	0	1,928,227	1,879,829
Public Health Services	762,721	808,220	0	0	762,721	808,220
Community Environment	268,923	188,273	0	0	268,923	188,273
Basic Utility Services	672,945	629,555	0	0	672,945	629,555
Leisure Time Activities	1,291,658	1,134,362	0	0	1,291,658	1,134,362
Interest and Fiscal Charges	113,423	164,403	0	0	113,423	164,403
Enterprise Operations:						
Sewer	0	0	3,727,710	3,670,590	3,727,710	3,670,590
Electric	0	0	23,723,046	22,992,501	23,723,046	22,992,501
Water	0	0	1,802,403	1,854,651	1,802,403	1,854,651
Total Program Expenses	12,434,020	11,708,615	29,253,159	28,517,742	41,687,179	40,226,357
Increase (Decrease) in Net Position	1,369,261	(208,708)	120,676	(843,334)	1,489,937	(1,052,042)
Net Position Beginning of Year	19,708,865	19,917,573	35,179,172	36,022,506	54,888,037	55,940,079
Net Position End of Year	\$21,078,126	\$19,708,865	\$35,299,848	\$35,179,172	\$56,377,974	\$54,888,037

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Governmental Activities

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

The City's income tax was established by ordinance to be effective January 1, 1970 at a rate of 1 percent. In the November election of 2006, the voters voted to increase the income tax rate by ½ percent. There is no restriction on how the additional ½ percent is to be used. The income tax accounted for revenues of \$8,206,501 in 2013. The large increase from the prior year is due to the improving local economy. By City ordinance, income tax proceeds, after income tax department expenditures, are credited to the following funds: 40 percent of the net income tax to the master capital, capital projects fund and the remaining balance divided between the cemetery special revenue fund, the street maintenance and repair special revenue fund, the police and fire pension special revenue fund and the general fund. In 2010, the City changed the practice of putting 40 percent of income tax revenue to 20 percent into the master capital fund which was increased to 25 percent in 2012. The percentage remained at 25 percent for 2013. This practice continues to be an excellent tool in making capital improvements, maintaining City streets and purchasing equipment. The City has had to reduce the percentage to the master capital fund before to cover the expenses outpacing revenue in the operating funds. It is the plan to review this practice on a yearly basis in an effort to ensure good operating balances along with ample dollars for capital improvements.

Security of persons and property represent the largest expense of the governmental activities and includes the police and fire departments. The yearly expense slightly decreased as compared to 2012. The City worked diligently to control expenses. 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 23 officers, including a full time Chief.

Our street maintenance and repair and traffic department employs 15 full time employees who provide the City and its citizens many services that include public road salting, leaf and debris pickup, paint striping and alley profiling. Transportation expenses increased from 2012. This increase is primarily the result of more supplies needed in 2013.

The City also maintains three cemeteries (public health services) and two parks (leisure time activities) within the City. Leisure time activities expenses increased in 2013 due to maintenance projects being done at City park facilities.

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Business-Type Activities

The City also operates a Utility Department that consists of three utilities. The largest from an asset and revenue standpoint is the electric utility. This utility consists of a coal fired generation plant and distribution system that serves the City and surrounding area with reliable and competitively priced power. In 2013, the electric utility generated \$23,065,550 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 5,653 consumers with a minimum daily pumpage of 1.06 million gallons and a maximum daily pumpage of 2.86 million gallons in 2013. 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 1,392,657 gallons per day during 2013 and serves 5,545 customers. The sewer plant expansion was a major project for the City. This \$13 million expansion broke ground in 2007. The City has paid for the engineering and design through the sewer fund and funded the remainder with a loan through the Ohio Water Development Authority for the construction phase of the project. The City began to repay the 20 year loan in June of 2009. The new sewer plant was being tested throughout 2009. The new 3 million gallon per day Membrane Bioreactor (MBR) Plant utilizes modern technology that requires trained and vigilant operators. The plant is manned 24 hours per day 7 days per week.

The revenues and expenses for all three of these utilities are reported under the business-type activities on Table 2. The majority of the City's revenues and expenses flow through the business-type activities. The revenues are generated primarily from charges for services. In 2013, charges for services accounted for approximately 97.1 percent of the revenues. The total expenses for the utilities increased from 2012 due to increases in purchased power and salaries but revenues increased as well to offset the expenses. The City had a slight increase in net position for the business-type activities.

The City's Funds

Information about the City's governmental funds begins on page 18. These funds are accounted for using the modified accrual method of accounting. The general fund had revenues of \$7,964,785 and expenditures of \$7,628,649, resulting in an excess of revenues over expenditures. An increase in several revenue categories, such as income taxes and charges for services, led to the overall increase in fund balance as compared to 2012. The master capital fund had revenues of \$2,325,894 and expenditures of \$1,962,371, leaving an excess of revenues over expenditures. The income tax allocated to the master capital fund has always been the source of revenue for many projects such as the purchase of land and equipment and improvements to infrastructure. In 2013, the master capital fund received 25 percent of income tax collections, allowing many smaller projects to be funded and completed. It is a practice of the City to pay cash for items such as fire trucks. Sinking funds are only utilized when necessary. The City's funds are monitored consistently with adjustments made throughout the year in budgets to accommodate yearly revenues.

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The one fund that consistently exceeds our expense expectations is our employee health insurance fund. Our medical/surgical and dental benefit plans have been self-funded since 1988. An ordinance was passed in 2012 to increase the premium by \$100 monthly for family coverage and by \$50 for single coverage and allow for an additional \$500 per employee per month to be contributed to the fund on an as-needed basis and this has helped maintain the fund. We are consistently negotiating with all our unions for plan modifications and increased employee contributions to help control plan costs.

Information about the proprietary funds starts on page 23. These funds are accounted for on an accrual basis. Both the electric and water funds had revenues exceeding expenses in 2013, increasing the net position of the funds. Sewer fund had a decrease in net position, as expenses exceeded revenues. The City consistently monitors these funds and takes the required actions to ensure strength in our enterprise funds. In 2008, the City found it necessary to pass along a 25 percent water rate increase effective in January of 2009. In an effort to avoid large percentage increases in the future, a 3 percent increase will be effective in January of every year to come. This increase will allow the City to properly maintain and grow the water system for the future.

Budgeting Highlights

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

For 2013, general fund appropriations were modified by Council several times. Final budgeted revenues and final appropriations were both higher than their respective original amounts due to revised estimates in several revenue categories and all expenditure categories. Actual revenues were higher than the final budgeted revenues due to higher income tax collections, intergovernmental revenues, and charges for services. Actual expenditures were lower than the final appropriations due to conservative budgeting.

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

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

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

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Capital Assets

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

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$1,317,313	\$1,317,313	\$435,066	\$435,066	\$1,752,379	\$1,752,379
Construction in Progress	338,325	0	500,628	184,245	838,953	184,245
Buildings	1,966,781	2,027,712	20,829,706	21,296,087	22,796,487	23,323,799
Improvements other than Buildings	993,968	1,011,550	1,460,616	1,595,809	2,454,584	2,607,359
Equipment and Machinery	1,562,495	1,422,742	7,355,990	8,440,997	8,918,485	9,863,739
Furniture and Fixtures	8,826	10,115	50,904	47,475	59,730	57,590
Vehicles	798,594	982,909	519,233	349,904	1,317,827	1,332,813
Infrastructure	10,229,391	10,603,702	17,445,309	17,524,556	27,674,700	28,128,258
Total Capital Assets	\$17,215,693	\$17,376,043	\$48,597,452	\$49,874,139	\$65,813,145	\$67,250,182

Total capital assets for the City of Dover for the year ended December 31, 2013, decreased as compared to 2012. This decrease is due to annual depreciation outpacing the 2013 additions to capital assets. Capital asset activity for 2013 is provided in Note 10.

Debt

The outstanding debt for the City of Dover as of December 31, 2013, was as follows:

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

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Police and Fire Pension	\$252,657	\$259,750	\$0	\$0	\$252,657	\$259,750
General Obligation Bonds	2,497,307	2,604,102	6,486,109	6,796,726	8,983,416	9,400,828
Revenue Bonds	0	0	8,619,848	9,666,534	8,619,848	9,666,534
State Infrastructure						
Bank Loan	674,657	762,898	0	0	674,657	762,898
OPWC Loan	85,000	95,000	0	0	85,000	95,000
OWDA Loan	0	0	10,641,507	11,206,348	10,641,507	11,206,348
AMPGS Payable	0	0	1,506,654	0	1,506,654	0
Total	\$3,509,621	\$3,721,750	\$27,254,118	\$27,669,608	\$30,763,739	\$31,391,358

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

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

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

Additional information on the City's long-term debt can be found in Note 14 of this report.

Current Financial Issues

Because Dover was able to take advantage of the competitive bond market in 2011, the City is able to forecast debt payments more accurately. Knowing what we will be paying allows us to budget more effectively with the goal of accumulating money to complete capital projects in all funds.

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

A few large projects and purchases of the year involved the Sewer fund. A 2013 Vacall AJV 1215 sewer cleaning truck was built and purchased locally by Gradall Industries and is performing well. A new water service, backflow and meter were replaced and rerouted for the Wastewater Treatment Plant. The sewer lining project that began in a previous year continued throughout the year and will continue into the next few years helping with infiltration problems and our aging infrastructure.

Two sources of funding continue to offer the City flexibility in controlling revenues to the general fund. One is the KWH tax collected by the electric fund. This tax was imposed by the State as part of the legislation passed for electric deregulation. The tax collected from power sold within City limits is to be receipted in the general fund. Legislation was passed by City Council to allow the tax to be returned to the electric fund. In an effort to keep rates low, it is the City's intent to use a portion of the money in the electric fund each year unless there are significant revenue shortfalls in the general fund. In 2013, 95% of the KWH tax revenue was returned to the electric fund to help maintain the fund balance. The other flexible source of funding is the split of the income tax. The standard practice is for 40 percent of tax collections to be allocated to the master capital fund for capital projects; however, in 2011 that amount was reduced to 20 percent and in 2012 to 25 percent. This remained at 25 percent in 2013. The percentage can be adjusted yearly by City Council to aid in keeping adequate operating balances.

In 2006, the citizens of Dover passed a ½ percent tax increase which was greatly needed; however, it wasn't long before the economic downturn affected the area leaving revenue estimates falling short. In 2012, the State of Ohio's biennial budget made significant cuts to the Local Government Fund subsidies to the City along with an accelerated phase out of the personal property tax reimbursement from the State. These measures reduced 2012 revenue expectations, which were only offset by an increase in income tax collections. This continues to be the case in 2013. The City continues to work short of prior year's staffing levels in a few departments in an effort to control costs.

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

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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 830 at Union Hospital, which continues to expand its facilities and provide new services.

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

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

Contacting the City's Finance Department

This report is intended to provide our citizens and anyone interested in the financial aspects of the City of Dover a general overview of our financial operation. If there are questions, please contact Auditor, Nicole Stoldt, City of Dover, 122 East Third Street, Dover, Ohio 44622, by telephone 330-343-6385 by website at www.doverohio.com or by e-mail nicole.stoldt@doverohio.com.

City of Dover, Ohio
Statement of Net Position
December 31, 2013

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$5,821,469	\$9,036,434	\$14,857,903
Cash and Cash Equivalents:			
Held by Trustee	0	1,524,505	1,524,505
With Fiscal Agents	4,378	25,963	30,341
Materials and Supplies Inventory	159,929	1,209,673	1,369,602
Accounts Receivable	665,859	4,874,908	5,540,767
Internal Balances	235,403	(235,403)	0
Intergovernmental Receivable	573,391	6,981	580,372
Prepaid Items	80,619	255,391	336,010
Income Tax Receivable	2,176,430	0	2,176,430
Property Taxes Receivable	892,904	0	892,904
Loans Receivable	81,935	0	81,935
Regulated Asset	0	1,506,654	1,506,654
Investment in Joint Venture	0	1,189,543	1,189,543
Nondepreciable Capital Assets	1,655,638	935,694	2,591,332
Depreciable Capital Assets, Net	15,560,055	47,661,758	63,221,813
<i>Total Assets</i>	<u>27,908,010</u>	<u>67,992,101</u>	<u>95,900,111</u>
Deferred Outflows of Resources			
Deferred Charge on Refunding	0	78,017	78,017
Liabilities			
Accounts Payable	50,314	318,662	368,976
Accrued Wages	137,925	110,007	247,932
Contracts Payable	280,771	3,730,722	4,011,493
Intergovernmental Payable	248,900	176,198	425,098
Matured Interest Payable	1,735	3,204	4,939
Accrued Interest Payable	6,775	52,208	58,983
Vacation Benefits Payable	295,502	226,687	522,189
Retainage Payable	2,643	22,759	25,402
Customer Deposits	0	90,658	90,658
Claims Payable	180,256	0	180,256
Long-Term Liabilities:			
Due Within One Year	411,758	1,651,340	2,063,098
Due In More Than One Year	4,347,928	26,387,825	30,735,753
<i>Total Liabilities</i>	<u>5,964,507</u>	<u>32,770,270</u>	<u>38,734,777</u>
Deferred Inflows of Resources			
Property Taxes	865,377	0	865,377
Net Position			
Net Investment in Capital Assets	14,665,693	23,029,114	37,694,807
Restricted for:			
Cemetery	768,168	0	768,168
Street Maintenance and Repair	427,050	0	427,050
Police and Fire Pension	153,298	0	153,298
Revolving Loan Program	483,210	0	483,210
Law Enforcement and Education	40,543	0	40,543
Debt Service	0	1,489,847	1,489,847
Capital Projects	74,896	0	74,896
Electric Replacement and Improvement	0	2,037,421	2,037,421
Water Replacement and Improvement	0	1,033,465	1,033,465
Unrestricted	4,465,268	7,710,001	12,175,269
<i>Total Net Position</i>	<u>\$21,078,126</u>	<u>\$35,299,848</u>	<u>\$56,377,974</u>

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Activities
For the Year Ended December 31, 2013

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$2,313,710	\$378	\$0	\$0
Security of Persons and Property	5,082,413	128,140	17,519	423,951
Transportation	1,928,227	0	598,721	0
Public Health Services	762,721	461,183	0	0
Community Environment	268,923	24,705	5,636	312,730
Basic Utility Services	672,945	752,629	0	0
Leisure Time Activities	1,291,658	123,229	0	0
Interest and Fiscal Charges	113,423	0	0	0
<i>Total Governmental Activities</i>	<u>12,434,020</u>	<u>1,490,264</u>	<u>621,876</u>	<u>736,681</u>
Business-Type Activities:				
Sewer	3,727,710	3,352,604	0	0
Electric	23,723,046	23,065,550	0	0
Water	1,802,403	2,104,759	0	0
<i>Total Business-Type Activities</i>	<u>29,253,159</u>	<u>28,522,913</u>	<u>0</u>	<u>0</u>
<i>Total - Primary Government</i>	<u>\$41,687,179</u>	<u>\$30,013,177</u>	<u>\$621,876</u>	<u>\$736,681</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

Unrestricted Contributions

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$2,313,332)	\$0	(\$2,313,332)
(4,512,803)	0	(4,512,803)
(1,329,506)	0	(1,329,506)
(301,538)	0	(301,538)
74,148	0	74,148
79,684	0	79,684
(1,168,429)	0	(1,168,429)
(113,423)	0	(113,423)
<u>(9,585,199)</u>	<u>0</u>	<u>(9,585,199)</u>
0	(375,106)	(375,106)
0	(657,496)	(657,496)
<u>0</u>	<u>302,356</u>	<u>302,356</u>
0	(730,246)	(730,246)
<u>(9,585,199)</u>	<u>(730,246)</u>	<u>(10,315,445)</u>
875,654	0	875,654
130,611	0	130,611
4,700,061	0	4,700,061
560,660	0	560,660
360,872	0	360,872
579,482	0	579,482
2,005,426	0	2,005,426
1,352,561	0	1,352,561
14,700	0	14,700
18,961	1,153	20,114
<u>355,472</u>	<u>849,769</u>	<u>1,205,241</u>
<u>10,954,460</u>	<u>850,922</u>	<u>11,805,382</u>
1,369,261	120,676	1,489,937
<u>19,708,865</u>	<u>35,179,172</u>	<u>54,888,037</u>
<u>\$21,078,126</u>	<u>\$35,299,848</u>	<u>\$56,377,974</u>

City of Dover, Ohio

Balance Sheet

Governmental Funds

December 31, 2013

	General	Master Capital	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,059,538	\$1,982,919	\$1,741,958	\$5,784,415
Cash and Cash Equivalents				
With Fiscal Agents	0	2,643	1,735	4,378
Materials and Supplies Inventory	48,042	0	111,887	159,929
Accounts Receivable	121,219	0	542,057	663,276
Intergovernmental Receivable	276,216	0	297,175	573,391
Prepaid Items	61,414	0	19,205	80,619
Income Taxes Receivable	1,242,741	531,484	402,205	2,176,430
Property Taxes Receivable	767,066	0	125,838	892,904
Loans Receivable	0	0	81,935	81,935
<i>Total Assets</i>	<u>\$4,576,236</u>	<u>\$2,517,046</u>	<u>\$3,323,995</u>	<u>\$10,417,277</u>
Liabilities				
Accounts Payable	\$33,907	\$121	\$16,286	\$50,314
Accrued Wages	116,091	0	21,834	137,925
Contracts Payable	132,535	96,342	51,894	280,771
Intergovernmental Payable	149,227	4,700	94,973	248,900
Matured Interest Payable	0	0	1,735	1,735
Retainage Payable	0	2,643	0	2,643
<i>Total Liabilities</i>	<u>431,760</u>	<u>103,806</u>	<u>186,722</u>	<u>722,288</u>
Deferred Inflows of Resources				
Property Taxes	742,919	0	122,458	865,377
Unavailable Revenue	1,127,436	367,983	1,072,408	2,567,827
<i>Total Deferred Inflows of Resources</i>	<u>1,870,355</u>	<u>367,983</u>	<u>1,194,866</u>	<u>3,433,204</u>
Fund Balances				
Nonspendable	115,155	0	131,092	246,247
Restricted	0	0	1,577,664	1,577,664
Committed	0	2,045,257	279,431	2,324,688
Assigned	1,085,489	0	0	1,085,489
Unassigned (Deficit)	1,073,477	0	(45,780)	1,027,697
<i>Total Fund Balances</i>	<u>2,274,121</u>	<u>2,045,257</u>	<u>1,942,407</u>	<u>6,261,785</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$4,576,236</u>	<u>\$2,517,046</u>	<u>\$3,323,995</u>	<u>\$10,417,277</u>

See accompanying notes to the basic financial statements

City of Dover, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 December 31, 2013*

Total Governmental Fund Balances \$6,261,785

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 17,215,693

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds:

Delinquent Property Taxes	27,527	
Income Tax	1,508,254	
Grants	489,989	
Charges for Services	<u>542,057</u>	
Total		2,567,827

An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental-type activities in the statement of net position. (140,619)

An internal balance is recorded in governmental activities to reflect underpayments to the internal service fund by the business-type activities. 235,403

Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds. (6,775)

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. (295,502)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

Police and Fire Pension	(252,657)	
General Obligation Bonds	(2,497,307)	
State Infrastructure Bank Loan	(674,657)	
OPWC Loan	(85,000)	
Compensated Absences	<u>(1,250,065)</u>	
Total		<u>(4,759,686)</u>

Net Position of Governmental Activities \$21,078,126

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, 2013

	General	Master Capital	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$878,474	\$0	\$131,326	\$1,009,800
Income Taxes	4,346,801	1,864,653	1,415,000	7,626,454
Intergovernmental	1,416,458	423,951	935,879	2,776,288
Interest	11,348	0	7,613	18,961
Fines, Licenses and Permits	35,304	0	336	35,640
Charges for Services	993,441	0	426,546	1,419,987
Contributions and Donations	14,700	0	0	14,700
Other	268,259	37,290	47,140	352,689
<i>Total Revenues</i>	<u>7,964,785</u>	<u>2,325,894</u>	<u>2,963,840</u>	<u>13,254,519</u>
Expenditures				
Current:				
General Government	2,124,429	0	0	2,124,429
Security of Persons and Property	3,731,447	0	540,745	4,272,192
Transportation	0	0	1,158,730	1,158,730
Public Health Services	8,908	0	726,281	735,189
Community Environment	259,771	0	0	259,771
Basic Utility Services	672,945	0	0	672,945
Leisure Time Activities	831,149	0	0	831,149
Capital Outlay	0	1,653,999	335,871	1,989,870
Debt Service:				
Principal Retirement	0	203,241	7,093	210,334
Interest and Fiscal Charges	0	105,131	10,952	116,083
<i>Total Expenditures</i>	<u>7,628,649</u>	<u>1,962,371</u>	<u>2,779,672</u>	<u>12,370,692</u>
<i>Net Change in Fund Balances</i>	336,136	363,523	184,168	883,827
<i>Fund Balances Beginning of Year</i>	<u>1,937,985</u>	<u>1,681,734</u>	<u>1,758,239</u>	<u>5,377,958</u>
<i>Fund Balances End of Year</i>	<u>\$2,274,121</u>	<u>\$2,045,257</u>	<u>\$1,942,407</u>	<u>\$6,261,785</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, 2013*

Net Change in Fund Balances - Total Governmental Funds		\$883,827
<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 depreciation exceeded capital outlay in the current period.		
Capital Asset Additions:		
Capital Outlay	971,749	
Current Year Depreciation	<u>(1,008,370)</u>	
Total		(36,621)
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.		
		(123,729)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
Property Taxes	(3,535)	
Income Tax	580,047	
Grants	(65,170)	
Charges for Services	<u>34,637</u>	
Total		545,979
Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		210,334
In the statement of activities, interest is accrued on outstanding notes, whereas in governmental funds, an interest expenditure is reported when due.		
Accrued Interest	865	
Amortization of Premium	<u>1,795</u>	
Total		2,660
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	(60,638)	
Vacation Benefits Payable	<u>(17,070)</u>	
Total		(77,708)
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 Position	(69,439)	
Change in Internal Balance	<u>33,958</u>	
Total		<u>(35,481)</u>
<i>Change in Net Position of Governmental Activities</i>		<u><u>\$1,369,261</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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$752,430	\$753,704	\$878,474	\$124,770
Income Taxes	3,720,171	3,726,467	4,296,680	570,213
Intergovernmental	1,207,885	1,209,929	1,410,224	200,295
Interest	9,720	9,736	11,348	1,612
Fines, Licenses and Permits	29,832	29,882	34,829	4,947
Charges for Services	841,851	843,276	982,874	139,598
Contributions and Donations	12,591	12,612	14,700	2,088
Other	338,266	338,839	268,259	(70,580)
<i>Total Revenues</i>	<u>6,912,746</u>	<u>6,924,445</u>	<u>7,897,388</u>	<u>972,943</u>
Expenditures				
Current:				
General Government	2,064,444	2,456,536	1,998,446	458,090
Security of Persons and Property	4,149,402	4,166,205	3,769,918	396,287
Public Health Services	10,000	10,000	8,908	1,092
Community Environment	136,300	299,050	236,337	62,713
Basic Utility Services	655,242	706,500	672,945	33,555
Leisure Time Activities	947,243	947,242	862,825	84,417
<i>Total Expenditures</i>	<u>7,962,631</u>	<u>8,585,533</u>	<u>7,549,379</u>	<u>1,036,154</u>
<i>Net Change in Fund Balance</i>	(1,049,885)	(1,661,088)	348,009	2,009,097
<i>Fund Balance Beginning of Year</i>	1,613,635	1,613,635	1,613,635	0
Prior Year Encumbrances Appropriated	<u>45,235</u>	<u>45,235</u>	<u>45,235</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$608,985</u>	<u>(\$2,218)</u>	<u>\$2,006,879</u>	<u>\$2,009,097</u>

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2013

	Business-Type Activities				Governmental Activities - Internal Service Fund
	Sewer	Electric	Water	Total	
Assets					
<i>Current Assets:</i>					
Equity in Pooled Cash and Cash Equivalents	\$3,306,172	\$1,879,862	\$633,237	\$5,819,271	\$37,054
Cash and Cash Equivalents With Fiscal Agents	1,072	22,614	2,277	25,963	0
<i>Restricted Assets:</i>					
Equity in Pooled Cash and Cash Equivalents	0	841,125	359,259	1,200,384	0
<i>Receivables:</i>					
Accounts	492,305	3,975,405	407,198	4,874,908	2,583
Intergovernmental	6,981	0	0	6,981	0
Regulated Asset	0	1,506,654	0	1,506,654	0
Materials and Supplies Inventory	12,224	1,048,024	149,425	1,209,673	0
Prepaid Items	49,991	182,013	23,387	255,391	0
<i>Total Current Assets</i>	<u>3,868,745</u>	<u>9,455,697</u>	<u>1,574,783</u>	<u>14,899,225</u>	<u>39,637</u>
<i>Non-Current Assets:</i>					
<i>Restricted Assets:</i>					
Equity in Pooled Cash and Cash Equivalents	0	1,296,353	720,426	2,016,779	0
Cash Equivalents Held by Trustee	0	1,014,737	509,768	1,524,505	0
Investment in Joint Venture	0	1,189,543	0	1,189,543	0
Land and Construction in Progress	137,969	636,546	161,179	935,694	0
Depreciable Capital Assets, Net	20,851,226	18,761,478	8,049,054	47,661,758	0
<i>Total Non-Current Assets</i>	<u>20,989,195</u>	<u>22,898,657</u>	<u>9,440,427</u>	<u>53,328,279</u>	<u>0</u>
<i>Total Assets</i>	<u>24,857,940</u>	<u>32,354,354</u>	<u>11,015,210</u>	<u>68,227,504</u>	<u>39,637</u>
Deferred Outflows of Resources					
Deferred Charge on Refunding	0	28,612	49,405	78,017	0
Liabilities					
<i>Current Liabilities:</i>					
Accounts Payable	47,609	265,849	5,204	318,662	0
Accrued Wages	25,362	68,351	16,294	110,007	0
Contracts Payable	12,554	3,707,697	10,471	3,730,722	0
Intergovernmental Payable	38,032	112,732	25,434	176,198	0
Vacation Benefits Payable	62,930	125,425	38,332	226,687	0
Compensated Absences Payable	68,448	66,303	52,886	187,637	0
Matured Interest Payable	0	927	2,277	3,204	0
Accrued Interest Payable	0	37,949	14,259	52,208	0
Retainage Payable	1,072	21,687	0	22,759	0
Customer Deposits	0	90,658	0	90,658	0
AMPGS Payable	0	83,703	0	83,703	0
General Obligation Bonds Payable	0	305,000	0	305,000	0
Revenue Bonds Payable	0	730,000	345,000	1,075,000	0
Claims Payable	0	0	0	0	180,256
<i>Total Current Liabilities</i>	<u>256,007</u>	<u>5,616,281</u>	<u>510,157</u>	<u>6,382,445</u>	<u>180,256</u>
<i>Long-Term Liabilities:</i>					
Compensated Absences Payable (net of current portion)	177,668	294,796	124,946	597,410	0
AMPGS Payable (net of current portion)	0	1,422,951	0	1,422,951	0
General Obligation Payable (net of current portion)	0	6,181,109	0	6,181,109	0
Revenue Bonds Payable (net of current portion)	0	4,245,646	3,299,202	7,544,848	0
OWDA Loans Payable (net of current portion)	10,641,507	0	0	10,641,507	0
<i>Total Long-Term Liabilities</i>	<u>10,819,175</u>	<u>12,144,502</u>	<u>3,424,148</u>	<u>26,387,825</u>	<u>0</u>
<i>Total Liabilities</i>	<u>11,075,182</u>	<u>17,760,783</u>	<u>3,934,305</u>	<u>32,770,270</u>	<u>180,256</u>
Net Position					
Net Investment in Capital Assets	10,347,688	8,065,990	4,615,436	23,029,114	0
<i>Restricted for:</i>					
Debt Service	0	994,338	495,509	1,489,847	0
Replacement and Improvement	0	2,037,421	1,033,465	3,070,886	0
Unrestricted (Deficit)	3,435,070	3,524,434	985,900	7,945,404	(140,619)
<i>Total Net Position (Deficit)</i>	<u>\$13,782,758</u>	<u>\$14,622,183</u>	<u>\$7,130,310</u>	<u>35,535,251</u>	<u>(\$140,619)</u>

Some amounts reported for business-type activities in the statement of net position are different because they include accumulated underpayments to the internal service fund. (235,403)
Net position of business-type activities \$35,299,848

City of Dover, Ohio
*Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2013*

	Business-Type	
	Sewer	Electric
Operating Revenues		
Charges for Services	\$3,352,604	\$23,065,550
Other	21,756	814,511
<i>Total Operating Revenues</i>	<u>3,374,360</u>	<u>23,880,061</u>
Operating Expenses		
Salaries and Wages	918,279	2,345,432
Fringe Benefits	573,233	1,371,019
Purchased Services	330,005	1,481,381
Materials and Supplies	418,850	3,872,920
Purchased Power	0	13,179,921
Depreciation	1,105,458	936,774
Claims	0	0
<i>Total Operating Expenses</i>	<u>3,345,825</u>	<u>23,187,447</u>
<i>Operating Income (Loss)</i>	<u>28,535</u>	<u>692,614</u>
Non-Operating Revenues (Expenses)		
Interest	2	810
Loss on Investment in Joint Venture	0	(177,412)
Interest and Fiscal Charges	(373,649)	(338,674)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(373,647)</u>	<u>(515,276)</u>
<i>Change in Net Position</i>	(345,112)	177,338
<i>Net Position (Deficit) Beginning of Year</i>	<u>14,127,870</u>	<u>14,444,845</u>
<i>Net Position (Deficit) End of Year</i>	<u>\$13,782,758</u>	<u>\$14,622,183</u>

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

Change in net position of business-type activities

See accompanying notes to the basic financial statements

Activities		Governmental Activities - Internal Service Fund
Water	Total	
\$2,104,759	\$28,522,913	\$2,310,267
13,502	849,769	2,783
<u>2,118,261</u>	<u>29,372,682</u>	<u>2,313,050</u>
634,333	3,898,044	0
326,158	2,270,410	0
102,790	1,914,176	267,990
66,829	4,358,599	0
0	13,179,921	0
490,740	2,532,972	0
<u>0</u>	<u>0</u>	<u>2,114,499</u>
<u>1,620,850</u>	<u>28,154,122</u>	<u>2,382,489</u>
<u>497,411</u>	<u>1,218,560</u>	<u>(69,439)</u>
341	1,153	0
0	(177,412)	0
<u>(175,344)</u>	<u>(887,667)</u>	<u>0</u>
<u>(175,003)</u>	<u>(1,063,926)</u>	<u>0</u>
322,408	154,634	(69,439)
<u>6,807,902</u>		<u>(71,180)</u>
<u>\$7,130,310</u>		<u>(\$140,619)</u>
	<u>(33,958)</u>	
	<u>\$120,676</u>	

City of Dover, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013

	Business-Type Activities				Governmental Activities - Internal Service Fund
	Sewer	Electric	Water	Total	
Increase (Decrease) in Cash and Cash Equivalents					
Cash Flows from Operating Activities					
Cash Received from Customers	\$3,364,400	\$22,718,210	\$2,116,023	\$28,198,633	\$0
Cash Received from Transactions with Other Funds	0	0	0	0	2,310,267
Other Cash Receipts	21,756	814,511	13,502	849,769	2,600
Electric Deposits Received	0	0	0	0	0
Cash Payments to Employees for Services	(1,452,738)	(3,797,196)	(942,073)	(6,192,007)	0
Cash Payments for Purchased Power	0	(11,747,607)	0	(11,747,607)	0
Cash Payments for Goods and Services	(733,286)	(6,132,136)	(172,699)	(7,038,121)	(267,990)
Cash Payments for Claims	0	0	0	0	(2,047,152)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>1,200,132</u>	<u>1,855,782</u>	<u>1,014,753</u>	<u>4,070,667</u>	<u>(2,275)</u>
Cash Flows from Capital and Related Financing Activities					
Principal Paid on Loans	(564,841)	0	0	(564,841)	0
Interest Paid on Loans	(373,649)	0	0	(373,649)	0
Principal Paid on Bonds	0	(1,005,000)	(330,000)	(1,335,000)	0
Interest Paid on Bonds	0	(440,611)	(165,533)	(606,144)	0
Sale of Capital Assets	0	4,317	1,395	5,712	0
Payments for Capital Acquisitions	(345,514)	(713,949)	(202,534)	(1,261,997)	0
<i>Net Cash Used in Capital and Related Financing Activities</i>	<u>(1,284,004)</u>	<u>(2,155,243)</u>	<u>(696,672)</u>	<u>(4,135,919)</u>	<u>0</u>
Cash Flows from Investing Activities					
Interest on Investments	2	78,299	366	78,667	0
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	<u>(83,870)</u>	<u>(221,162)</u>	<u>318,447</u>	<u>13,415</u>	<u>(2,275)</u>
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>3,391,114</u>	<u>5,275,853</u>	<u>1,906,520</u>	<u>10,573,487</u>	<u>39,329</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$3,307,244</u>	<u>\$5,054,691</u>	<u>\$2,224,967</u>	<u>\$10,586,902</u>	<u>\$37,054</u>

(continued)

City of Dover, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2013

	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)	\$28,535	\$692,614	\$497,411	\$1,218,560	(\$69,439)
Adjustments:					
Depreciation	1,105,458	936,774	490,740	2,532,972	0
(Increase) Decrease in Assets:					
Accounts Receivable	14,691	(350,206)	11,264	(324,251)	(183)
Intergovernmental Receivable	(2,895)	0	0	(2,895)	0
Materials and Supplies Inventory	(3,717)	(101,687)	(4,785)	(110,189)	0
Prepaid Items	(1,612)	462	(297)	(1,447)	0
Increase (Decrease) in Liabilities:					
Accounts Payable	33,665	64,909	(7,511)	91,063	0
Accrued Wages	3,203	(35,601)	15,484	(16,914)	0
Contracts Payable	10,554	688,389	(21,389)	677,554	0
Intergovernmental Payable	(3,389)	(15,373)	4,344	(14,418)	0
Vacation Benefits Payable	7,165	16,120	2,307	25,592	0
Compensated Absences Payable	32,297	(43,493)	27,185	15,989	0
Retainage Payable	(23,823)	8	0	(23,815)	0
Customer Deposits	0	2,866	0	2,866	0
Claims Payable	0	0	0	0	67,347
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$1,200,132</u>	<u>\$1,855,782</u>	<u>\$1,014,753</u>	<u>\$4,070,667</u>	<u>(\$2,275)</u>

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2013

	Private Purpose Trust
Assets	
Equity in Pooled Cash and Cash Equivalents	\$225,540
Net Position	
Held in Trust for Cemetery	\$225,540

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Year Ended December 31, 2013

	Private-Purpose Trust
Additions	
Deposits for Burial Expenses	\$18,150
Interest	98
	18,248
<i>Total Additions</i>	18,248
Deductions	
Burial Expense	15,118
	3,130
<i>Change in Net Position</i>	3,130
<i>Net Position Beginning of Year</i>	222,410
	\$225,540
	\$225,540

See accompanying notes to the basic financial statements

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Note 1 - Description of the City and Reporting Entity

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

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

Reporting Entity

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

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

The City participates in the Community Improvement Corporation of Tuscarawas County, Tuscarawas County Regional Planning Commission and Ohio Mid-Eastern Governments Association (OMEGA) as jointly governed organizations and the Ohio Municipal Electric Generation Agency (JV2) joint venture. These organizations are presented in Notes 15 and 17 of the Basic Financial Statements.

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

Note 2 - Summary of Significant Accounting Policies

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

Basis of Presentation

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

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

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City’s governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

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

Fund Accounting

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

Governmental Funds Governmental funds are those through which most governmental functions are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The following are the City's major governmental funds:

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

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

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

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

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

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

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

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

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

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

Measurement Focus

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

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

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

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources and in the presentation of expenses versus expenditures.

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

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

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2013, but which were levied to finance 2014 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City unavailable revenue includes delinquent property taxes, income taxes, charges for services, and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

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

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

Cash and Cash Equivalents

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

During 2013, investments were limited to STAROhio, Huntington Treasury Money Market II Mutual Fund and First American Funds Government Obligations Mutual Fund.

Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost. The fair value of the mutual funds is determined by the fund’s December 31, 2013, 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 2013. 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, 2013.

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 2013 amounted to \$11,348 which includes \$8,841 assigned from other City funds.

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

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2013, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expenditure/expense in the year in which the services are consumed.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Inventory

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

Restricted Assets

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

Capital Assets

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

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

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

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

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “interfund receivables/payables.” Interfund balance amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Compensated Absences

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

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

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

Accrued Liabilities and Long-Term Obligations

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

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

Fund Balance

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

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

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

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

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by City Council. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute. State statute authorizes the City Auditor to assign fund balance for purchases on order, provided such amounts have been lawfully appropriated. City Council assigned fund balance to cover a gap between estimated revenue and appropriations in the 2014 appropriated budget.

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

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

Net Position

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

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

Operating Revenues and Expenses

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

Bond Premiums and Discounts

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

Deferred Charge on Refunding

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

Estimates

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

Regulated Asset

As determined by the City's Utility Board, electric rates are designed to recover the cost of providing electric service and it is reasonable to assume that those rates can be charged to and collected from electric customers. In 2013, the City incurred a share of the impaired costs related to the AMP Generating Station project (see Note 14). This specific amount will be included in future electric rates through an automatic rate adjustment clause in order for the City to recover these impaired costs from electric customers and therefore has been recorded as a regulated asset on the City's financial statements.

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 2013 as there was no budgetary activity for 2013. 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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the object level within each department. Any budgetary modifications at this level may only be made by resolution of City Council.

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

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

Note 3 – Change in Accounting Principles

For 2013, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 61, "The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34." GASB Statement No. 61 modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity, the display of component units presentation and certain disclosure requirements. The implementation of this statement did not result in any change in the City's financial statements.

Note 4 – Accountability and Compliance

Accountability

The deficit in the small cities block grant capital projects fund of \$45,780 was caused by the recognition of expenditures on the modified basis of accounting. The general fund is liable for the deficit in this fund and provides transfers when cash is required, not when accruals occur.

At December 31, 2013, the employee health insurance internal service fund had deficit net position in the amount of \$140,619. Management is currently analyzing the operations of this fund to determine appropriate action to alleviate the deficit.

Compliance

Contrary to Ohio Revised Code 5705.39, the master capital fund had original appropriations of \$4,013,254, and original revenues plus carryover balances of \$3,985,612, leaving an excess of \$27,642. Management has indicated that appropriations will be closely monitored to ensure no further violations.

Contrary to Ohio Revised Code 5705.41(D), 24 percent of expenditures tested were not certified by the City Auditor prior to incurring the obligation. In addition, the City had one out of two blankets that were not properly closed at year end and were used to make 2013 purchases. Also, the City had one blanket certificate issued for \$250,000 and one for \$235,000 that exceeded the threshold limit of \$25,000 set by City ordinance.

City of Dover, Ohio
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For the Year Ended December 31, 2013

Note 5 - Budgetary Basis of Accounting

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as restricted, committed, or assigned 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	\$336,136
Net Adjustment for Revenue Accruals	(62,834)
Unrecorded Cash	(4,563)
Net Adjustment for Expenditure Accruals	127,366
Encumbrances	(48,096)
Budget Basis	<u><u>\$348,009</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.

City of Dover, Ohio
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For the Year Ended December 31, 2013

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

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

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

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

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, \$9,200,289 of the City's bank balance of \$10,200,289 was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the Federal Deposit Insurance Corporation.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

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, 2013, the City had the following investments:

	Fair Value	Maturity
Investment in State		
Treasurer's Investment Pool	\$4,977,679	53 day average
Huntington Treasury Money		
Market II Mutual Fund	509,768	49 day average
First American Funds Government		
Obligations Mutual Fund	1,014,737	51 day average
Total Investments	\$6,502,184	

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.

Note 7 - Receivables

Receivables at December 31, 2013, 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	\$665,859	\$0	\$665,859
Business Type Activities	5,101,352	226,444	4,874,908

City of Dover, Ohio
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For the Year Ended December 31, 2013

The community development block grant monies loaned to local businesses are reported as loans receivable and are also considered collectible in full. \$49,830 of the \$81,935 loans receivable are not scheduled to be collected within one year.

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2013 for real and public utility property taxes represents collections of the 2012 taxes.

2013 real property taxes are levied after October 1, 2013, on the assessed value as of January 1, 2013, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2013 real property taxes are collected in and intended to finance 2014.

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. 2013 public utility property taxes which became a lien December 31, 2012, are levied after October 1, 2013, and are collected in 2014 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2013, was \$6.60 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2013 property tax receipts were based are as follows:

Real Property	\$232,801,980
Public Utility Property	631,390
Total	<u>\$233,433,370</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Dover. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which are measurable as of December 31, 2013 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2013 operations is offset to deferred inflows of resources — property taxes. On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on modified accrual basis the revenue has been reported as deferred inflows of resources — unavailable revenue.

Income Taxes

For 2013, the City levied a municipal income tax of 1.5 percent on substantially all earned income arising from employment, residency or business activities within the City. The City allows a credit of 100 percent for the income tax paid to another municipality, not to exceed one and a half percent of taxable income, to a maximum of the total amount assessed.

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

City of Dover, Ohio
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For the Year Ended December 31, 2013

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	
Gasoline Tax	\$233,315
Local Government	163,962
Estate Tax	52,267
Motor Vehicle Tax	55,009
Homestead and Rollback	58,460
Grants	1,863
Municipal Court Fines	1,728
Hotel/Motel Tax	6,787
<i>Total Governmental Activities</i>	<i>\$573,391</i>
Business-Type Activities	
Sewer	\$6,981

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 2013, the City contracted with The Travelers Company for boiler and machinery insurance. EMC covers the general liability and property insurance. Auto Owners covers electronic data processing, while police and professional liability are protected by Westfield/Scottsdale/Merchants Mutual with a \$1,000,000 limit and a \$10,000 deductible. An umbrella policy with Merchants Mutual covers a \$5,000,000 excess law enforcement liability. The City has a cyber insurance policy with Axis Insurance.

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

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

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

City of Dover, Ohio
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For the Year Ended December 31, 2013

The City has elected to provide employee medical/surgical benefits through a self-insured program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. A third-party administrator, Aultcare, Inc. located in Canton, Ohio, reviews all claims which are then paid by the City. An excess coverage insurance policy covers claims in excess of \$150,000 per employee and an aggregate of \$2,589,264 per year. The City pays into the self-insurance internal service fund \$1,000 family coverage or \$500 individual coverage per employee per month which represents the entire premium required. This premium is paid by the fund that pays the salary of the employee and is based on historic cost information. In 2012, a resolution was adopted which allows an additional \$500 premium to be paid for each employee monthly on an as needed basis.

The claims liability of \$180,256 reported in the fund at December 31, 2013, 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 2012 and 2013 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2012	\$249,225	\$2,149,883	\$2,286,199	\$112,909
2013	112,909	2,114,499	2,047,152	180,256

Note 9 – Other Employee Benefits

Compensated Absences

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

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

Life Insurance

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Note 10 - Capital Assets

Capital asset activity for the year ended December 31, 2013, was as follows:

	<u>Balance</u> 12/31/12	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> 12/31/13
Governmental Activities				
Capital Assets, not being depreciated:				
Land	\$1,317,313	\$0	\$0	\$1,317,313
Construction in Progress	0	338,325	0	338,325
Total Capital Assets, not being Depreciated	<u>1,317,313</u>	<u>338,325</u>	<u>0</u>	<u>1,655,638</u>
Capital Assets, being Depreciated				
Buildings	3,078,322	1,699	0	3,080,021
Improvements Other Than Buildings	1,878,457	46,079	0	1,924,536
Equipment and Machinery	2,981,673	389,116	(232,538)	3,138,251
Furniture and Fixtures	57,212	0	(245)	56,967
Vehicles	3,643,048	151,398	(334,732)	3,459,714
Infrastructure	22,996,965	45,132	(69,300)	22,972,797
Total Capital Assets, being Depreciated	<u>34,635,677</u>	<u>633,424</u>	<u>(636,815)</u>	<u>34,632,286</u>
Less Accumulated Depreciation:				
Buildings	(1,050,610)	(62,630)	0	(1,113,240)
Improvements Other Than Buildings	(866,907)	(63,661)	0	(930,568)
Equipment and Machinery	(1,558,931)	(181,345)	164,520	(1,575,756)
Furniture and Fixtures	(47,097)	(1,289)	245	(48,141)
Vehicles	(2,660,139)	(292,087)	291,106	(2,661,120)
Infrastructure	<u>(12,393,263)</u>	<u>(407,358)</u>	<u>57,215</u>	<u>(12,743,406)</u>
Total Accumulated Depreciation	<u>(18,576,947)</u>	<u>(1,008,370)</u> *	<u>513,086</u>	<u>(19,072,231)</u>
Total Capital Assets, being Depreciated, net	<u>16,058,730</u>	<u>(374,946)</u>	<u>(123,729)</u>	<u>15,560,055</u>
Governmental Activities Capital Assets, Net	<u>\$17,376,043</u>	<u>(\$36,621)</u>	<u>(\$123,729)</u>	<u>\$17,215,693</u>

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

General Government	\$38,221
Security of Persons and Property	263,506
Transportation	586,338
Public Health Services	13,305
Leisure Time Activities	107,000
Total Governmental Depreciation Expense	<u>\$1,008,370</u>

City of Dover, Ohio
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For the Year Ended December 31, 2013

	Balance 12/31/12	Additions	Deductions	Balance 12/31/13
Business-Type Activities				
Capital Assets, not being depreciated:				
Land	\$435,066	\$0	\$0	\$435,066
Construction in Progress	561,115	456,407	(516,894)	500,628
Total Capital Assets, not being Depreciated	<u>996,181</u>	<u>456,407</u>	<u>(516,894)</u>	<u>935,694</u>
Capital Assets, being Depreciated				
Buildings	29,566,803	179,792	0	29,746,595
Improvements Other Than Buildings	2,876,270	9,075	0	2,885,345
Equipment and Machinery	24,344,382	190,041	(2,880)	24,531,543
Furniture and Fixtures	152,641	6,488	0	159,129
Vehicles	1,670,597	368,720	(85,177)	1,954,140
Infrastructure	32,620,107	568,368	(38,510)	33,149,965
Total Capital Assets, being Depreciated	<u>91,230,800</u>	<u>1,322,484</u>	<u>(126,567)</u>	<u>92,426,717</u>
Less Accumulated Depreciation:				
Buildings	(8,270,716)	(646,173)	0	(8,916,889)
Improvements Other Than Buildings	(1,280,461)	(144,268)	0	(1,424,729)
Equipment and Machinery	(16,282,959)	(894,079)	1,485	(17,175,553)
Furniture and Fixtures	(102,462)	(5,763)	0	(108,225)
Vehicles	(1,320,693)	(199,391)	85,177	(1,434,907)
Infrastructure	(15,095,551)	(643,298)	34,193	(15,704,656)
Total Accumulated Depreciation	<u>(42,352,842)</u>	<u>(2,532,972)</u>	<u>120,855</u>	<u>(44,764,959)</u>
Total Capital Assets, being Depreciated, net	<u>48,877,958</u>	<u>(1,210,488)</u>	<u>(5,712)</u>	<u>47,661,758</u>
Business-Type Activities Capital Assets, Net	<u>\$49,874,139</u>	<u>(\$754,081)</u>	<u>(\$522,606)</u>	<u>\$48,597,452</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, 2013, the audits of certain of these programs have not been completed. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

Note 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

City of Dover, Ohio
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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, 2013, members in state and local classifications contributed 10 percent of covered payroll. For 2013, member and employer contribution rates were consistent across all three plans.

The City's 2013 contribution rate was 14 percent. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. For 2013, the portion of employer contribution allocated to health care was 1 percent for members in the Traditional Plan and the Combined Plan. Effective January 1, 2014, the portion of employer contributions allocated to health care increased to 2 percent. 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, 2013, 2012, and 2011 were \$795,633, \$610,838, and \$592,228, respectively. For 2013, 91.31 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2012 and 2011. There were no contributions to the member-directed plan for 2013.

Ohio Police and Fire Pension Fund

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

Funding Policy – Employer and employee contribution rates are set by the Ohio Revised Code. From January 1, 2013, through July 1, 2013, plan members were required to contribute 10 percent of their annual covered salary. From July 2, 2013, through December 31, 2013, plan members were required to contribute 10.75 percent of their annual covered salary. Throughout 2013, employers were required to contribute 19.5 percent and 24 percent respectively for police officers and firefighters.

City of Dover, Ohio
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For the Year Ended December 31, 2013

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. For January 1, 2013, through May 31, 2013, the portion of employer contributions used to fund pension benefits was 14.81 percent of covered payroll for police officers and 19.31 percent of covered payroll for firefighters. For June 1, 2013, through December 31, 2013, the portion of employer contributions used to fund pension benefits was 16.65 percent of covered payroll for police officers and 21.15 percent of covered payroll for firefighters. The City's contributions to OP&F for police and firefighters pension were \$197,476 and \$250,871 for the year ended December 31, 2013, \$158,636 and \$208,191 for the year ended December 31, 2012, and \$157,821 and \$214,258 for the year ended December 31, 2011, respectively. For 2013, 88.11 percent has been contributed for police and 90.20 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 2012 and 2011.

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, 2013, the unfunded liability of the City was \$252,657, 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
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Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2013, State and local employers contributed at a rate of 14 percent of covered payroll. This is the maximum employer contribution rate permitted by Ohio Revised Code.

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. For 2013, the portion of employer contributions allocated to health care for members in the Traditional Plan and the Combined Plan was 1 percent. Effective January 1, 2014, the portion of the employer contributions allocated to healthcare was raised to 2 percent for both plans, as recommended by the OPERS Actuary.

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

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2013, 2012, and 2011 were \$61,203, \$244,335, and \$236,891, respectively. For 2013, 91.31 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2012 and 2011.

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

Ohio Police and Fire Pension Fund

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

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

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

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

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

City of Dover, Ohio
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For the Year Ended December 31, 2013

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 January 1, 2013, through May 31, 2013, the employer contributions allocated to the health care plan were 4.69 percent of covered payroll. For June 1, 2013, through December 31, 2013, the employer contributions allocated to the health care plan were 2.85 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 \$45,017 and \$44,561 for the year ended December 31, 2013, \$83,984 and \$81,466 for the year ended December 31, 2012, and \$83,552 and \$83,840 for the year ended December 31, 2011. For 2013, 88.11 percent has been contributed for police and 90.20 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 2012 and 2011.

Note 14 - Long-Term Debt

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
Governmental Activities			
Various Purpose General Obligation Bonds - 2011	2.0-3.625 %	\$2,670,000	December 1, 2031
State Infrastructure Bank Loan - 2010	3.00	902,165	September 22, 2019
OPWC Loan - 2011	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 - 2011	2.0-3.25	6,975,000	December 1, 2026

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

A schedule of changes in bonds and other long-term obligations of the City during 2013 follows:

	Amount Outstanding 12/31/12	Additions	Deletions	Amount Outstanding 12/31/13	Amounts Due in One Year
Governmental Activities					
Police and Fire Pension	\$259,750	\$0	\$7,093	\$252,657	\$7,398
Various Purpose General Obligation Bonds	2,570,000	0	105,000	2,465,000	110,000
Premium on Various Purpose Bonds	34,102	0	1,795	32,307	0
State Infrastructure Bank Loan	762,898	0	88,241	674,657	104,241
OPWC Loan	95,000	0	10,000	85,000	10,000
Compensated Absences	1,189,427	62,393	1,755	1,250,065	180,119
Total Governmental Activities	<u>\$4,911,177</u>	<u>\$62,393</u>	<u>\$213,884</u>	<u>\$4,759,686</u>	<u>\$411,758</u>
Business-Type Activities					
<u>Revenue Bonds</u>					
Waterworks System Refunding	\$3,502,603	\$0	\$289,689	\$3,212,914	\$302,857
Discount	(17,553)	0	(1,755)	(15,798)	0
Municipal Electric System Refunding	5,565,000	0	700,000	4,865,000	730,000
Premium	129,087	0	18,441	110,646	0
Waterworks System Improvement	487,397	0	40,311	447,086	42,143
Total Revenue Bonds	<u>9,666,534</u>	<u>0</u>	<u>1,046,686</u>	<u>8,619,848</u>	<u>1,075,000</u>
Various Purpose General Obligation Bonds	6,690,000	0	305,000	6,385,000	305,000
Premium on Various Purpose Bonds	106,726	0	5,617	101,109	0
OWDA Loan Payable	11,206,348	0	564,841	10,641,507	0
AMPGS Payable	0	1,506,654	0	1,506,654	83,703
Compensated Absences	769,058	15,989	0	785,047	187,637
Total Business-Type Activities	<u>\$28,438,666</u>	<u>\$1,522,643</u>	<u>\$1,922,144</u>	<u>\$28,039,165</u>	<u>\$1,651,340</u>

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

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

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

Revenue Bonds

In 2004, the City issued \$5,785,000 in Waterworks System Refunding Revenue Bonds with interest rates varying from 2.0 percent to 4.5 percent. Proceeds were used to current refund the \$5,215,000 current outstanding waterworks system revenue bonds and take advantage of lower interest rates. The refunded bonds were callable at 102 percent. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2013, \$2,785,000 of the defeased bonds are still outstanding.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

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, 2013, were as follows:

Restricted Assets Held by City	
Replacement and Improvement	\$1,079,685
Restricted Assets Held by the Trustee	
Revenue Bond Current Debt Service	\$509,768

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

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

The City has pledged future revenues to repay the Waterworks System Improvement Refunding Revenue and Revenue Bonds. The bonds are payable solely from net revenues and are payable through 2022. Net revenues include all revenues received by the water utility less all operating expenses other than depreciation expense. Annual principal payments on the loans are expected to require less than 34 percent of net revenues and less than 16 percent of total revenues. The total principal and interest remaining to be paid on the bonds is \$4,472,358. Principal and interest paid for the current year were \$495,533, net revenues were \$988,492 and total revenues were \$2,118,602.

In 2005, 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, 2013, \$3,795,000 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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Restricted assets relating to the electric revenue bonds at December 31, 2013, were as follows:

Restricted Assets Held by City	
Replacement and Improvement	\$2,137,478
Restricted Assets Held by the Trustee	
Revenue Bond Current Debt Service	\$1,014,737

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. Annual principal payments on the loans are expected to require less than 43 percent of net revenues and less than 3 percent of total revenues. The total principal and interest remaining to be paid on the bonds is \$5,577,017. Principal and interest paid for the current year were \$936,897, net revenues were \$1,630,198 and total revenues were \$23,880,871.

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

As of December 31, 2013, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$15,575,504 and the unvoted legal debt margin was \$3,903,835. Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2013 are as follows:

Year Ending December 31	Waterworks System Revenue Bonds		Municipal Electric System Revenue Bonds		Electric General Obligation Bonds		AMPGS Payable
	Principal	Interest	Principal	Interest	Principal	Interest	Principal
2014	\$345,000	\$150,744	\$730,000	\$201,899	\$305,000	\$201,580	\$83,703
2015	355,000	137,978	760,000	165,398	315,000	197,139	167,406
2016	375,000	124,489	790,000	137,278	320,000	191,614	167,406
2017	400,000	109,489	825,000	103,702	325,000	180,656	167,406
2018	405,000	93,489	860,000	68,640	335,000	168,975	167,406
2019-2023	1,780,000	196,169	900,000	35,100	1,800,000	671,654	753,327
2024-2028	0	0	0	0	1,890,000	387,555	0
2029-2031	0	0	0	0	1,095,000	78,908	0
Total	\$3,660,000	\$812,358	\$4,865,000	\$712,017	\$6,385,000	\$2,078,081	\$1,506,654

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Year Ending December 31	Various Purpose		State Infrastructure		OPWC Loan Principal	Police and Fire Pension	
	General Obligation Bond		Bank Loan			Principal	Interest
	Principal	Interest	Principal	Interest			
2014	\$110,000	\$72,701	\$104,241	\$19,464	\$10,000	\$7,398	\$10,647
2015	110,000	68,842	107,392	16,313	10,000	7,715	10,330
2016	110,000	65,867	110,637	13,067	10,000	8,047	9,998
2017	115,000	63,925	113,983	9,723	10,000	8,392	9,653
2018	115,000	58,006	117,427	6,278	10,000	8,753	9,292
2019-2023	630,000	234,890	120,977	2,729	35,000	49,736	40,489
2024-2028	750,000	150,789	0	0	0	61,376	28,849
2029-2033	525,000	37,994	0	0	0	75,738	14,487
2034-2035	0	0	0	0	0	25,502	1,062
Total	<u>\$2,465,000</u>	<u>\$753,014</u>	<u>\$674,657</u>	<u>\$67,574</u>	<u>\$85,000</u>	<u>\$252,657</u>	<u>\$134,807</u>

American Municipal Power Generating Station Project

The City is a member of American Municipal Power (AMP) and has participated in the AMP Generating Station (AMPGS) Project. This project intended to develop a pulverized coal power plant in Meigs County, Ohio. The City's share was 21,000 kilowatts of a total 771,281 kilowatts, giving the City a 2.72 percent share. The AMPGS Project required participants to sign "take or pay" contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. In November 2009, the participants voted to terminate the AMPGS Project due to projected escalating costs. These costs were therefore deemed *impaired* and participants were obligated to pay costs already incurred. In prior years, the payment of these costs was not considered probable due to AMP's pursuit of legal action to void them. As a result of a March 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014, approved the collection of the impaired costs and provided the participants with an estimate of their liability. The City's estimated share of the impaired costs is \$3,638,459. The City received a credit of \$1,182,083 related to the City's participation in the AMP Freemont Energy Center (AFEC) Project, and another credit of \$949,722 related to the AMPGS costs deemed to have future benefit for the project participants, leaving a net impaired cost estimate of \$1,506,654. Because payment is now probable and reasonably estimable, the City is reporting an AMP payable in the business-type activities for these impaired costs. AMP financed these costs on its revolving line of credit. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact the City's liability. These amounts will be recorded as they become estimable.

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Note 15 – 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-five trustees consisting of the three County Commissioners, the mayor of each participating city and forty-five 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 2013, the City contributed \$12,828.

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 board members, the City appoints three. Each member's control over the operation of the Commission is limited to its representation on the board. The board exercises total control over the operation of the Commission including budgeting, appropriating, contracting, and designating management. The Commission makes studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economic and governmental characteristics, functions and services of the county. In 2013, the City contributed \$2,052.

Ohio Mid-Eastern Governments Association (OMEGA)

The City is associated with the Ohio Mid-Eastern Governments Association (OMEGA), which is a ten county regional council of governments comprised of Belmont, Carroll, Coshocton, Columbiana, Guernsey, Harrison, Holmes, Jefferson, Muskingum and Tuscarawas counties. OMEGA was formed to aid and assist the participating counties and political subdivisions within the counties in the application for Appalachian Regional Commission and Economic Development grant monies. OMEGA is governed by a twenty-one 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 the operation of OMEGA, including budgeting, personnel and financial matters. Each member currently pays a per capita membership fee based on the most recent United States census. During 2013, OMEGA received \$1,924 from the City of Dover for an annual fee. OMEGA has no outstanding debt.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

Note 16 – Fund Balances

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

Fund Balances	General	Master Capital	Other Governmental Funds	Total
<u>Nonspendable:</u>				
Inventory	\$48,042	\$0	\$111,887	\$159,929
Prepays	61,414	0	19,205	80,619
Unclaimed Monies	5,699	0	0	5,699
<i>Total Nonspendable</i>	<u>115,155</u>	<u>0</u>	<u>131,092</u>	<u>246,247</u>
<u>Restricted for:</u>				
Street Maintenance and Repair	0	0	132,282	132,282
Cemetery	0	0	782,581	782,581
Law Enforcement and Education	0	0	104,695	104,695
Revolving Loan Program	0	0	483,210	483,210
Capital Projects	0	0	74,896	74,896
<i>Total Restricted</i>	<u>0</u>	<u>0</u>	<u>1,577,664</u>	<u>1,577,664</u>
<u>Committed to:</u>				
Ambulance	0	0	276,694	276,694
Shade Tree	0	0	2,737	2,737
Capital Improvements	0	2,045,257	0	2,045,257
<i>Total Committed</i>	<u>0</u>	<u>2,045,257</u>	<u>279,431</u>	<u>2,324,688</u>
<u>Assigned to:</u>				
Purchases on Order	8,392	0	0	8,392
2014 Appropriations	1,077,097	0	0	1,077,097
<i>Total Assigned</i>	<u>1,085,489</u>	<u>0</u>	<u>0</u>	<u>1,085,489</u>
Unassigned	1,073,477	0	(45,780)	1,027,697
Total Fund Balances	<u><u>\$2,274,121</u></u>	<u><u>\$2,045,257</u></u>	<u><u>\$1,942,407</u></u>	<u><u>\$6,261,785</u></u>

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.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013

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

OMEGA JV2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economic status of the participants' respective municipal electric utility system. The Project consists of 138.65 MW of distributed generation of which 134.081 MW is the participants' entitlement and 4.569 MW are held in reserve. On dissolution of OMEGA JV2, the net position will be shared by the participants on a percentage of ownership basis. OMEGA JV2 is managed by AMP, which acts as the joint venture's agent. During 2001, AMP issued \$50,260,000 of 20 year fixed rate bonds on behalf of the Financing Participants of OMEGA JV2. The net proceeds of the bond issue of \$45,904,712 were contributed to OMEGA JV2. On January 3, 2011, AMP redeemed all of the \$31,110,000 OMEGA JV2 Project Distributive Generation Bonds then outstanding by borrowing on AMP's revolving credit facility. As such, the remaining outstanding bond principal of the OMEGA JV2 indebtedness was reduced to zero, with the remaining principal balance now residing on the AMP credit facility. As of December 31, 2013, the outstanding debt was \$15,769,323. 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 \$1,189,543 at December 31, 2013. Complete financial statements for OMEGA JV2 may be obtained from AMP or from the State Auditor's website at www.ohioauditor.gov.

Note 18 – Significant Commitments

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

General	\$48,096
Master Capital	249,215
Sewer	52,309
Electric	775,430
Water	610,093
Nonmajor Funds	321,752
Totals	\$2,056,895

**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 2013.

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 2013.

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, 2013

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,667,062	\$0	\$74,896	\$1,741,958
Cash and Cash Equivalents With Fiscal Agents	0	1,735	0	1,735
Materials and Supplies Inventory	111,887	0	0	111,887
Accounts Receivable	542,057	0	0	542,057
Intergovernmental Receivable	297,175	0	0	297,175
Prepaid Items	19,205	0	0	19,205
Income Tax Receivable	402,205	0	0	402,205
Property Taxes Receivable	125,838	0	0	125,838
Loans Receivable	81,935	0	0	81,935
<i>Total Assets</i>	<u>\$3,247,364</u>	<u>\$1,735</u>	<u>\$74,896</u>	<u>\$3,323,995</u>
Liabilities				
Accounts Payable	\$16,286	\$0	\$0	\$16,286
Accrued Wages	21,834	0	0	21,834
Contracts Payable	6,114	0	45,780	51,894
Intergovernmental Payable	94,973	0	0	94,973
Matured Interest Payable	0	1,735	0	1,735
<i>Total Liabilities</i>	<u>139,207</u>	<u>1,735</u>	<u>45,780</u>	<u>186,722</u>
Deferred Inflows of Resources				
Property Taxes	122,458	0	0	122,458
Unavailable Revenue	1,072,408	0	0	1,072,408
<i>Total Deferred Inflows of Resources</i>	<u>1,194,866</u>	<u>0</u>	<u>0</u>	<u>1,194,866</u>
Fund Balances				
Nonspendable	131,092	0	0	131,092
Restricted	1,502,768	0	74,896	1,577,664
Committed	279,431	0	0	279,431
Unassigned (Deficit)	0	0	(45,780)	(45,780)
<i>Total Fund Balances</i>	<u>1,913,291</u>	<u>0</u>	<u>29,116</u>	<u>1,942,407</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$3,247,364</u>	<u>\$1,735</u>	<u>\$74,896</u>	<u>\$3,323,995</u>

City of Dover, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2013

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$131,326	\$0	\$131,326
Income Taxes	1,415,000	0	1,415,000
Intergovernmental	623,149	312,730	935,879
Interest	7,613	0	7,613
Fines, Licenses and Permits	336	0	336
Charges for Services	426,546	0	426,546
Other	47,140	0	47,140
<i>Total Revenues</i>	<u>2,651,110</u>	<u>312,730</u>	<u>2,963,840</u>
Expenditures			
Current:			
Security of Persons and Property	540,745	0	540,745
Transportation	1,158,730	0	1,158,730
Public Health Services	726,281	0	726,281
Capital Outlay	0	335,871	335,871
Debt Service:			
Principal Retirement	7,093	0	7,093
Interest and Fiscal Charges	10,952	0	10,952
<i>Total Expenditures</i>	<u>2,443,801</u>	<u>335,871</u>	<u>2,779,672</u>
<i>Net Change in Fund Balances</i>	207,309	(23,141)	184,168
<i>Fund Balances Beginning of Year</i>	<u>1,705,982</u>	<u>52,257</u>	<u>1,758,239</u>
<i>Fund Balances End of Year</i>	<u><u>\$1,913,291</u></u>	<u><u>\$29,116</u></u>	<u><u>\$1,942,407</u></u>

City of Dover, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2013

	Street Maintenance and Repair	State Highway	Police and Fire Pension	Ambulance	Cemetery
Assets					
Equity in Pooled Cash and Cash Equivalents	\$91,119	\$26,847	\$46,926	\$280,920	\$776,695
Materials and Supplies Inventory	111,887	0	0	0	0
Accounts Receivable	0	0	0	542,057	0
Intergovernmental Receivable	268,534	19,790	8,851	0	0
Prepaid Items	10,371	0	0	4,717	4,117
Income Tax Receivable	151,915	0	151,915	0	98,375
Property Taxes Receivable	0	0	125,838	0	0
Loans Receivable	0	0	0	0	0
<i>Total Assets</i>	<u>\$633,826</u>	<u>\$46,637</u>	<u>\$333,530</u>	<u>\$827,694</u>	<u>\$879,187</u>
Liabilities					
Accounts Payable	\$11,301	\$0	\$0	\$4,226	\$759
Accrued Wages	15,144	0	0	0	6,690
Contracts Payable	166	5,948	0	0	0
Intergovernmental Payable	25,534	0	57,774	0	11,665
<i>Total Liabilities</i>	<u>52,145</u>	<u>5,948</u>	<u>57,774</u>	<u>4,226</u>	<u>19,114</u>
Deferred Inflows of Resources					
Property Taxes	0	0	122,458	0	0
Unavailable Revenue	351,050	16,780	89,146	542,057	73,375
<i>Total Deferred Inflows of Resources</i>	<u>351,050</u>	<u>16,780</u>	<u>211,604</u>	<u>542,057</u>	<u>73,375</u>
Fund Balances					
Nonspendable	122,258	0	0	4,717	4,117
Restricted	108,373	23,909	64,152	0	782,581
Committed	0	0	0	276,694	0
<i>Total Fund Balances (Deficit)</i>	<u>230,631</u>	<u>23,909</u>	<u>64,152</u>	<u>281,411</u>	<u>786,698</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$633,826</u>	<u>\$46,637</u>	<u>\$333,530</u>	<u>\$827,694</u>	<u>\$879,187</u>

Revolving Loan	Drug Law Enforcement	Law Enforcement Block Grant	Enforcement and Education	Shade Tree	Total Nonmajor Special Revenue Funds
\$401,275	\$10,765	\$427	\$29,351	\$2,737	\$1,667,062
0	0	0	0	0	111,887
0	0	0	0	0	542,057
0	0	0	0	0	297,175
0	0	0	0	0	19,205
0	0	0	0	0	402,205
0	0	0	0	0	125,838
81,935	0	0	0	0	81,935
<u>\$483,210</u>	<u>\$10,765</u>	<u>\$427</u>	<u>\$29,351</u>	<u>\$2,737</u>	<u>\$3,247,364</u>
\$0	\$0	\$0	\$0	\$0	\$16,286
0	0	0	0	0	21,834
0	0	0	0	0	6,114
0	0	0	0	0	94,973
0	0	0	0	0	139,207
0	0	0	0	0	122,458
0	0	0	0	0	1,072,408
0	0	0	0	0	1,194,866
0	0	0	0	0	131,092
483,210	10,765	427	29,351	0	1,502,768
0	0	0	0	2,737	279,431
483,210	10,765	427	29,351	2,737	1,913,291
<u>\$483,210</u>	<u>\$10,765</u>	<u>\$427</u>	<u>\$29,351</u>	<u>\$2,737</u>	<u>\$3,247,364</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, 2013

	Street Maintenance and Repair	State Highway	Police and Fire Pension	Ambulance	Cemetery
Revenues					
Property Taxes	\$0	\$0	\$131,326	\$0	\$0
Income Taxes	525,000	0	550,000	0	340,000
Intergovernmental	553,148	44,464	17,401	2,500	0
Interest	162	18	0	0	2,118
Fines, Licenses and Permits	0	0	0	0	0
Charges for Services	0	0	0	294,104	132,442
Other	42,513	0	0	0	4,627
<i>Total Revenues</i>	<u>1,120,823</u>	<u>44,482</u>	<u>698,727</u>	<u>296,604</u>	<u>479,187</u>
Expenditures					
Current:					
Security of Persons and Property	0	0	540,745	0	0
Transportation	1,118,407	40,323	0	0	0
Public Health Services	0	0	0	242,842	483,439
Community Environment	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	7,093	0	0
Interest and Fiscal Charges	0	0	10,952	0	0
<i>Total Expenditures</i>	<u>1,118,407</u>	<u>40,323</u>	<u>558,790</u>	<u>242,842</u>	<u>483,439</u>
<i>Net Change in Fund Balances</i>	2,416	4,159	139,937	53,762	(4,252)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>228,215</u>	<u>19,750</u>	<u>(75,785)</u>	<u>227,649</u>	<u>790,950</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$230,631</u>	<u>\$23,909</u>	<u>\$64,152</u>	<u>\$281,411</u>	<u>\$786,698</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	\$131,326
0	0	0	0	0	1,415,000
5,636	0	0	0	0	623,149
5,315	0	0	0	0	7,613
0	0	0	336	0	336
0	0	0	0	0	426,546
0	0	0	0	0	47,140
<u>10,951</u>	<u>0</u>	<u>0</u>	<u>336</u>	<u>0</u>	<u>2,651,110</u>
0	0	0	0	0	540,745
0	0	0	0	0	1,158,730
0	0	0	0	0	726,281
0	0	0	0	0	0
0	0	0	0	0	7,093
0	0	0	0	0	10,952
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,443,801</u>
10,951	0	0	336	0	207,309
<u>472,259</u>	<u>10,765</u>	<u>427</u>	<u>29,015</u>	<u>2,737</u>	<u>1,705,982</u>
<u>\$483,210</u>	<u>\$10,765</u>	<u>\$427</u>	<u>\$29,351</u>	<u>\$2,737</u>	<u>\$1,913,291</u>

City of Dover, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2013

	Small Cities Block Grant	CHIP	Total Nonmajor Capital Projects Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$0	\$74,896	\$74,896
Liabilities			
Contracts Payable	\$45,780	\$0	\$45,780
Fund Balances			
Restricted	0	74,896	74,896
Unassigned (Deficit)	(45,780)	0	(45,780)
<i>Total Fund Balances (Deficit)</i>	(45,780)	74,896	29,116
<i>Total Liabilities and Fund Balances</i>	\$0	\$74,896	\$74,896

City of Dover, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2013

	Small Cities Block Grant	CHIP	Total Nonmajor Capital Projects Funds
Revenues			
Intergovernmental	\$0	\$312,730	\$312,730
Expenditures			
Capital Outlay	45,780	290,091	335,871
<i>Net Change in Fund Balances</i>	(45,780)	22,639	(23,141)
<i>Fund Balances Beginning of Year</i>	0	52,257	52,257
<i>Fund Balances End of Year</i>	(\$45,780)	\$74,896	\$29,116

**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, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$752,430	\$753,704	\$878,474	\$124,770
Income Taxes	3,720,171	3,726,467	4,296,680	570,213
Intergovernmental	1,207,885	1,209,929	1,410,224	200,295
Interest	9,720	9,736	11,348	1,612
Fines, Licenses and Permits	29,832	29,882	34,829	4,947
Charges for Services	841,851	843,276	982,874	139,598
Contributions and Donations	12,591	12,612	14,700	2,088
Other	338,266	338,839	268,259	(70,580)
<i>Total Revenues</i>	6,912,746	6,924,445	7,897,388	972,943
Expenditures				
Current:				
General Government:				
Mayor:				
Salaries and Wages	124,671	124,671	124,411	260
Fringe Benefits	75,207	75,207	69,623	5,584
Purchased Services	7,077	7,077	6,425	652
Materials and Supplies	6,500	6,500	4,190	2,310
<i>Total Mayor</i>	213,455	213,455	204,649	8,806
Auditor:				
Salaries and Wages	151,293	151,293	114,281	37,012
Fringe Benefits	93,504	93,504	87,118	6,386
Purchased Services	20,057	20,057	16,861	3,196
Materials and Supplies	4,773	4,773	4,770	3
<i>Total Auditor</i>	269,627	269,627	223,030	46,597
Treasurer:				
Salaries and Wages	14,544	14,544	14,323	221
Fringe Benefits	4,925	4,925	4,527	398
Purchased Services	772	772	714	58
Materials and Supplies	150	150	30	120
<i>Total Treasurer</i>	\$20,391	\$20,391	\$19,594	\$797

(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, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Law Director:				
Salaries and Wages	\$71,340	\$71,340	\$71,340	\$0
Fringe Benefits	43,250	43,250	40,686	2,564
Purchased Services	88,929	88,930	88,527	403
Materials and Supplies	2,191	2,191	2,188	3
	205,710	205,711	202,741	2,970
Total Law Director				
Civil Service Commission:				
Salaries and Wages	3,000	3,000	2,250	750
Fringe Benefits	490	790	734	56
Purchased Services	5,825	15,525	14,320	1,205
Materials and Supplies	150	150	9	141
	9,465	19,465	17,313	2,152
Total Civil Service Commission				
Income Tax Department:				
Salaries and Wages	94,774	96,200	95,838	362
Fringe Benefits	60,776	60,350	54,304	6,046
Purchased Services	67,050	67,050	14,890	52,160
Materials and Supplies	6,700	6,700	6,483	217
	229,300	230,300	171,515	58,785
Total Income Tax Department				
Council:				
Salaries and Wages	49,198	49,198	49,122	76
Fringe Benefits	14,300	14,300	13,969	331
Purchased Services	25,600	25,600	18,188	7,412
Materials and Supplies	1,000	1,000	561	439
	90,098	90,098	81,840	8,258
Total Council				
Clerk of Council:				
Salaries and Wages	6,197	6,197	6,047	150
Fringe Benefits	2,700	2,700	2,614	86
Purchased Services	700	700	603	97
Materials and Supplies	550	550	33	517
	\$10,147	\$10,147	\$9,297	\$850
Total Clerk of Council				

(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, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Service Director:				
Salaries and Wages	\$107,162	\$107,696	\$16,693	\$91,003
Fringe Benefits	71,733	71,200	65,782	5,418
Purchased Services	5,503	5,503	4,483	1,020
Materials and Supplies	6,050	6,051	5,009	1,042
Total Service Director	190,448	190,450	91,967	98,483
Rubbish-Janitor-City Hall:				
Salaries and Wages	35,500	35,620	35,132	488
Fringe Benefits	24,470	24,350	21,415	2,935
Purchased Services	25,966	49,708	35,965	13,743
Materials and Supplies	700	700	0	700
Total Rubbish-Janitor-City Hall	86,636	110,378	92,512	17,866
Other:				
Purchased Services	227,798	222,556	169,437	53,119
Materials and Supplies	12,681	12,000	11,987	13
Capital Outlay	454,858	844,310	700,524	143,786
Other	43,830	17,648	2,040	15,608
Total Other	739,167	1,096,514	883,988	212,526
Total General Government	2,064,444	2,456,536	1,998,446	458,090
Security of Persons and Property:				
Police:				
Salaries and Wages	1,443,326	1,450,201	1,350,629	99,572
Fringe Benefits	473,296	487,322	439,444	47,878
Purchased Services	73,373	88,373	65,969	22,404
Materials and Supplies	106,311	81,311	54,845	26,466
Total Police	2,096,306	2,107,207	1,910,887	196,320
Traffic Safety:				
Salaries and Wages	149,759	149,759	112,348	37,411
Fringe Benefits	79,619	79,869	68,313	11,556
Purchased Services	33,050	33,800	9,911	23,889
Materials and Supplies	40,925	40,928	29,443	11,485
Total Traffic Safety	\$303,353	\$304,356	\$220,015	\$84,341

(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, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fire Prevention:				
Salaries and Wages	\$1,144,000	\$1,144,000	\$1,080,929	\$63,071
Fringe Benefits	402,556	419,210	387,482	31,728
Purchased Services	70,976	69,821	65,086	4,735
Materials and Supplies	87,804	77,204	62,380	14,824
	1,705,336	1,710,235	1,595,877	114,358
Total Fire Prevention				
Director of Public Safety:				
Salaries and Wages	32,521	32,521	32,521	0
Fringe Benefits	9,886	9,886	9,001	885
Purchased Services	1,800	1,800	1,617	183
Materials and Supplies	200	200	0	200
	44,407	44,407	43,139	1,268
Total Director of Public Safety				
Total Security of Persons and Property	4,149,402	4,166,205	3,769,918	396,287
Public Health Services:				
County Health Services:				
Purchased Services	10,000	10,000	8,908	1,092
Community Environment:				
Demolition and Mowing:				
Purchased Services	25,435	187,749	131,653	56,096
Building Inspector:				
Salaries and Wages	62,670	62,671	62,670	1
Fringe Benefits	40,145	40,145	37,735	2,410
Purchased Services	6,000	6,435	2,849	3,586
Materials and Supplies	2,050	2,050	1,430	620
	110,865	111,301	104,684	6,617
Total Building Inspector				
Total Community Environment	\$136,300	\$299,050	\$236,337	\$62,713

(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, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Basic Utility Services:				
Refuse Collections and Disposals:				
Purchased Services	\$655,242	\$706,500	\$672,945	\$33,555
Leisure Time Activities:				
Parks and Recreation:				
Personal Services	504,821	504,821	462,617	42,204
Fringe Benefits	237,813	237,913	205,220	32,693
Purchased Services	106,484	92,723	88,946	3,777
Materials and Supplies	98,125	111,785	106,042	5,743
Total Leisure Time Activities	947,243	947,242	862,825	84,417
<i>Total Expenditures</i>	<u>7,962,631</u>	<u>8,585,533</u>	<u>7,549,379</u>	<u>1,036,154</u>
<i>Net Change in Fund Balance</i>	(1,049,885)	(1,661,088)	348,009	2,009,097
<i>Fund Balance Beginning of Year</i>	1,613,635	1,613,635	1,613,635	0
Prior Year Encumbrances Appropriated	45,235	45,235	45,235	0
<i>Fund Balance End of Year</i>	<u>\$608,985</u>	<u>(\$2,218)</u>	<u>\$2,006,879</u>	<u>\$2,009,097</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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Income Taxes	\$1,815,102	\$2,174,445	\$1,838,389	(\$336,056)
Intergovernmental	418,581	501,449	423,951	(77,498)
Other	36,818	44,107	37,290	(6,817)
<i>Total Revenues</i>	<u>2,270,501</u>	<u>2,720,001</u>	<u>2,299,630</u>	<u>(420,371)</u>
Expenditures				
Capital Outlay	3,704,882	4,112,177	1,960,733	2,151,444
Debt Service:				
Principal Retirement	203,241	203,241	203,241	0
Interest and Fiscal Charges	105,131	105,131	105,131	0
<i>Total Debt Service</i>	<u>308,372</u>	<u>308,372</u>	<u>308,372</u>	<u>0</u>
<i>Total Expenditures</i>	<u>4,013,254</u>	<u>4,420,549</u>	<u>2,269,105</u>	<u>2,151,444</u>
<i>Net Change in Fund Balance</i>	(1,742,753)	(1,700,548)	30,525	1,731,073
<i>Fund Balance Beginning of Year</i>	827,757	827,757	827,757	0
Prior Year Encumbrances Appropriated	887,354	887,354	887,354	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$27,642)</u>	<u>\$14,563</u>	<u>\$1,745,636</u>	<u>\$1,731,073</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, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$2,904,208	\$3,330,316	\$3,358,101	\$27,785
Interest	2	2	2	0
Other	19,682	19,682	21,756	2,074
<i>Total Revenues</i>	2,923,892	3,350,000	3,379,859	29,859
Expenses				
Salaries and Wages:				
Sewer Office	94,000	94,000	55,013	38,987
Sewer Disposal Plant	830,800	830,800	820,601	10,199
Total Salaries and Wages	924,800	924,800	875,614	49,186
Fringe Benefits:				
Sewer Office	69,885	69,885	44,175	25,710
Sewer Disposal Plant	553,598	553,599	533,897	19,702
Total Fringe Benefits	623,483	623,484	578,072	45,412
Purchased Services:				
Sewer Office	82,143	78,848	67,426	11,422
Sewer Disposal Plant	263,110	281,405	248,794	32,611
Total Purchased Services	345,253	360,253	316,220	44,033
Materials and Supplies:				
Sewer Office	5,419	5,419	3,186	2,233
Sewer Disposal Plant	176,626	176,626	146,887	29,739
Total Materials and Supplies	182,045	182,045	150,073	31,972
Capital Outlay:				
Sewer Office	13,000	13,000	124	12,876
Sewer Disposal Plant	1,677,954	1,327,954	634,803	693,151
Wastewater Reserve	752,806	1,102,806	5,118	1,097,688
Total Capital Outlay	2,443,760	2,443,760	640,045	1,803,715
Debt Service:				
Principal Retirement	565,000	565,000	564,841	159
Interest and Fiscal Charges	385,000	385,000	373,649	11,351
Total Debt Service	950,000	950,000	938,490	11,510
<i>Total Expenses</i>	\$5,469,341	\$5,484,342	\$3,498,514	\$1,985,828

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, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<i>Net Change in Fund Equity</i>	(\$2,545,449)	(\$2,134,342)	(\$118,655)	\$2,015,687
<i>Fund Equity Beginning of Year</i>	2,746,794	2,746,794	2,746,794	0
<i>Prior Year Encumbrances Appropriated</i>	611,158	611,158	611,158	0
<i>Fund Equity End of Year</i>	\$812,503	\$1,223,610	\$3,239,297	\$2,015,687

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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$21,317,510	\$23,249,756	\$22,644,407	(\$605,349)
Electric Deposits Received	2,619	2,856	2,866	10
Interest	580	633	635	2
Other	744,291	811,755	814,511	2,756
<i>Total Revenues</i>	<u>22,065,000</u>	<u>24,065,000</u>	<u>23,462,419</u>	<u>(602,581)</u>
Expenses				
Salaries and Wages:				
Electric Office	110,500	110,500	65,361	45,139
Electric Distribution	1,054,730	1,054,730	923,051	131,679
Electric Plant	1,407,026	1,437,026	1,419,994	17,032
Total Salaries and Wages	<u>2,572,256</u>	<u>2,602,256</u>	<u>2,408,406</u>	<u>193,850</u>
Fringe Benefits:				
Electric Office	61,250	61,250	41,345	19,905
Electric Distribution	602,895	577,294	574,213	3,081
Electric Plant	815,244	785,740	778,223	7,517
Total Fringe Benefits	<u>1,479,389</u>	<u>1,424,284</u>	<u>1,393,781</u>	<u>30,503</u>
Purchased Services:				
Electric Office	110,877	110,378	104,915	5,463
Electric Distribution	441,350	509,351	456,310	53,041
Electric Plant	2,413,185	2,874,189	2,059,045	815,144
Total Purchased Services	<u>2,965,412</u>	<u>3,493,918</u>	<u>2,620,270</u>	<u>873,648</u>
Materials and Supplies:				
Electric Office	7,801	7,801	6,386	1,415
Electric Distribution	219,966	237,566	208,013	29,553
Electric Plant	3,605,826	3,198,574	3,141,377	57,197
Total Materials and Supplies	<u>3,833,593</u>	<u>3,443,941</u>	<u>3,355,776</u>	<u>88,165</u>
Purchased Power:				
Electric Plant	<u>\$9,000,000</u>	<u>\$11,748,000</u>	<u>\$11,747,607</u>	<u>\$393</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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Capital Outlay:				
Electric Capital Reserve	\$100,000	\$100,000	\$0	\$100,000
Electric Surplus	250,000	0	0	0
Electric Office	29,500	29,500	248	29,252
Municipal Electric Improvement	9,272	9,272	0	9,272
Electric Distribution	830,109	760,609	649,718	110,891
Electric Plant	1,708,308	1,092,559	986,203	106,356
Total Capital Outlay	<u>2,927,189</u>	<u>1,991,940</u>	<u>1,636,169</u>	<u>355,771</u>
Debt Service:				
Principal Retirement	1,257,636	1,257,636	1,005,000	252,636
Interest and Fiscal Charges	300,617	489,617	440,611	49,006
Total Debt Service	<u>1,558,253</u>	<u>1,747,253</u>	<u>1,445,611</u>	<u>301,642</u>
Electric Deposits Returned:				
Refunds	40,000	40,000	0	40,000
Total Expenses	<u>24,376,092</u>	<u>26,491,592</u>	<u>24,607,620</u>	<u>1,883,972</u>
Net Change in Fund Equity	(2,311,092)	(2,426,592)	(1,145,201)	1,281,391
Fund Equity Beginning of Year	3,228,969	3,228,969	3,228,969	0
Prior Year Encumbrances Appropriated	<u>1,054,328</u>	<u>1,054,328</u>	<u>1,054,328</u>	<u>0</u>
Fund Equity End of Year	<u>\$1,972,205</u>	<u>\$1,856,705</u>	<u>\$3,138,096</u>	<u>\$1,281,391</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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$2,087,238	\$1,726,564	\$2,112,847	\$386,283
Interest	123	102	125	23
Other	13,338	11,033	13,502	2,469
<i>Total Revenues</i>	<u>2,100,699</u>	<u>1,737,699</u>	<u>2,126,474</u>	<u>388,775</u>
Expenses				
Salaries and Wages:				
Water Office	55,250	55,250	51,650	3,600
Water Plant	559,000	559,000	557,987	1,013
Total Salaries and Wages	<u>614,250</u>	<u>614,250</u>	<u>609,637</u>	<u>4,613</u>
Fringe Benefits:				
Water Office	45,467	45,467	38,797	6,670
Water Plant	336,724	336,725	294,153	42,572
Total Fringe Benefits	<u>382,191</u>	<u>382,192</u>	<u>332,950</u>	<u>49,242</u>
Purchased Services:				
Water Office	85,185	85,185	67,555	17,630
Water Plant	134,027	173,526	168,670	4,856
Total Purchased Services	<u>219,212</u>	<u>258,711</u>	<u>236,225</u>	<u>22,486</u>
Materials and Supplies:				
Water Office	4,918	4,919	3,470	1,449
Water Plant	191,933	191,933	152,416	39,517
Total Materials and Supplies	<u>196,851</u>	<u>196,852</u>	<u>155,886</u>	<u>40,966</u>
Capital Outlay:				
Water Office	20,000	20,000	121	19,879
Water Plant	799,509	399,509	33,185	366,324
Water Surplus	300,000	858,000	558,000	300,000
Total Capital Outlay	<u>\$1,119,509</u>	<u>\$1,277,509</u>	<u>\$591,306</u>	<u>\$686,203</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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Debt Service:				
Principal Retirement	\$329,992	\$330,000	\$330,000	\$0
Interest and Fiscal Charges	178,907	176,406	165,533	10,873
Total Debt Service	<u>508,899</u>	<u>506,406</u>	<u>495,533</u>	<u>10,873</u>
<i>Total Expenses</i>	<u>3,040,912</u>	<u>3,235,920</u>	<u>2,421,537</u>	<u>814,383</u>
<i>Net Change in Fund Equity</i>	(940,213)	(1,498,221)	(295,063)	1,203,158
<i>Fund Equity Beginning of Year</i>	1,329,280	1,329,280	1,329,280	0
Prior Year Encumbrances Appropriated	<u>59,378</u>	<u>59,378</u>	<u>59,378</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$448,445</u></u>	<u><u>(\$109,563)</u></u>	<u><u>\$1,093,595</u></u>	<u><u>\$1,203,158</u></u>

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Income Taxes	\$539,302	\$539,302	\$525,000	(\$14,302)
Intergovernmental	566,861	566,861	551,828	(15,033)
Interest	166	166	162	(4)
Other	43,671	43,671	42,513	(1,158)
<i>Total Revenues</i>	<u>1,150,000</u>	<u>1,150,000</u>	<u>1,119,503</u>	<u>(30,497)</u>
Expenditures				
Current:				
Transportation:				
Street Construction and Reconstruction:				
Salaries and Wages	592,564	557,564	519,889	37,675
Fringe Benefits	361,509	361,559	342,207	19,352
Purchased Services	91,561	92,011	74,954	17,057
Materials and Supplies	179,093	179,093	158,967	20,126
Capital Outlay	14,000	49,000	39,935	9,065
<i>Total Expenditures</i>	<u>1,238,727</u>	<u>1,239,227</u>	<u>1,135,952</u>	<u>103,275</u>
<i>Net Change in Fund Balance</i>	(88,727)	(89,227)	(16,449)	72,778
<i>Fund Balance Beginning of Year</i>	68,094	68,094	68,094	0
Prior Year Encumbrances Appropriated	25,004	25,004	25,004	0
<i>Fund Balance End of Year</i>	<u>\$4,371</u>	<u>\$3,871</u>	<u>\$76,649</u>	<u>\$72,778</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, 2013

	<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	\$44,743	(\$5,257)
Other	<u>0</u>	<u>0</u>	<u>18</u>	<u>18</u>
<i>Total Revenues</i>	50,000	50,000	44,761	(5,239)
Expenditures				
Current:				
Transportation:				
Street Construction and Reconstruction:				
Materials and Supplies	<u>96,450</u>	<u>96,450</u>	<u>96,129</u>	<u>321</u>
<i>Net Change in Fund Balance</i>	(46,450)	(46,450)	(51,368)	(4,918)
<i>Fund Balance Beginning of Year</i>	6,664	6,664	6,664	0
Prior Year Encumbrances Appropriated	<u>41,450</u>	<u>41,450</u>	<u>41,450</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,664</u></u>	<u><u>\$1,664</u></u>	<u><u>(\$3,254)</u></u>	<u><u>(\$4,918)</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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$100,347	\$129,586	\$131,326	\$1,740
Income Taxes	401,157	518,044	525,000	6,956
Intergovernmental	13,296	17,170	17,401	231
<i>Total Revenues</i>	<u>514,800</u>	<u>664,800</u>	<u>673,727</u>	<u>8,927</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police Disability and Pension:				
Fringe Benefits	245,000	300,000	289,219	10,781
Fire Disability and Pension:				
Fringe Benefits	<u>285,000</u>	<u>380,000</u>	<u>353,127</u>	<u>26,873</u>
<i>Total Expenditures</i>	<u>530,000</u>	<u>680,000</u>	<u>642,346</u>	<u>37,654</u>
<i>Net Change in Fund Balance</i>	(15,200)	(15,200)	31,381	46,581
<i>Fund Balance Beginning of Year</i>	<u>15,545</u>	<u>15,545</u>	<u>15,545</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$345</u></u>	<u><u>\$345</u></u>	<u><u>\$46,926</u></u>	<u><u>\$46,581</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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$0	\$0	\$2,500	\$2,500
Charges for Services	<u>225,000</u>	<u>300,000</u>	<u>294,104</u>	<u>(5,896)</u>
<i>Total Revenues</i>	<u>225,000</u>	<u>300,000</u>	<u>296,604</u>	<u>(3,396)</u>
Expenditures				
Current:				
Public Health Services:				
Ambulance:				
Salaries and Wages	175,000	175,000	159,422	15,578
Purchased Services	50,000	35,230	2,536	32,694
Materials and Supplies	109,232	109,002	84,035	24,967
Capital Outlay	<u>0</u>	<u>200,000</u>	<u>200,000</u>	<u>0</u>
<i>Total Expenditures</i>	<u>334,232</u>	<u>519,232</u>	<u>445,993</u>	<u>73,239</u>
<i>Net Change in Fund Balance</i>	(109,232)	(219,232)	(149,389)	69,843
<i>Fund Balance Beginning of Year</i>	216,451	216,451	216,451	0
Prior Year Encumbrances Appropriated	<u>9,232</u>	<u>9,232</u>	<u>9,232</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$116,451</u>	<u>\$6,451</u>	<u>\$76,294</u>	<u>\$69,843</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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Income Taxes	\$386,697	\$386,697	\$340,000	(\$46,697)
Interest	2,409	2,409	2,118	(291)
Charges for Services	150,632	150,632	132,442	(18,190)
Other	5,262	5,262	4,627	(635)
<i>Total Revenues</i>	<u>545,000</u>	<u>545,000</u>	<u>479,187</u>	<u>(65,813)</u>
Expenditures				
Current:				
Public Health Services:				
Cemetery:				
Salaries and Wages	272,438	275,438	270,038	5,400
Fringe Benefits	162,592	159,693	155,670	4,023
Purchased Services	13,019	23,018	17,678	5,340
Materials and Supplies	29,700	29,700	27,156	2,544
Capital Outlay	12,500	22,500	12,979	9,521
Other	25,000	25,000	2,125	22,875
<i>Total Expenditures</i>	<u>515,249</u>	<u>535,349</u>	<u>485,646</u>	<u>49,703</u>
<i>Net Change in Fund Balance</i>	29,751	9,651	(6,459)	(16,110)
<i>Fund Balance Beginning of Year</i>	784,471	784,471	784,471	0
Prior Year Encumbrances Appropriated	<u>669</u>	<u>669</u>	<u>669</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$814,891</u></u>	<u><u>\$794,791</u></u>	<u><u>\$778,681</u></u>	<u><u>(\$16,110)</u></u>

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Revolving Loan Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$76,500	\$76,500	\$81,862	\$5,362
Interest	<u>0</u>	<u>0</u>	<u>9</u>	<u>9</u>
<i>Total Revenues</i>	76,500	76,500	81,871	5,371
Expenditures				
Current:				
Community Environment:				
Other Community Environment:				
Purchased Services	<u>250,000</u>	<u>250,000</u>	<u>0</u>	<u>250,000</u>
<i>Net Change in Fund Balance</i>	(173,500)	(173,500)	81,871	255,371
<i>Fund Balance Beginning of Year</i>	<u>319,413</u>	<u>319,413</u>	<u>319,413</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$145,913</u></u>	<u><u>\$145,913</u></u>	<u><u>\$401,284</u></u>	<u><u>\$255,371</u></u>

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Law Enforcement Fund
For the Year Ended December 31, 2013

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

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, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines, Licenses and Permits	\$3,500	\$3,500	\$378	(\$3,122)
Expenditures				
Current:				
Security of Persons and Property:				
Enforcement and Education:				
Materials and Supplies	30,000	30,000	0	30,000
<i>Net Change in Fund Balance</i>	(26,500)	(26,500)	378	26,878
<i>Fund Balance Beginning of Year</i>	28,973	28,973	28,973	0
<i>Fund Balance End of Year</i>	<u>\$2,473</u>	<u>\$2,473</u>	<u>\$29,351</u>	<u>\$26,878</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, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
General Government:				
Land Development:				
Purchased Services	2,000	2,000	0	2,000
<i>Net Change in Fund Balance</i>	(2,000)	(2,000)	0	2,000
<i>Fund Balance Beginning of Year</i>	2,737	2,737	2,737	0
<i>Fund Balance End of Year</i>	<u>\$737</u>	<u>\$737</u>	<u>\$2,737</u>	<u>\$2,000</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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$56,000	\$56,000	\$0	(\$56,000)
Expenditures				
Capital Outlay	<u>42,000</u>	<u>42,000</u>	<u>42,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	14,000	14,000	(42,000)	(56,000)
<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>\$14,000</u></u>	<u><u>\$14,000</u></u>	<u><u>(\$42,000)</u></u>	<u><u>(\$56,000)</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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$300,000	\$300,000	\$312,730	\$12,730
Expenditures				
Capital Outlay	<u>344,750</u>	<u>344,750</u>	<u>320,066</u>	<u>24,684</u>
<i>Net Change in Fund Balance</i>	(44,750)	(44,750)	(7,336)	37,414
<i>Fund Balance Beginning of Year</i>	47,507	47,507	47,507	0
Prior Year Encumbrances Appropriated	<u>4,750</u>	<u>4,750</u>	<u>4,750</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$7,507</u></u>	<u><u>\$7,507</u></u>	<u><u>\$44,921</u></u>	<u><u>\$37,414</u></u>

City of Dover, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Employee Health Insurance Fund
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$1,997,752	\$2,597,077	\$2,310,267	(\$286,810)
Other	2,248	2,923	2,600	(323)
<i>Total Revenues</i>	2,000,000	2,600,000	2,312,867	(287,133)
Expenses				
Purchased Services	0	271,000	267,990	3,010
Claims	2,000,000	2,329,000	2,047,152	281,848
<i>Total Expenses</i>	2,000,000	2,600,000	2,315,142	284,858
<i>Net Change in Fund Equity</i>	0	0	(2,275)	(2,275)
<i>Fund Equity Beginning of Year</i>	39,329	39,329	39,329	0
<i>Fund Equity End of Year</i>	\$39,329	\$39,329	\$37,054	(\$2,275)

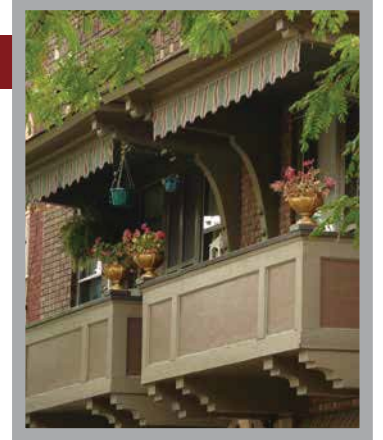
City of Dover, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Cemetery Interment Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Deposits for Burial Expenses	\$25,000	\$25,000	\$18,150	(\$6,850)
Interest	0	0	98	98
<i>Total Revenues</i>	25,000	25,000	18,248	(6,752)
Expenses				
Current:				
Public Health Services:				
Cemetery:				
Other	25,000	25,000	15,118	9,882
<i>Net Change in Fund Equity</i>	0	0	3,130	3,130
<i>Fund Equity Beginning of Year</i>	222,410	222,410	222,410	0
<i>Fund Equity End of Year</i>	<u>\$222,410</u>	<u>\$222,410</u>	<u>\$225,540</u>	<u>\$3,130</u>

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Statistical *Section*

FOR THE YEAR ENDING **DECEMBER 31, 2013**



THE CITY OF **DOVER, OHIO**
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City of Dover, Ohio

Statistical Section

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

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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 Position By Component
Last Ten Years
(Accrual Basis of Accounting)

	2013	2012	2011	2010
Governmental Activities				
Net Investment in Capital Assets	\$14,665,693	\$14,711,043	\$14,781,422	\$14,068,739
Restricted	1,947,165	1,691,379	1,737,344	2,230,639
Unrestricted (Deficit)	4,465,268	3,306,443	3,398,807	1,060,512
<i>Total Governmental Activities Net Position</i>	<u>21,078,126</u>	<u>19,708,865</u>	<u>19,917,573</u>	<u>17,359,890</u>
Business Type - Activities				
Net Investment in Capital Assets	23,029,114	22,222,982	22,166,479	22,616,181
Restricted	4,560,733	4,135,673	4,002,175	3,941,464
Unrestricted	7,710,001	8,820,517	9,853,852	9,925,626
<i>Total Business-Type Activities Net Position</i>	<u>35,299,848</u>	<u>35,179,172</u>	<u>36,022,506</u>	<u>36,483,271</u>
Primary Government				
Net Investment in Capital Assets	37,694,807	36,934,025	36,947,901	36,684,920
Restricted	6,507,898	5,827,052	5,739,519	6,172,103
Unrestricted	12,175,269	12,126,960	13,252,659	10,986,138
<i>Total Primary Government Net Position</i>	<u>\$56,377,974</u>	<u>\$54,888,037</u>	<u>\$55,940,079</u>	<u>\$53,843,161</u>

2009	2008	2007	2006	2005	2004
\$14,563,145	\$14,733,397	\$13,272,279	\$13,573,055	\$13,189,789	\$13,192,577
3,060,273	3,852,663	3,946,056	2,311,499	2,689,957	2,290,983
(528,355)	170,354	281,189	12,369	199,864	227,630
17,095,063	18,756,414	17,499,524	15,896,923	16,079,610	15,711,190
22,607,499	20,850,882	17,417,960	19,479,944	15,227,727	14,177,927
3,960,033	4,024,091	4,188,957	3,967,516	3,812,435	4,137,860
7,656,769	8,125,965	8,802,130	7,476,271	9,078,102	8,818,043
34,224,301	33,000,938	30,409,047	30,923,731	28,118,264	27,133,830
37,170,644	35,584,279	30,690,239	33,052,999	28,417,516	27,370,504
7,020,306	7,876,754	8,135,013	6,279,015	6,502,392	6,428,843
7,128,414	8,296,319	9,083,319	7,488,640	9,277,966	9,045,673
\$51,319,364	\$51,757,352	\$47,908,571	\$46,820,654	\$44,197,874	\$42,845,020

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

	2013	2012	2011	2010
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$378	\$0	\$0	\$0
Security of Persons and Property	128,140	60,609	55,291	53,280
Transportation	0	0	195	12
Public Health Services	461,183	467,755	802,036	355,597
Community Environment	24,705	0	0	0
Basic Utility Services	752,629	841,032	806,117	813,825
Leisure Time Activities	123,229	0	0	0
Subtotal - Charges for Services	<u>1,490,264</u>	<u>1,369,396</u>	<u>1,663,639</u>	<u>1,222,714</u>
Operating Grants and Contributions:				
Security of Persons and Property	17,519	8,357	8,930	18,328
Transportation	598,721	605,844	593,393	681,292
Public Health Services	0	0	0	0
Community Environment	5,636	48,000	94,400	0
Subtotal - Operating Grants and Contributions	<u>621,876</u>	<u>662,201</u>	<u>696,723</u>	<u>699,620</u>
Capital Grants and Contributions:				
Security of Persons and Property	423,951	0	0	0
Transportation	0	207,769	850,056	32,174
Community Environment	312,730	213,863	315,058	305,251
Leisure Time Activities	0	0	0	0
Subtotal - Capital Grants and Contributions	<u>736,681</u>	<u>421,632</u>	<u>1,165,114</u>	<u>337,425</u>
<i>Total Governmental Activities Program Revenues</i>	<u>2,848,821</u>	<u>2,453,229</u>	<u>3,525,476</u>	<u>2,259,759</u>
Business-Type Activities:				
Charges for Services:				
Sewer	3,352,604	3,147,970	3,055,858	3,160,156
Electric	23,065,550	21,496,934	20,123,656	20,680,073
Water	2,104,759	2,124,001	1,993,661	2,021,476
Subtotal - Charges for Services	<u>28,522,913</u>	<u>26,768,905</u>	<u>25,173,175</u>	<u>25,861,705</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>28,522,913</u>	<u>26,768,905</u>	<u>25,173,175</u>	<u>25,861,705</u>
<i>Total Primary Government Program Revenues</i>	<u>\$31,371,734</u>	<u>\$29,222,134</u>	<u>\$28,698,651</u>	<u>\$28,121,464</u>

2009	2008	2007	2006	2005	2004
\$0	\$0	\$0	\$24,207	\$24,025	\$24,917
39,557	58,882	55,318	82,473	100,455	92,138
132	24	0	0	6	12
419,193	285,747	339,393	319,218	341,713	283,036
0	0	0	23,796	20,524	23,059
785,970	732,707	496,765	515,941	426,042	424,740
0	0	144,707	78,897	84,998	72,478
1,244,852	1,077,360	1,036,183	1,044,532	997,763	920,380
9,928	0	0	10,847	8,978	0
548,731	814,109	715,192	806,875	780,801	413,393
0	0	0	0	65,538	285,005
276,833	83,171	0	0	0	0
835,492	897,280	715,192	817,722	855,317	698,398
0	0	0	0	0	0
0	0	0	0	0	0
0	0	257,835	404,216	640,088	202,273
0	236,422	78,600	0	0	0
0	236,422	336,435	404,216	640,088	202,273
2,080,344	2,211,062	2,087,810	2,266,470	2,493,168	1,821,051
3,187,337	3,223,641	3,132,570	2,889,367	2,720,284	2,429,520
18,748,969	20,080,589	20,145,313	18,299,853	15,559,521	13,946,111
1,962,129	1,902,828	1,701,213	1,785,102	1,757,607	1,704,158
23,898,435	25,207,058	24,979,096	22,974,322	20,037,412	18,079,789
0	0	0	0	132,955	8,166
0	0	0	0	179,644	29,993
0	0	0	0	312,599	38,159
23,898,435	25,207,058	24,979,096	22,974,322	20,350,011	18,117,948
\$25,978,779	\$27,418,120	\$27,066,906	\$25,240,792	\$22,843,179	\$19,938,999

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

	2013	2012	2011	2010
Expenses				
Governmental Activities:				
General Government	\$2,313,710	\$1,809,857	\$1,284,689	\$1,396,691
Security of Persons and Property	5,082,413	5,094,116	4,647,659	4,566,373
Transportation	1,928,227	1,879,829	2,186,664	842,745
Public Health Services	762,721	808,220	788,705	1,078,392
Community Environment	268,923	188,273	115,729	106,332
Basic Utility Services	672,945	629,555	570,453	610,467
Leisure Time Activities	1,291,658	1,134,362	1,007,014	2,474,704
Interest and Fiscal Charges	113,423	164,403	40,903	9,673
<i>Total Governmental Activities Expenses</i>	<u>12,434,020</u>	<u>11,708,615</u>	<u>10,641,816</u>	<u>11,085,377</u>
Business-Type Activities				
Sewer	3,727,710	3,670,590	3,518,361	2,886,179
Electric	23,723,046	22,992,501	20,818,346	19,311,806
Water	1,802,403	1,854,651	1,931,539	2,047,070
<i>Total Business-Type Activities Expenses</i>	<u>29,253,159</u>	<u>28,517,742</u>	<u>26,268,246</u>	<u>24,245,055</u>
<i>Total Primary Government Expenses</i>	<u>41,687,179</u>	<u>40,226,357</u>	<u>36,910,062</u>	<u>35,330,432</u>
Net (Expense)/Revenue				
Governmental Activities	(9,585,199)	(9,255,386)	(7,116,340)	(8,825,618)
Business-Type Activities	(730,246)	(1,748,837)	(1,095,071)	1,616,650
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$10,315,445)</u>	<u>(\$11,004,223)</u>	<u>(\$8,211,411)</u>	<u>(\$7,208,968)</u>

2009	2008	2007	2006	2005	2004
\$1,394,202	\$1,378,583	\$1,421,425	\$1,098,324	\$1,053,903	\$1,030,940
4,637,683	4,732,202	4,114,123	3,845,604	3,799,383	3,492,242
3,666,602	2,019,895	1,886,315	1,355,383	1,539,960	1,323,868
757,168	672,959	734,164	616,158	685,021	645,274
108,259	195,913	406,736	454,646	462,327	590,541
532,610	463,671	578,515	433,167	423,012	459,082
1,010,371	1,223,705	861,788	666,868	647,646	602,131
73,248	31,636	1,468	164,594	33,675	51,326
12,180,143	10,718,564	10,004,534	8,634,744	8,644,927	8,195,404
2,839,223	2,421,889	2,321,173	2,112,304	2,005,511	1,857,449
18,429,586	18,448,428	21,582,963	18,228,596	17,121,282	14,883,421
1,715,425	2,277,084	2,326,837	1,517,568	1,881,816	2,574,878
22,984,234	23,147,401	26,230,973	21,858,468	21,008,609	19,315,748
35,164,377	33,865,965	36,235,507	30,493,212	29,653,536	27,511,152
(10,099,799)	(8,507,502)	(7,916,724)	(6,368,274)	(6,151,759)	(6,374,353)
914,201	2,059,657	(1,251,877)	1,115,854	(658,598)	(1,197,800)
(\$9,185,598)	(\$6,447,845)	(\$9,168,601)	(\$5,252,420)	(\$6,810,357)	(\$7,572,153)

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

	2013	2012	2011	2010
General Revenues				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$875,654	\$748,044	\$756,066	\$785,909
Police and Fire Pension	130,611	135,398	143,431	155,799
Income Taxes levied for:				
General Purposes	4,700,061	3,377,249	4,018,591	3,802,963
Street Maintenance and Repair	560,660	469,110	522,226	611,838
Cemetery	360,872	316,019	348,053	356,637
Police and Fire Pension	579,482	409,554	405,322	482,557
Capital Outlay	2,005,426	1,607,109	1,283,425	896,384
Grants and Entitlements not Restricted to Specific Programs	1,352,561	1,406,047	1,868,255	1,627,904
Unrestricted Contributions	14,700	0	0	0
Investment Income	18,961	29,144	61,496	81,244
Miscellaneous	355,472	549,004	267,158	289,210
<i>Total Governmental Activities</i>	<u>10,954,460</u>	<u>9,046,678</u>	<u>9,674,023</u>	<u>9,090,445</u>
Business-Type Activities				
Investment Income	1,153	913	975	4,417
Miscellaneous	849,769	904,590	633,331	637,903
<i>Total Business-Type Activities</i>	<u>850,922</u>	<u>905,503</u>	<u>634,306</u>	<u>642,320</u>
<i>Total Primary Government General Revenues</i>	<u>11,805,382</u>	<u>9,952,181</u>	<u>10,308,329</u>	<u>9,732,765</u>
Transfers				
Governmental Activities	0	0	0	0
Business-Type Activities	0	0	0	0
Change in Net Position				
Governmental Activities	1,369,261	(208,708)	2,557,683	264,827
Business-Type Activities	120,676	(843,334)	(460,765)	2,258,970
<i>Total Primary Government Change in Net Position</i>	<u>\$1,489,937</u>	<u>(\$1,052,042)</u>	<u>\$2,096,918</u>	<u>\$2,523,797</u>

2009	2008	2007	2006	2005	2004
\$1,027,642	\$1,053,027	\$1,032,747	\$1,041,905	\$1,013,703	\$926,655
155,866	158,448	126,312	155,395	147,803	139,826
2,257,720	2,908,923	2,507,749	2,119,470	2,204,050	1,955,294
438,574	535,272	312,374	243,398	362,831	355,425
316,676	331,960	341,515	305,224	311,280	290,001
340,000	241,842	347,105	278,085	313,730	301,522
2,138,200	2,576,903	2,577,460	705,775	749,608	641,075
1,243,082	1,487,366	1,708,557	1,785,908	1,711,617	1,865,282
0	0	0	0	0	0
333,594	228,603	319,702	174,285	186,319	106,991
187,094	242,048	245,804	126,142	119,238	133,753
8,438,448	9,764,392	9,519,325	6,935,587	7,120,179	6,715,824
21,616	198,481	490,570	442,634	122,992	68,639
287,546	333,753	246,623	496,979	920,040	278,626
309,162	532,234	737,193	939,613	1,043,032	347,265
8,747,610	10,296,626	10,256,518	7,875,200	8,163,211	7,063,089
0	0	0	(650,000)	(600,000)	(579,652)
0	0	0	650,000	600,000	579,652
(1,661,351)	1,256,890	1,602,601	(82,687)	368,420	(238,181)
1,223,363	2,591,891	(514,684)	2,705,467	984,434	(270,883)
(\$437,988)	\$3,848,781	\$1,087,917	\$2,622,780	\$1,352,854	(\$509,064)

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

	2013	2012	2011	2010
General Fund				
Nonspendable	\$115,155	\$103,704	\$76,178	\$105,973
Assigned	1,085,489	1,042,593	103,666	90,960
Unassigned	1,073,477	791,688	1,925,702	963,133
Reserved	N/A	N/A	N/A	N/A
Unreserved	N/A	N/A	N/A	N/A
Total General Fund	<u>2,274,121</u>	<u>1,937,985</u>	<u>2,105,546</u>	<u>1,160,066</u>
All Other Governmental Funds				
Nonspendable	\$131,692	\$164,478	\$169,337	\$137,508
Restricted	1,577,064	1,444,346	1,439,977	1,262,129
Committed	2,324,688	1,906,934	1,473,463	1,039,249
Unassigned (Deficit)	(45,780)	(75,785)	(123,350)	(116,296)
Reserved	N/A	N/A	N/A	N/A
Unreserved, Undesignated, Reported in:				
Special Revenue funds	N/A	N/A	N/A	N/A
Capital Projects funds (Deficit)	N/A	N/A	N/A	N/A
Total All Other Governmental Funds	<u>3,987,664</u>	<u>3,439,973</u>	<u>2,959,427</u>	<u>2,322,590</u>
Total Governmental Funds	<u><u>\$6,261,785</u></u>	<u><u>\$5,377,958</u></u>	<u><u>\$5,064,973</u></u>	<u><u>\$3,482,656</u></u>

2009	2008	2007	2006	2005	2004
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
\$0	\$0	\$42,249	\$22,292	\$29,998	\$19,265
573,465	1,161,245	759,758	277,213	213,625	371,280
573,465	1,161,245	802,007	299,505	243,623	390,545
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
625,665	427,335	688,582	967,528	562,989	201,187
1,175,161	1,173,059	1,112,140	955,905	836,398	1,238,929
846,252	1,569,386	1,023,428	(147,694)	807,721	616,736
2,647,078	3,169,780	2,824,150	1,775,739	2,207,108	2,056,852
\$3,220,543	\$4,331,025	\$3,626,157	\$2,075,244	\$2,450,731	\$2,447,397

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

	2013	2012	2011	2010
Revenues				
Property Taxes	\$1,009,800	\$890,268	\$898,970	\$944,163
Income Taxes	7,626,454	6,609,398	6,416,265	5,641,156
Intergovernmental	2,776,288	2,722,755	3,648,133	2,417,233
Interest	18,961	29,144	61,496	81,244
Fines, Licenses and Permits	35,640	60,609	55,486	53,292
Charges for Services	1,419,987	1,261,803	1,215,871	1,188,938
Contributions and Donations	14,700	0	2,740	0
Other	352,689	472,561	127,081	146,375
<i>Total Revenues</i>	<u>13,254,519</u>	<u>12,046,538</u>	<u>12,426,042</u>	<u>10,472,401</u>
Expenditures				
Current:				
General Government	2,124,429	1,717,237	1,115,260	1,114,329
Security of Persons and Property	4,272,192	4,396,320	4,331,070	4,041,571
Transportation	1,158,730	1,157,078	1,037,961	1,212,992
Public Health Services	735,189	751,935	707,902	804,618
Community Environment	259,771	190,316	111,227	103,808
Basic Utility Services	672,945	629,555	570,453	610,467
Leisure Time Activities	831,149	913,126	829,489	823,753
Capital Outlay	1,989,870	1,639,805	2,528,446	2,543,177
Debt Service:				
Principal Retirement	210,334	208,377	2,646,521	106,252
Interest and Fiscal Charges	116,083	129,804	63,678	20,181
Issuance Costs	0	0	36,229	0
<i>Total Expenditures</i>	<u>12,370,692</u>	<u>11,733,553</u>	<u>13,978,236</u>	<u>11,381,148</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>883,827</u>	<u>312,985</u>	<u>(1,552,194)</u>	<u>(908,747)</u>
Other Financing Sources (Uses)				
General Obligation Bonds Issued	0	0	2,670,000	0
Notes Issued	0	0	0	2,640,000
Proceeds of Loan	0	0	428,614	530,860
Premium on Debt Issuance	0	0	35,897	0
Payment to Refund Notes	0	0	0	(2,000,000)
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>3,134,511</u>	<u>1,170,860</u>
<i>Net Change in Fund Balances</i>	<u>\$883,827</u>	<u>\$312,985</u>	<u>\$1,582,317</u>	<u>\$262,113</u>
Debt Service as a Percentage of Noncapital Expenditures	2.9%	3.2%	22.0%	1.2%

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

2009	2008	2007	2006	2005	2004
\$1,175,280	\$1,218,183	\$1,156,640	\$1,190,154	\$1,164,720	\$1,056,781
5,618,512	6,770,438	5,692,860	3,855,822	3,759,707	3,461,933
2,179,043	2,377,839	2,958,335	2,946,020	3,041,171	2,796,069
333,594	228,603	319,702	174,285	186,319	106,991
39,689	58,906	55,318	53,418	54,106	53,242
1,163,085	1,040,296	962,375	989,636	943,280	866,364
0	0	78,600	0	0	0
187,094	242,048	245,804	126,142	115,022	132,767
10,696,297	11,936,313	11,469,634	9,335,477	9,264,325	8,474,147
1,218,905	1,197,585	1,237,668	1,063,197	1,032,690	1,021,408
4,092,027	3,990,259	3,787,088	3,584,484	3,448,079	3,346,954
1,181,395	1,234,454	1,067,923	934,808	998,710	914,163
703,975	631,723	685,428	653,822	673,682	639,736
98,389	182,588	107,893	116,239	105,040	600,399
532,610	463,671	578,515	433,167	423,012	459,082
837,296	872,576	710,690	610,942	599,512	566,443
2,959,903	2,412,778	1,522,384	1,517,533	1,212,199	1,267,063
105,995	175,747	205,511	55,284	105,066	4,858
76,284	70,064	15,621	121,795	63,001	51,378
0	0	0	0	0	0
11,806,779	11,231,445	9,918,721	9,091,271	8,660,991	8,871,484
(1,110,482)	704,868	1,550,913	244,206	603,334	(397,337)
0	0	0	0	0	0
2,100,000	2,200,000	2,370,000	2,570,000	2,520,000	0
0	0	0	0	0	0
0	0	0	30,307	0	0
(2,100,000)	(2,200,000)	(2,370,000)	(2,570,000)	(2,520,000)	0
0	0	0	(650,000)	(600,000)	(677,583)
0	0	0	(619,693)	(600,000)	(677,583)
(\$1,110,482)	\$704,868	\$1,550,913	(\$375,487)	\$3,334	(\$1,074,920)
1.6%	2.7%	2.4%	2.2%	2.0%	0.7%

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

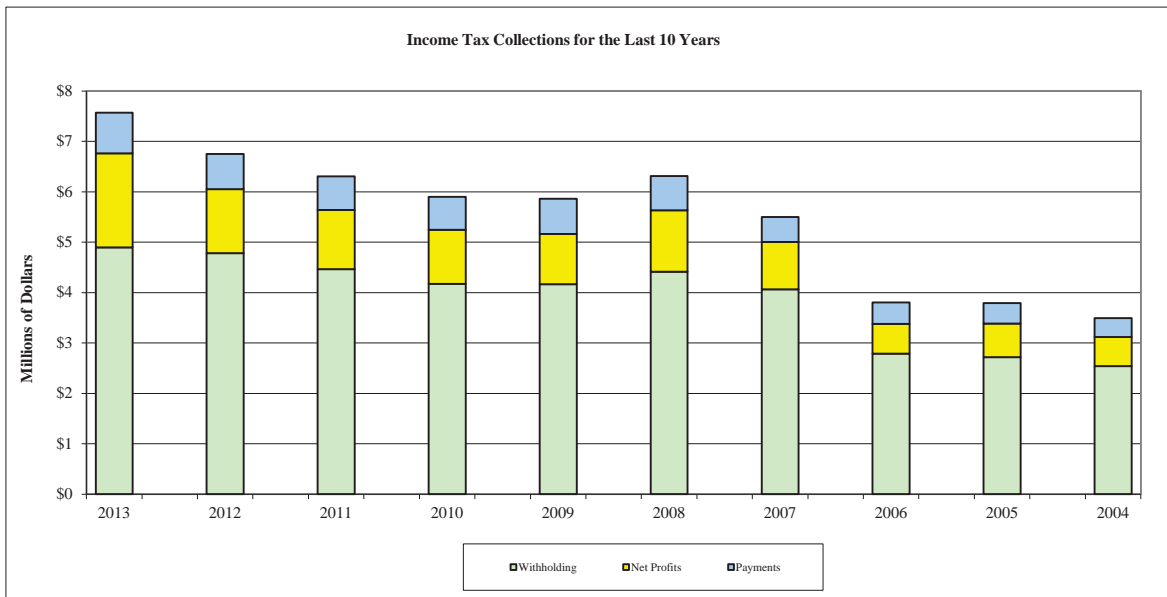
Tax Year	Tax Rate (1)	Total Tax Collected (2)	Taxes From Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes from Individual Payments	Percentage of Taxes from Individual Payments
2013	1.50%	\$7,571,745	\$4,894,478	64.64%	\$1,869,111	24.69%	\$808,156	10.67%
2012	1.50	6,751,331	4,780,617	70.81	1,271,276	18.83	699,438	10.36
2011	1.50	6,304,720	4,464,372	70.81	1,178,983	18.70	661,365	10.49
2010	1.50	5,898,575	4,174,422	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

Source: City Income Tax Department

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

(2) Gross Collections - Cash Basis of Accounting

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



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

	2013	2012	2011	2010
Electric Sold (MWH) (000)				
Residential	56,788	58,606	59,323	60,813
Commercial	30,044	30,049	30,758	30,437
Industrial	140,649	141,896	138,487	141,090
Total	<u>227,481</u>	<u>230,551</u>	<u>228,568</u>	<u>232,340</u>
 Number of Customers				
Residential	5,777	5,772	5,775	5,770
Commercial	871	862	848	841
Industrial	102	102	113	117
Total	<u>6,750</u>	<u>6,736</u>	<u>6,736</u>	<u>6,728</u>

Source: City Records

2009	2008	2007	2006	2005	2004
55,830	58,807	58,317	55,846	57,161	53,935
27,042	23,424	24,942	24,392	25,913	25,742
128,300	134,536	139,024	134,977	129,454	123,696
<u>211,172</u>	<u>216,767</u>	<u>222,283</u>	<u>215,215</u>	<u>212,528</u>	<u>203,373</u>
5,762	5,822	5,741	5,714	5,692	5,704
836	868	846	840	842	865
122	124	119	117	115	112
<u>6,720</u>	<u>6,814</u>	<u>6,706</u>	<u>6,671</u>	<u>6,649</u>	<u>6,681</u>

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

Type of Customer:	2013	2012	2011	2010
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.

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

City of Dover, Ohio
Principal Electric Customers
 2013 and 2004

Customer	<i>2013</i>	
	MWH Sold	Percentage of Total MWH Sold
Arizona Chemical Corporation	21,734	9.55 %
Dover Chemical Corporation	19,680	8.65
Meteor Sealing Systems LLC	10,397	4.57
Union Hospital	9,530	4.19
Allied Machine and Engineering Corporation	9,362	4.12
Deflecto Corporation	6,818	3.00
Inca Presswood Pallets Ltd	4,524	1.99
Zimmer Patient Care	4,841	2.13
Giant Eagle Incorporated	3,915	1.72
Buehlers Food Market Incorporated	3,513	1.54
Totals	<u>94,314</u>	<u>41.46 %</u>
Total MWH Sold	<u>227,481</u>	

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

Source: City Records

City of Dover, Ohio

Computation of Direct and Overlapping Debt Attributable to Governmental Activities

December 31, 2013

	Debt Attributable to Governmental Activities	Overlapping Percentage Applicable to Dover (1)	Amount of Direct and Overlapping Debt
<u>Direct:</u>			
City of Dover			
General Obligation Bonds	\$2,497,307	100.00 %	\$2,497,307
State Infrastructure Bank Loan	674,657	100.00	674,657
OPWC Loan	85,000	100.00	85,000
Police and Fire Pension	252,657	100.00	252,657
Total Direct Debt	<u>3,509,621</u>		<u>3,509,621</u>
<u>Overlapping Debt:</u>			
Payable from Property Taxes			
Dover City School District Bonds	2,613,209	70.04	1,830,292
Tuscarawas County General Obligation Bonds	1,242,968	16.17	200,988
Tuscarawas County Bond Anticipation Notes	704,000	16.17	113,837
Payable from Other Sources			
Dover City School District Capital Leases	129,719	70.04	90,855
Tuscarawas County Capital Leases	3,135	16.17	507
Total Overlapping Debt	<u>4,693,031</u>		<u>2,236,478</u>
Total	<u><u>\$8,202,652</u></u>		<u><u>\$5,746,099</u></u>

Source: Tuscarawas County, Ohio; County Auditor

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

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

Governmental Activities							
Year	General Obligation Bonds	Bond Anticipation Notes	Loans	Total	Actual Taxable Value of Property	Percentage of Actual Taxable Value of Property	Per Capita (1)
2013	\$2,497,307	\$0	\$759,657	\$3,256,964	\$666,952,486	0.49 %	252
2012	2,604,102	0	857,898	3,462,000	668,288,486	0.52	268
2011	2,705,897	0	959,474	3,665,371	714,079,200	0.51	286
2010	0	2,640,000	530,860	3,170,860	729,445,967	0.43	247
2009	0	2,100,000	0	2,100,000	898,534,287	0.23	154
2008	0	2,470,000	0	2,470,000	841,281,475	0.29	183
2007	0	2,770,000	0	2,770,000	843,684,435	0.33	203
2006	0	2,970,000	0	2,970,000	841,547,469	0.35	219
2005	0	2,720,000	0	2,720,000	791,259,012	0.34	202
2004	0	2,820,000	0	2,820,000	789,271,832	0.36	212
Business-Type Activities							
Year	General Obligation Bonds	OWDA Loans	Revenue Bonds	Bond Anticipation Notes	Total Debt (2)	Percentage of Personal Income (1)	Per Capita (1)
2013	\$6,486,109	\$10,641,507	\$8,619,848	\$0	\$29,004,428	10.42 %	\$2,248
2012	6,796,726	11,206,348	9,666,534	0	31,131,608	11.18	2,413
2011	7,087,343	11,753,270	10,658,220	0	33,164,204	11.99	2,586
2010	0	12,282,841	11,723,698	6,900,000	34,077,399	12.32	2,657
2009	0	12,795,611	12,655,641	7,200,000	34,751,252	13.49	2,553
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

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

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

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

Primary Government		
Total General Obligation Bonds	Percentage of Actual Taxable Value of Property	Per Capita (1)
\$8,983,416	1.35 %	696
9,400,828	1.41	729
9,793,240	1.37	764
0	0.00	0
0	0.00	0
0	0.00	0
260,000	0.03	19
455,000	0.05	33
640,000	0.08	47
815,000	0.10	61

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

	2013	2012	2011	2010
Overall Legal Debt Limit (10.5% of Assessed Valuation)	\$24,510,504	\$24,559,602	\$24,559,602	\$26,242,211
Net Debt Applicable to Debt Limit	8,935,000	10,117,898	10,604,474	3,270,860
Overall Legal Debt Margin (10.5% of Assessed Valuation)	<u>\$15,575,504</u>	<u>\$14,441,704</u>	<u>\$13,955,128</u>	<u>\$22,971,351</u>
Legal Debt Margin as a Percentage of Debt Limit	63.55%	58.80%	56.82%	87.54%
Unvoted Legal Debt Limit (5.5% of Assessed Valuation)	\$12,838,835	\$12,864,553	\$12,864,553	\$13,746,025
Net Debt Applicable to Debt Limit	8,935,000	10,117,898	10,604,474	3,270,860
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	<u>\$3,903,835</u>	<u>\$2,746,655</u>	<u>\$2,260,079</u>	<u>\$10,475,165</u>
Legal Debt Margin as a Percentage of Debt Limit	30.41%	21.35%	17.57%	76.21%

Legal Debt Margin Calculation for the Year Ended December 31, 2013

	Overall Margin Within 10.5%	Unvoted Margin Within 5.5%
Assessed property value	<u>\$233,433,370</u>	<u>\$233,433,370</u>
Debt Limitation (percentage of assessed property value)	\$24,510,504	\$12,838,835
Gross Indebtedness	29,028,821	29,028,821
Less: Revenue Bonds	(8,525,000)	(8,525,000)
SIB Loan	(674,657)	(674,657)
OWDA Loan	(10,641,507)	(10,641,507)
Police and Fire Pension	<u>(252,657)</u>	<u>(252,657)</u>
Net Debt Applicable to Debt Limit	8,935,000	8,935,000
Legal Debt Margin Within Limitations	<u>\$15,575,504</u>	<u>\$3,903,835</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.

2009	2008	2007	2006	2005	2004
\$27,400,427	\$28,608,566	\$28,027,064	\$28,791,693	\$28,450,248	\$27,162,737
2,200,000	2,470,000	2,770,000	2,970,000	2,620,000	2,720,000
\$25,200,427	\$26,138,566	\$25,257,064	\$25,821,693	\$25,830,248	\$24,442,737
91.97%	91.37%	90.12%	89.68%	90.79%	89.99%
\$14,352,605	\$14,985,439	\$14,680,843	\$15,081,363	\$14,902,511	\$14,260,550
2,200,000	2,470,000	2,770,000	2,970,000	2,620,000	2,720,000
\$12,152,605	\$12,515,439	\$11,910,843	\$12,111,363	\$12,282,511	\$11,540,550
84.67%	83.52%	81.13%	80.31%	82.42%	80.93%

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	
2013	\$2,118,602	\$1,130,110	\$988,492	\$330,000	\$165,533	1.99
2012	2,256,604	1,226,020	1,030,584	320,000	137,183	2.25
2011	2,018,126	1,154,185	863,941	310,000	187,141	1.74
2010	2,045,222	1,329,484	715,738	300,000	201,361	1.43
2009	1,994,092	1,045,257	948,835	290,000	189,176	1.98
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

- (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	
2013	\$23,880,871	\$22,250,673	\$1,630,198	\$700,000	\$236,897	1.74
2012	22,115,910	21,232,477	883,433	655,000	269,647	0.96
2011	20,637,660	19,126,461	1,511,199	630,000	294,847	1.63
2010	21,275,915	16,922,317	4,353,598	605,000	319,047	4.71
2009	18,953,012	17,290,371	1,662,641	590,000	362,835	1.74
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

(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>
2013	12,904	\$278,390,896	\$21,574	\$43,951	6.2%
2012	12,904	278,390,896	21,574	43,951	7.5
2011	12,826	276,708,124	21,574	43,951	7.5
2010	12,826	276,708,124	21,574	43,951	10.5
2009	13,612	257,647,936	18,928	44,604	9.2
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

(1) Estimated by the City

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

(3) Source: 2004-2009 - 2000 U.S. Census; 2010-2013 - 2010 U.S. Census

(4) Ohio Department of Job and Family Services

City of Dover, Ohio

Principal Employers

2013 and 2004

2013	
<u>Employer</u>	<u>Employees</u>
Union Hospital	830
Allied Machine and Engineering Corporation	431
Zimmer Patient Care Division	375
Dover City Schools	276
Meteor Sealing Systems	275
Buehlers Food Market Incorporated	235
Hennis Care Center	233
Marlite, Incorporated	168
City of Dover	146
New Dawn	101
Total	<u><u>3,070</u></u>
Total Employment within the City	<u><u>n/a</u></u>

2004	
<u>Employer</u>	<u>Employees</u>
Union Hospital	950
Allied Machine and Engineering Corporation	330
Zimmer Patient Care Division	300
Dover City Schools	289
Buehlers Food Market Incorporated	244
Marlite, Incorporated	218
Hennis Care Center Incorporated	201
New Dawn Health Care	187
Meteor Sealing	138
Arizona Chemical Company	135
Total	<u><u>2,992</u></u>
Total Employment within the City	<u><u>n/a</u></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	2013	2012	2011	2010	2009
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	1.5	1.5	3.0	3.0
Income Tax Department	3.5	2.5	2.0	2.5	2.5
Service Director	2.0	2.0	2.0	2.5	2.5
Janitor	1.0	1.0	0.0	0.0	1.0
Shade Tree	0.0	0.0	0.0	0.0	0.0
Security of Persons and Property					
Police	23.0	22.0	22.0	20.0	22.0
Fire	18.0	18.0	17.0	19.0	18.0
Safety Director	0.5	0.5	0.5	0.5	0.5
Traffic Safety	6.5	7.5	7.0	11.0	9.0
Transportation					
Service/Street M&R	15.0	15.0	14.0	14.0	14.0
Public Health Services					
Cemetery	7.0	7.0	7.0	7.5	7.5
Community Environment					
Building	1.0	1.0	1.0	1.0	1.0
Leisure Time Activities					
Parks and Recreation	32.0	26.0	23.0	23.0	23.5
Basic Utility Services					
Sewer	19.5	19.5	17.0	18.0	17.0
Electric	42.0	39.0	41.0	44.0	47.5
Water	13.0	12.0	12.0	13.5	14.0
Totals:	<u>201.0</u>	<u>190.0</u>	<u>182.5</u>	<u>195.0</u>	<u>198.5</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>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
11.0	11.0	11.0	11.0	11.5
3.0	3.0	3.0	3.0	3.0
0.5	0.5	0.5	0.5	0.5
1.0	1.0	1.0	1.0	1.0
1.5	3.0	3.0	3.0	3.0
2.5	2.0	2.0	2.0	2.0
2.5	2.5	2.5	2.5	2.5
1.0	1.0	1.0	1.0	1.0
0.0	0.0	0.0	0.5	0.5
22.0	23.0	23.0	23.0	23.0
19.0	18.0	16.0	16.0	16.0
0.5	0.5	0.5	0.5	0.5
8.0	8.5	9.5	10.5	10.5
15.0	16.0	14.5	14.5	14.5
7.5	7.5	8.5	7.5	7.0
1.0	1.0	1.0	1.0	1.0
27.0	21.5	21.0	20.0	20.0
17.0	16.0	17.5	17.0	18.0
41.0	39.5	42.5	42.0	43.0
13.0	14.5	14.0	14.5	15.0
<u>194.0</u>	<u>190.0</u>	<u>192.0</u>	<u>191.0</u>	<u>193.5</u>

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

Function/Program	2013	2012	2011	2010
General Government				
<i>Council and Clerk</i>				
Number of Ordinances Passed	67	63	57	66
Number of Resolutions Passed	26	16	19	22
<i>Planning Commission</i>				
Number of Planning Commission docket items	25	15	25	16
<i>Finance Department</i>				
Number of checks/ vouchers issued	3,782	3,818	4,037	3,981
Amount of checks written	\$52,888,467	\$49,211,053	\$58,220,483	\$54,842,028
Interest earnings for fiscal year (cash basis)	\$14,515	\$21,504	\$51,834	\$69,653
Number of Receipts issued	564	540	557	543
General Fund Receipts (cash basis)	\$8,055,961	\$7,184,714	\$7,500,648	\$6,777,345
General Fund Expenditures (cash basis)	\$7,644,025	\$7,448,613	\$6,652,344	\$6,347,883
<i>Income Tax Department</i>				
Number of Business net profit forms processed	1,374	1,265	1,294	1,238
Number of Individual forms processed	4,817	4,394	2,557	2,564
Amount of Penalties and Interest Collected	\$45,894	\$32,544	\$38,627	\$37,362
<i>Civil Service</i>				
Number of police entry tests administered	1	1	0	1
Number of fire entry tests administered	0	0	1	1
Number of police promotional tests administered	1	0	0	2
Number of fire promotional tests administered	0	0	0	0
Number of hires of Police Officers from certified lists	0	0	3	0
Number of hires of Fire/Medics from certified lists	0	1	0	0
Number of promotions from police certified lists	1	0	3	0
Number of promotions from fire certified lists	0	0	0	0
<i>Building and Zoning</i>				
Estimated Value of Construction	\$12,799,960	\$20,454,790	\$8,490,640	\$2,838,874
Number of permits issued (all types)	275	280	240	225
Amount of Revenue generated from permits	\$8,884	\$9,730	\$13,595	\$10,115
Number of contractor licenses	295	319	261	278
Zoning Board of Appeals hearings	28	27	26	22

Source: City Records

2009	2008	2007	2006	2005	2004
70	71	76	57	59	62
22	32	17	22	29	27
36	26	18	19	22	21
4,048	7,904	3,806	3,852	3,769	3,822
\$50,816,846	\$55,934,193	\$61,851,209	\$43,454,567	\$43,182,203	\$37,144,990
\$210,568	\$184,436	\$255,612	\$129,830	\$143,896	\$92,562
584	517	518	511	533	525
\$6,167,226	\$5,893,616	\$6,415,847	\$6,081,615	\$5,721,478	\$5,368,211
\$6,321,992	\$6,194,109	\$5,901,479	\$6,163,730	\$5,851,883	\$5,864,617
1,261	1,278	1,219	1,179	1,018	953
2,590	2,662	2,560	2,459	2,466	2,317
\$29,725	\$22,533	\$24,223	\$22,017	\$10,859	\$11,135
0	1	1	0	0	0
1	0	1	0	0	1
0	0	1	1	0	0
0	0	0	0	0	0
0	1	0	0	0	4
0	1	1	0	0	2
0	0	2	1	0	0
0	0	0	0	0	0
\$5,884,436	\$6,896,283	\$9,562,157	\$11,867,945	\$13,716,916	\$12,159,784
228	272	290	251	211	192
\$21,478	\$19,927	\$21,987	\$14,342	\$11,397	\$9,575
285	326	205	282	289	323
29	26	37	38	6	24

(continued)

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

Function/Program	2013	2012	2011	2010
Security of Persons and Property				
<i>Police</i>				
Total Calls for Services	8,616	8,721	9,367	10,443
Number of traffic citations issued	450	559	694	851
Number of parking citations issued	79	52	111	154
Number of felony arrests	37	30	68	27
Number of misdemeanor arrests	512	497	504	447
Number of traffic accidents investigated	477	351	393	366
Number of injury accidents	56	44	32	68
Number of fatal accidents	0	0	1	1
Prisoners	97	120	95	64
Prisoner meal costs	\$6,765	\$9,130	\$6,400	\$3,650
Total miles driven	143,688	152,166	157,409	161,908
Total gasoline used	13,991	14,079	14,249	14,892
<i>Fire</i>				
EMS Calls	1,405	1,274	1,349	1,316
Fire Calls	84	91	86	105
Training hours	1,339	1,657	1,074	1,674
Leisure Time Activities				
<i>Recreation</i>				
Recreation League fees	\$22,040	\$22,225	\$18,910	\$15,550
Transportation				
Tons of asphalt	3,396	2,744	3,037	6,500
Tons of limestone	540	1,000	1,213	1,149
Paint Striping (gallons of paint)	475	430	430	475
Street sweeping (days)	109	127	138	145
Man hours of leaf pick-up	848	936	1,048	992
Tons of salt	1,800	748	2,027	2,125
Water Department				
Average residential gallons of water billed monthly	4,100	3,750	3,500	3,240
Wastewater Department				
Average residential gallons of sewer billed monthly	3,900	3,750	3,350	3,392

Source: City Records

2009	2008	2007	2006	2005	2004
10,802	10,148	11,007	11,866	12,270	12,586
887	1,043	929	1,243	1,270	1,111
183	379	293	389	267	185
79	81	39	83	260	78
590	476	427	540	372	473
343	396	375	391	441	410
50	62	94	84	112	83
0	1	1	1	1	1
88	59	44	56	63	118
\$5,600	\$4,000	\$2,600	\$3,645	\$5,130	\$5,715
162,104	147,554	139,049	154,186	154,883	144,860
14,438	13,242	13,025	13,928	14,179	13,411
1,238	1,338	1,165	1,182	1,128	1,160
131	117	118	119	101	134
1,338	1,891	1,178	1,325	1,632	1,505
\$21,475	\$19,986	\$11,915	\$6,044	\$10,280	\$12,486
4,593	7,582	3,930	4,052	7,137	5,965
1,357	1,167	1,255	1,217	1,500	n/a
375	410	575	445	710	585
144	117	123	111	134	n/a
1,120	1,200	1,328	1,284	1,284	1,352
1,575	2,353	1,361	976	n/a	n/a
4,599	4,875	4,913	5,100	5,100	5,040
4,599	4,868	4,913	5,010	5,010	4,950

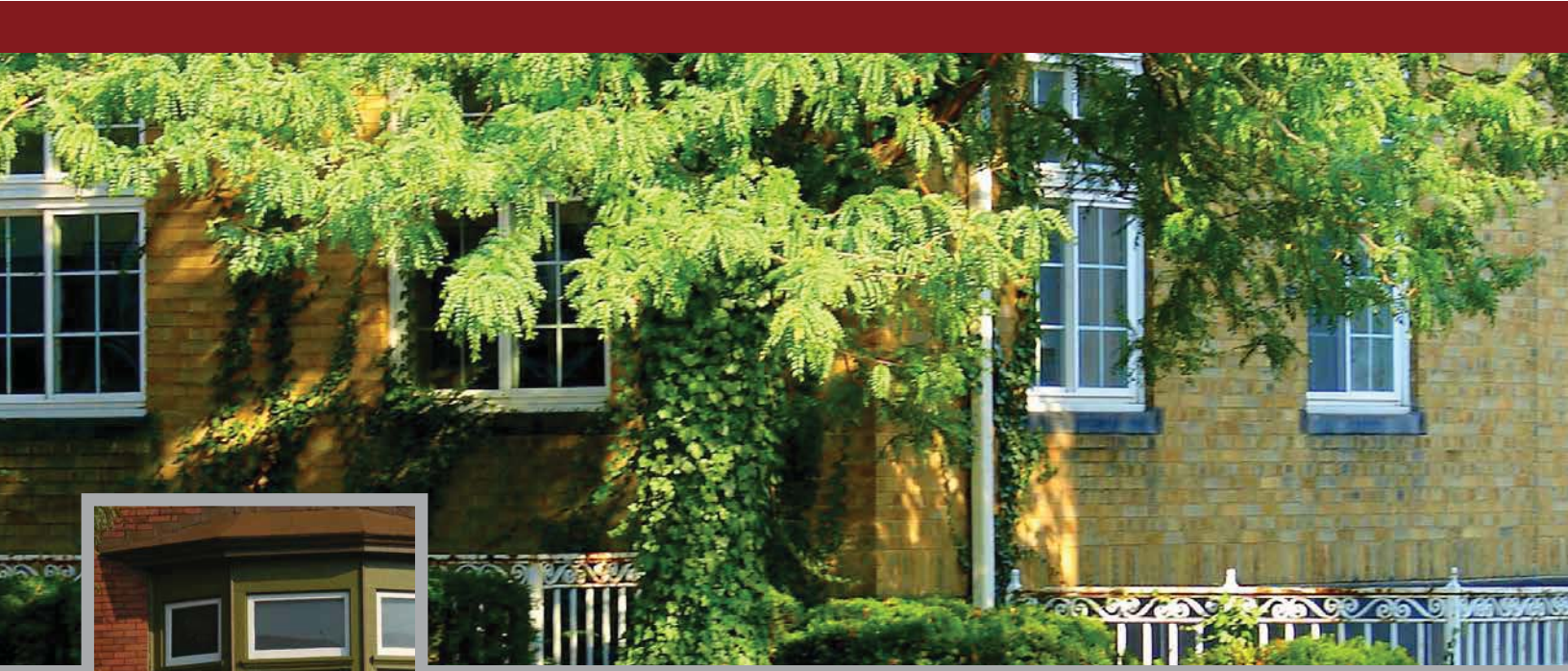
City of Dover, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2013	2012	2011	2010
General Government				
Square Footage Occupied	1,932	1,932	1,932	1,932
Vehicles	2	4	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	9	9	10	10
 Fire				
Stations	1	1	1	1
Square Footage of Building	6,900	6,900	6,900	6,900
Fire Hydrants	634	634	633	633
Vehicles	14	13	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	72	72	71
Street Lights	2,461	2,448	2,438	2,437
Storm Sewers (miles)	34	34	34	33
Utility Services				
Sanitary Sewers (miles)	67	67	67	67
Electric Lines (miles)	377	376	375	359
Water Lines (miles)	85	85	85	85

Source: City Records

2009	2008	2007	2006	2005	2004
1,932	1,932	1,932	1,932	1,932	1,932
3	3	3	1	1	1
1	1	1	1	1	1
6,468	6,468	6,468	6,468	6,468	6,468
13	11	10	9	9	9
1	1	1	1	1	1
6,900	6,900	6,900	6,900	6,900	6,900
633	633	614	582	582	566
12	12	12	15	15	13
2	2	2	2	2	2
2	2	2	2	2	2
8	8	8	8	8	8
10	10	10	9	9	8
71	70	70	70	70	69
2,397	2,387	2,380	2,369	2,352	2,318
33	33	33	33	33	32
67	67	66	66	66	65
357	357	354	354	355	331
85	84	84	84	84	82

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THE CITY OF **DOVER, OHIO**
doverohio.com

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Dave Yost • Auditor of State

CITY OF DOVER

TUSCARAWAS COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 10, 2014**