



**CITY OF DOVER
TUSCARAWAS COUNTY**

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2009



Mary Taylor, CPA
Auditor of State

CITY OF DOVER
TUSCARAWAS COUNTY

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Mary Taylor, CPA

Auditor of State

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

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

To the Honorable Mayor and City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, Tuscarawas County, Ohio, (the City) as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 24, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

We noted certain internal control matters that we reported to the City's management in a separate letter dated May 24, 2010.

Compliance and Other Matters

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

We did note certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated May 24, 2010.

We intend this report solely for the information and use of management and City Council. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

May 24, 2010

**CITY OF DOVER
TUSCARAWAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2009**

| Finding Number | Finding Summary | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i> |
|----------------|--|------------------|--|
| 2008-001 | City Council does not receive financial reports for review. | Yes | Finding No Longer Valid |
| 2008-002 | The City's book balance was unable to be reconciled with the financial institution deposit and investment accounts. | No | Partially Corrected. Refer to Management Letter. |
| 2008-003 | EMS runs were not being timely billed and there were no attempts to collect delinquent accounts or write them off resulting in high receivable balances. | Yes | Finding No Longer Valid |

COMPREHENSIVE ANNUAL FINANCIAL REPORT



City of Dover, Ohio

For the Year Ending
December 31, 2009



Pictured on the cover is the river view of the City of Dover's Wastewater Treatment Plant taken by Fire Chief Russ Volkert.



After much consideration, the City chose membrane bioreactors (MBR) to double the existing plant's capacity; meet new, more restrictive NPDES permit limits; and increase capacity using existing infrastructure while leaving room for future growth.

The project was started in 2004, with a general plan of improvements, in 2006 the design was completed and the project officially got underway in March of 2007. The majority of construction was completed in 2009 with the remainder completed in 2010. Headworks improvements include a new influent junction chamber, leachate unloading station, coarse bar screen, grit removal, (vortex), and fine mechanical screen. The liquid stream treatment process was converted from a single-stage activated sludge oxidation ditch system to an activated sludge system using submerged MBR technology.

INTRODUCTORY SECTION

City of Dover, Ohio



City of Dover, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2009
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City Of Dover
Auditor's Office

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May 24, 2010

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, 2009, and details the status of City finances to residents, elected officials, investment bankers, underwriters, rating agencies and all other interested parties. This report enables the City to comply with Ohio Administrative Code Section 117-2-03(B), which requires reporting on a Generally Accepted Accounting Principles (GAAP) basis, and Ohio Revised Code Section 117.38 which requires cities reporting on a GAAP basis to file an annual report with the Auditor of State within 150 days of fiscal year end.

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

The Auditor of State of Ohio has issued an unqualified ("clean") opinion on the City of Dover's financial statements for the year ended December 31, 2009. The independent accountants' report is located at the front of the financial section of this report.

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

City Profile

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



TREE CITY USA

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

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

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

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; five of our ten principal employers had more than 200 employees, lending to the City's diversification.

Six banks (Huntington National, Chase, First National Bank of Dennison, Citizens Bank, National City, First Federal Bank) are located in the City. Financial institutions located in the County had total deposits of \$166,291,000 on December 31, 2008 (the latest information available).

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 Times 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.

Marlowe's Compounding Pharmacy had a banner year in 2009 and business has doubled in the last three years. Pharmacy compounding is the time-honored art and science of creating specialized medicines for individual patients according to owner and compounding specialist Jerry Marlowe. The team at Marlowe's along with physicians and veterinarians combine their knowledge to try and compound prescriptions for patients who do not respond to traditional therapies. In 2010 Marlowe's Compounding will launch a web site for patients and physicians interested in compounding and how it can benefit their health.

Union Hospital remains our largest employer. In 2009, they honored their retiring president and CEO William Harding and welcomed the new president and chief executive officer, Bruce James. James stated "Union Hospital is raising the bar across the board to improve the quality of care, increase access to physician care and keep our costs among the lowest in Ohio". The active staff of physicians, now at 122 members, has doubled since 1990. Union Hospital continues to aggressively pursue doctors of all specialties, as well as, family medicine and primary care doctors. The hospital that started 104 years ago in a rented house has expanded to a 28 acre medical campus that is Tuscarawas County's largest employer. It is that kind of vision that keeps Union Hospital striving to provide the citizens of Dover and the surrounding areas with highest quality of healthcare possible.

Union Hospital added to its presence at the Oxford Medical Center in early 2009 by opening the Union Hospital Sleep Disorder Center and the Cardiopulmonary Rehabilitation Department in the newly remodeled facilities on the ground floor of the building on Oxford Street in Dover. The building also houses the Tuscarawas Ambulatory Surgery Center, Open MRI facilities, FirstCare convenient care center and numerous physicians' offices.

Announced in July of 2008, Olympic Steel, a national steel service center, opened a 62,400 square foot satellite facility in Dover. This facility was designed to increase their Cleveland, Ohio facility in the downstream value added steel market. The building houses a MG high definition plasma burning table with 6 oxygen torches, 3 plasma torches and a Wheelbrator shot blaster which allows the Cleveland branch to have all previously outsourced shot blasting to be done in house.

In early 2010 a kidney dialysis clinic owned and operated by DaVita, Inc opened. This clinic will employ 10-15 people and will offer both hemodialysis and home dialysis options. DaVita, Inc, which is a Fortune 500 company, is headquartered in Denver, Colorado and is a leading provider of kidney care in the United States.

Major Initiatives

For the Year

The City of Dover is actively involved in projects that will shape the future of the City for many years to come.

The \$13 million dollar expansion of the Wastewater Treatment Plant is nearly completed. The expansion will nearly double the plant's existing capacity and change the waste processing. Using the submerged membrane activated sludge technology, new headworks facilities including new fine screens and grit and grease removal will be constructed, thus eliminating the primary settling tanks. While the City funded the engineering and design phases through the revenue fund, the actual construction was paid for by an Ohio Water Development Authority (OWDA) loan; the City began repayment of the loan in June of 2009.

Construction began in October of 2009 on the Tuscarawas Avenue Bridge, which is one of two major bridges in Dover that cross the Tuscarawas River. The Ohio Department of Transportation will be funding up to 80 percent of the cost, with the City funding the remaining 20 percent. A loan has been obtained from the State Infrastructure Bank for Dover's share. To date, none of the loan proceeds have been received, as the ODOT share is being spent first. Completion of the bridge is slated for fall of 2010.

The City of Dover owns and operates its own electric generating plant. Our Mayor, Richard P. Homrighausen, serves as the president of the Ohio Municipal Electric Association, which advocates the needs of small municipal generating plants in Ohio. He has provided testimony many times at United States Senate Sub Committee hearings regarding the legislation that affects the municipal electric industry and the City maintains a keen interest in all legislation that affects our generating plant.

Department Information

During the snow season of 2009 the first snow salting began on November 18, 2008 and we had periodic salting until February 21, 2009. The entire salting season required 1,575 tons of salt.

The 2009-paving season was completed in four phases. The first phase started in June, and the fourth phase was completed in November. In all, 11 streets and one alley were paved for a total of 4,953 tons of asphalt used. With profiling and asphalt the total cost for the year was \$248,237.

The storm sewer catch basin program went well with 26 catch basins being repaired or rebuilt. Crews were kept busy this year by installing 2 new catch basins and pipe.

Mowing of the City's right of ways is done by the general services division. There are 50 plus locations throughout the City that are maintained by mowing and weed eating. Mowing is done weekly, bi-weekly, and monthly as required. Mowing started April 17, 2009 and went until October 26, 2009.

The leaf season started on the 2nd of November, lasting 28 working days and finished on the 8th of December. Leaves were picked up using our leaf machine and two truck mounted collection boxes. For the entire process we used 602 gallons of diesel fuel and 1,120 man-hours.

The City of Dover's mini dump was used primarily as a collection area again this year for the brush, construction materials and cement that we collected from the 1,593 brush slips received throughout the year. Construction materials were disposed of at Kimble's Landfill at a cost of \$11,716.

Our 2009 painting program consisted of striping 30 plus miles of streets along with 530 parking stalls, 98 crosswalks, 31 turn bays, 18 railroad crossing emblems and 5 delineators. To do this, painting required 290 gallons of yellow paint, 85 gallons of white paint, and 3,350 lbs. of glass reflective beads.

The general services division also maintains traffic control devices. There are 29 traffic light systems, 12 four way flasher/warning flashers, and 8 school speed limit light systems in the City of Dover. Signs are also a big part of our program with 73 new signs and 14 new posts being installed in 2009. The majority of these signs are installed to replace old worn signs and stolen or damaged ones, while others are to keep in compliance with the Ohio Uniform Traffic Code.

The City of Dover operates and maintains three cemeteries. In 2009, 59 ground spaces, 6 mausoleum crypts and 8 cremation niches were sold. 88 ground burials and 32 cremations were conducted throughout 2009.

The City's parks and recreation department is growing and with the purchase of new property adjoining the City park in 2008, plans are being made to move the park offices there in 2010. This move will allow more access to the park and improved handicap accessibility.

The City took ownership of the two concession stands located in the park and at the pool. These stands, historically owned by independent contractors, are now operated by parks and recreation personnel throughout the summer months.

Some improvements to the park in 2009 include the outdoor basketball courts being re-sealed and painted, new fencing at three of the ballfields, new sidewalks at the picnic shelters and new bocce courts which were a donation from the Italian American committee.

The citizens of the City continue to utilize the parks for ball games, swim, golf and tennis lessons, picnicking, walking, disc golf and our state of the art playground for kids, just to name a few of the activities available.

In 2009, the fire department responded to 1,808 calls; 1,238 were E.M.S. calls and the remainders were fire and miscellaneous responses. The firefighters logged 1,338 hours of both mandated and voluntary training in 2009.

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. Investigation into private property vehicle accidents is also provided. The department maintains 6 marked cruisers, 2 unmarked vehicles and a specially equipped Special Response Team van. The team consists of six men specially trained to handle difficult situations.

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

Our City's electric field division has been kept busy throughout the year upgrading and relocating lines. The I-77 interchange road construction project required the relocation of several large underground customers. This work was completed with minimal outage time.

As always, the electric field division is a presence at any downtown community event, installing temporary wiring and hanging banners. In 2009, the electric field division received three awards from AMP (American Municipal Power). The first one being a safety award for no time lost in 2009, the second for energy conservation, and the third was for the cutover work on a 4kv feeder to a 12kv feeder.

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.

2010 is the 100th anniversary of the City's electric generation plant. The City's forefathers fought a long and hard battle to build the plant and we applaud their tenacity. The electric generation, distribution and fiber network places Dover in a position to customize infrastructure to fit the needs of existing and potential businesses. We plan to celebrate 100 years with educational materials and events giving the citizens an opportunity to learn all about their electric generation plant.

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

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

Department Focus Each year the City of Dover selects a department to focus. This year we would like to focus on the Cemetery Department.

2009 was a busy year for the cemetery department. Statistically, as has been predicted in the past, the Cemetery continues to show strong growth. The Cemetery has completed the excavation and base road for Section "G". The new section has been seeded and is ready to be pinned for lot sales in the spring of 2010. To maintain the cemeteries park like atmosphere, ten eight foot white pine trees were planted to place a buffer between the new section and the Village of Parral. Cremation trends are continuing to rise. During 2009, we had 32 cremations, which was 26 percent of our total interments. The cemetery department completed its new web based record keeping system. The public, via the cemeteries web site www.dovercemeteries.com, can view all burial records and cemetery mapping. Families and loved ones can also leave public condolences through the web site that can be viewed by all. The new record keeping system also serves as a maintenance tool. The cemetery department has logged all trees within its 3 cemeteries. These trees will be identified within the GPS mapping provided by the new system.

During 2009, 59 ground spaces, 6 mausoleum crypts, and 8 cremation niches were sold. A scattering garden is planned for 2010. This garden's beautiful setting will provide an alternative to traditional burial of ashes at the cemetery.

Our cemetery department is efficiently run with an attention to detail and growth and provides the best possible atmosphere and comfort to the family in their time of loss.

Long-Term Financial Planning

The City ensures there are funding sources for all projects it undertakes. A portion of the City's income tax is restricted to the master capital fund to help provide considerable pay-as-you-go financing of governmental capital projects and capital assets. Traditionally, the City has funded projects for our enterprise funds by issuing mortgage revenue bonds and bond anticipation notes as necessary. To fund our Wastewater treatment plant, the City of Dover has secured a low interest loan through the Ohio Water Development Authority (OWDA); this will be the first time this source of funding will be used in twenty plus years. The City also has secured a loan for our portion of the Tuscarawas Avenue Bridge project through the State Infrastructure Bank. This is the first time this source of funding has been utilized for a project in Dover.

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 financial condition and prioritizing projects before embarking on such a major undertaking, but continues to take steps to making the project a reality.

Relevant Financial Planning

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

The split of our City's income tax revenue has been addressed elsewhere in the report; however, the practice of allocating 40 percent of our income tax revenue to the master capital projects 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.

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, 2008.

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

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

Tree City USA The City received its twenty-ninth Tree City USA Award for the year ended December 31, 2009. 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 Mary Taylor's office.

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

Respectfully submitted,



Richard P. Homrighausen,
Mayor



Mary J. Fox
Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Dover
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

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



President

Executive Director

City of Dover, Ohio
Principal Officials
December 31, 2009

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

Finance Department

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

Safety Department

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

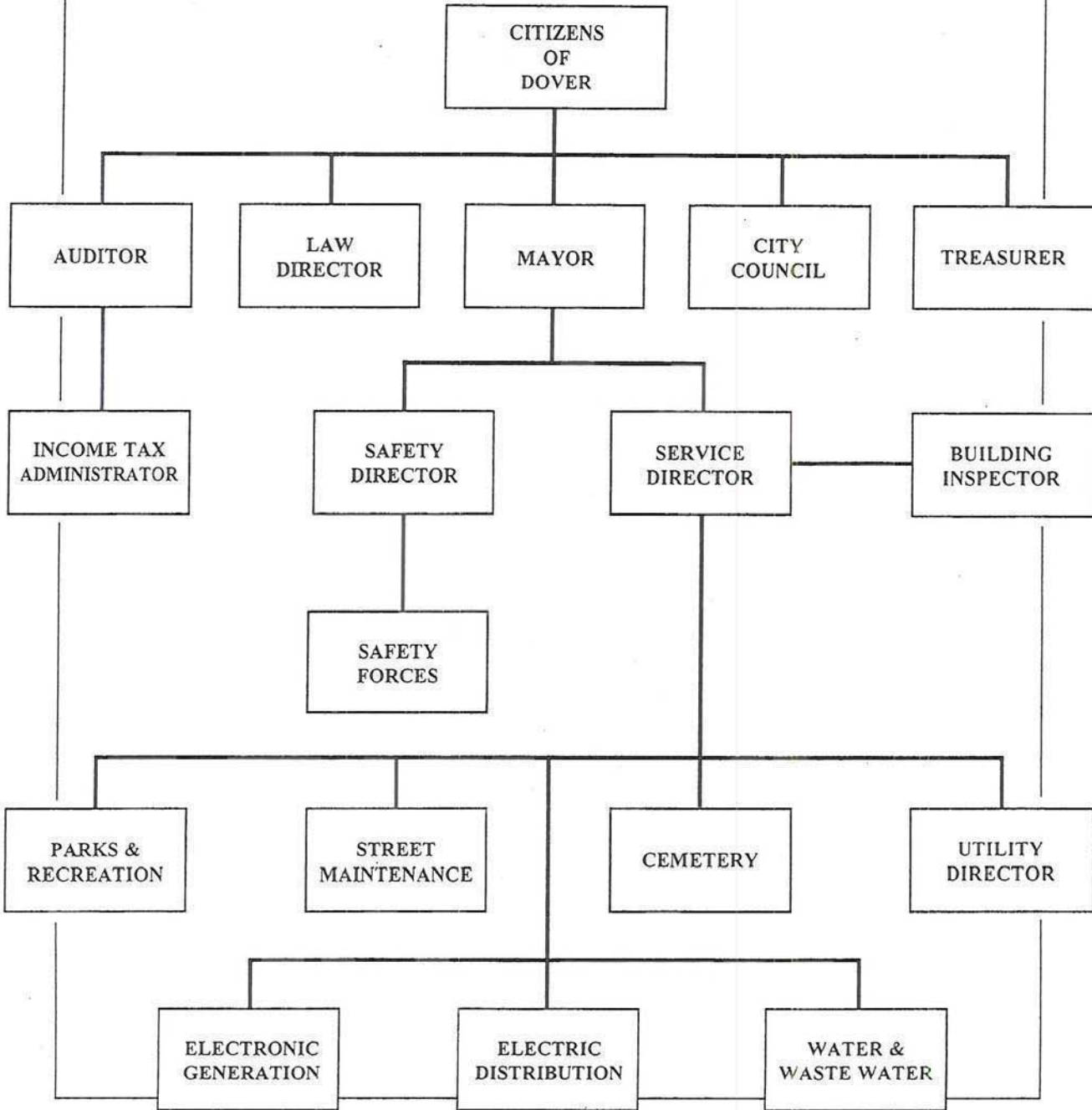
Service Department

Service Director David F. Douglas
Cemetery Scott Harmon
Electric Distribution..... Lawrence D. Lautzenheiser
Electric Plant..... David A. Filippi
General Services Rick D. Young
Parks and Recreation..... Scott A. Jerles
Utilities Office Scott D. Daniels
Water and Sewer William R. Craigo



CITY OF DOVER, OHIO

Organization Chart



FINANCIAL SECTION

City of Dover, Ohio





Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

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

To the Honorable Mayor and City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, Tuscarawas County, Ohio, (the City) as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, Tuscarawas County, Ohio, as of December 31, 2009, and the respective changes in financial position and where applicable cash flows, thereof and the respective budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 24, 2010, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

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

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

May 24, 2010

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2009
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, 2009. 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 2009 are as follows:

- The City of Dover has made investments in 2009 into the future of the City. Two projects being partially funded by the American Recovery and Reinvestment Act monies, as well as other state and federal funds, are currently under construction: the complete replacement of the Tuscarawas Avenue Bridge; and the addition of an interchange off of Interstate 77 in the northern area of the City. Both projects belong to the Ohio Department of Transportation; however, the City has made contributions to both.
- In 2009, the City took advantage of a discount offered by the manufacturer of the fire truck the City had planned to purchase. Thanks to the receipt of \$150,000 from Dover Township in January of 2009, the City paid cash (\$460,000) for the truck, which is currently under construction and is being customized for our City's use. The City will use the truck when servicing Dover Township as well, and is pleased that both entities could cooperate in this purchase.
- The construction of the wastewater treatment plant, which will use a new treatment process, continued in 2009. In June of 2009, the City started to repay the 20 year loan made by the Water Pollution Control Fund through the Ohio Water Development Authority that financed the plant.

Using this Annual Financial Report

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

The Statement of Net Assets and the Statement of Changes in Net Assets provide information from a summary perspective showing the effects of the operations for the year 2009 and how they affected the operations of the City as a whole.

Reporting the City of Dover as a Whole

Statement of Net Assets and Statement of Activities

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

These two statements report the City's net assets and changes in those assets. The change in net assets is important since it is an indication of whether the financial position of the City is improving or declining. However, to properly evaluate the operation of the City, certain non-financial items should be taken into

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

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

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

Reporting on the Most Significant Funds of the City of Dover

Fund Financial Statements

The analysis of the City's major funds begins on page 8. The fund financial reports give a detailed report of the activities within the funds. The City currently has nineteen funds. These funds are in existence to provide a multitude of services to the citizens of Dover. Each fund is in some ways an entity unto itself. Each fund has a designed revenue stream and restricted uses for the monies within the fund.

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

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

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

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The City of Dover as a Whole

The Statement of Net Assets provides an overall view of the City. Table 1 shows a summary of the City's net assets for 2009 as they compare to 2008.

Table 1
Net Assets

| | Governmental Activities | | Business-Type Activities | | Total | |
|--|-------------------------|---------------------|--------------------------|---------------------|---------------------|---------------------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Assets | | | | | | |
| Current and Other Assets | \$6,342,699 | \$8,016,622 | \$16,222,589 | \$16,489,884 | \$22,565,288 | \$24,506,506 |
| Capital Assets, Net | 16,802,942 | 17,243,194 | 58,962,961 | 58,099,807 | 75,765,903 | 75,343,001 |
| Total Assets | 23,145,641 | 25,259,816 | 75,185,550 | 74,589,691 | 98,331,191 | 99,849,507 |
| Liabilities | | | | | | |
| Current Liabilities | 2,216,880 | 2,588,800 | 3,441,817 | 3,212,627 | 5,658,697 | 5,801,427 |
| Long-Term Liabilities | | | | | | |
| Due Within One Year | 167,009 | 177,345 | 1,210,822 | 1,219,840 | 1,377,831 | 1,397,185 |
| Due in More Than One Year | 3,626,892 | 3,697,460 | 32,580,962 | 33,428,638 | 36,207,854 | 37,126,098 |
| Total Liabilities | 6,010,781 | 6,463,605 | 37,233,601 | 37,861,105 | 43,244,382 | 44,324,710 |
| Net Assets | | | | | | |
| Invested in Capital Assets, Net of Related Debt | 14,602,942 | 14,773,194 | 26,335,147 | 24,578,530 | 40,938,089 | 39,351,724 |
| Restricted for: | | | | | | |
| Cemetery | 632,997 | 633,047 | 0 | 0 | 632,997 | 633,047 |
| Street Maintenance and Repair | 115,661 | 272,293 | 0 | 0 | 115,661 | 272,293 |
| Ambulance | 250,831 | 168,965 | 0 | 0 | 250,831 | 168,965 |
| Revolving Loan Program | 504,913 | 428,737 | 0 | 0 | 504,913 | 428,737 |
| Shade Tree | 2,737 | 2,737 | 0 | 0 | 2,737 | 2,737 |
| Law Enforcement and Education | 38,511 | 35,803 | 0 | 0 | 38,511 | 35,803 |
| Debt Service | 0 | 0 | 1,530,347 | 1,523,975 | 1,530,347 | 1,523,975 |
| Capital Projects | 1,514,623 | 2,311,081 | 0 | 0 | 1,514,623 | 2,311,081 |
| Replacement and Improvement | 0 | 0 | 2,429,686 | 2,500,116 | 2,429,686 | 2,500,116 |
| Unrestricted (Deficit) | (528,355) | 170,354 | 7,656,769 | 8,125,965 | 7,128,414 | 8,296,319 |
| Total Net Assets | \$17,134,860 | \$18,796,211 | \$37,951,949 | \$36,728,586 | \$55,086,809 | \$55,524,797 |

In 2009, we saw a decrease in net assets of governmental activities due to expending a substantial amount of money without adding to City owned assets. This is due to the expenditures made as the City's contribution to the Tuscarawas Avenue Bridge project and the new Interstate 77 interchange. Both of these projects belong to the Ohio Department of Transportation. The City considers the money to be an investment in the growth of our City for the years to come.

In total our assets and liabilities showed nominal increases and decreases for the year with the economy as a factor in many of our shortfalls. Decreasing revenues, increasing delinquencies and increasing operation costs are challenges facing most governmental entities.

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

Table 2 shows the changes in net assets for 2009 for both governmental and business-type activities.

Table 2
Change in Net Assets

| | Governmental Activities | | Business-Type Activities | | Total | |
|------------------------------------|----------------------------|-------------------|-----------------------------|-------------------|-------------------|-------------------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Revenues | | | | | | |
| Program Revenues | | | | | | |
| Charges for Services and Sales | \$1,244,852 | \$1,077,360 | \$23,898,435 | \$25,207,058 | \$25,143,287 | \$26,284,418 |
| Operating Grants and Contributions | 835,492 | 897,280 | 0 | 0 | 835,492 | 897,280 |
| Capital Grants and Contributions | 0 | 236,422 | 0 | 0 | 0 | 236,422 |
| Total Program Revenues | 2,080,344 | 2,211,062 | 23,898,435 | 25,207,058 | 25,978,779 | 27,418,120 |
| General Revenues | | | | | | |
| Property Taxes | 1,183,508 | 1,211,475 | 0 | 0 | 1,183,508 | 1,211,475 |
| Income Taxes | 5,491,170 | 6,594,900 | 0 | 0 | 5,491,170 | 6,594,900 |
| Grants and Entitlements | 1,243,082 | 1,487,366 | 0 | 0 | 1,243,082 | 1,487,366 |
| Investments | 333,594 | 228,603 | 21,616 | 198,481 | 355,210 | 427,084 |
| Miscellaneous | 187,094 | 242,048 | 287,546 | 333,753 | 474,640 | 575,801 |
| Total General Revenues | 8,438,448 | 9,764,392 | 309,162 | 532,234 | 8,747,610 | 10,296,626 |
| <i>Total Revenues</i> | <i>10,518,792</i> | <i>11,975,454</i> | <i>24,207,597</i> | <i>25,739,292</i> | <i>34,726,389</i> | <i>37,714,746</i> |
| Program Expenses | | | | | | |
| General Government | 1,394,202 | 1,378,583 | 0 | 0 | 1,394,202 | 1,378,583 |
| Security of Persons and Property | 4,637,683 | 4,732,202 | 0 | 0 | 4,637,683 | 4,732,202 |
| Transportation | 3,666,602 | 2,019,895 | 0 | 0 | 3,666,602 | 2,019,895 |
| Public Health Services | 757,168 | 672,959 | 0 | 0 | 757,168 | 672,959 |
| Community Environment | 108,259 | 195,913 | 0 | 0 | 108,259 | 195,913 |
| Basic Utility Services | 532,610 | 463,671 | 0 | 0 | 532,610 | 463,671 |
| Leisure Time Activities | 1,010,371 | 1,223,705 | 0 | 0 | 1,010,371 | 1,223,705 |
| Interest and Fiscal Charges | 73,248 | 31,636 | 0 | 0 | 73,248 | 31,636 |
| Enterprise Operations: | | | | | | |
| Sewer | 0 | 0 | 2,839,223 | 2,421,889 | 2,839,223 | 2,421,889 |
| Electric | 0 | 0 | 18,429,586 | 18,448,428 | 18,429,586 | 18,448,428 |
| Water | 0 | 0 | 1,715,425 | 2,277,084 | 1,715,425 | 2,277,084 |
| Total Program Expenses | 12,180,143 | 10,718,564 | 22,984,234 | 23,147,401 | 35,164,377 | 33,865,965 |
| Increase (Decrease) in Net Assets | (1,661,351) | 1,256,890 | 1,223,363 | 2,591,891 | (437,988) | 3,848,781 |
| Net Assets Beginning of Year | 18,796,211 | 17,539,321 | 36,728,586 | 34,136,695 | 55,524,797 | 51,676,016 |
| Net Assets End of Year | \$17,134,860 | \$18,796,211 | \$37,951,949 | \$36,728,586 | \$55,086,809 | \$55,524,797 |

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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 \$5,491,170 in 2009. 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 2009, the City continued the practice of putting a full 40 percent of income tax revenue into the master capital fund which has been 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 in the past and expects to do so in the future to cover the expenses outpacing revenue in the operating funds. It is the plan to continue its policy of allocating 40 percent into master capital fund unless it is necessary to reduce the amount for operating expenses.

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 2008. This decrease is the result of the retirement of a firefighter and police officer, partially offset by a wage increase for the remaining employees. The City has not replaced the retirees in either position and does not intend to in 2010. Both of these departments are paid out of the general fund.

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

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

Our street maintenance and repair and traffic department employs 16 full time employees who provide the City and its citizens many services that include public road salting, leaf and debris pickup, paint striping and alley profiling. Transportation expenses increased from 2008. This increase is primarily the result of the City's share of two ODOT projects, the 77 interchange and the Tuscarawas Avenue bridge.

The City also maintains three cemeteries (public health services) and two parks (leisure time activities) within the City. Public health services increased in 2009, due to wage increases and increased purchasing of supplies. Leisure time activities decreased, primarily due to less employees in the department, which decreased salary and benefit costs.

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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 2009, the electric utility generated \$18,748,969 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 5,528 consumers with a minimum monthly pumpage of 1.22 million gallons and a maximum monthly pumpage of 2.68 million gallons in 2009. 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 1,324,175 gallons per day during 2009. The sewer plant expansion is nearly completed. This \$13 million expansion broke ground in 2007. The City has paid for the engineering and design through the sewer fund and is funding the remainder with a loan through Ohio Water Development Authority for the construction phase of the project. The City began to repay the 20 year loan in June of 2009. The new sewer plant was being tested throughout 2009. The final phase of the plant will be completed in 2010.

The revenues and expenses for all three of these utilities are reported under the business-type activities on Table 2. The majority of the City's revenues and expenses flow through the business-type activities. The revenues are generated primarily from charges for services. In 2009, charges for services accounted for approximately 95.7 percent of the revenues. The total expenses for the utilities decreased from 2008 due to decreases in purchased services and purchased power. The City had an increase in net assets for the business-type activities.

The City's Funds

Information about the City's governmental funds begins on page 16. These funds are accounted for using the modified accrual method of accounting. The general fund had revenues of \$5,665,176 and expenditures of \$6,252,956, resulting in an excess of expenditures over revenues. A decrease in several revenue sources, most notably income tax, and an increase in expenditures led to the overall decrease in fund balance as compared to 2008. The master capital fund had revenues of \$2,305,371 and expenditures of \$2,835,971, leaving an excess of expenditures over revenues of \$530,600. This is a result of the cash payments made for the interchange, bridge, and fire truck in 2009. 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 2009, the master capital fund received 40 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 2007 to increase the premium by \$300 monthly and allow for an additional \$100 per employee per month to be contributed to the fund on an as-needed basis. We are consistently negotiating with all our unions for plan modifications and increased employee contributions to help control plan costs.

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

Budgeting Highlights

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

For 2009, general fund appropriations were modified by Council three times. Final budgeted revenues and final appropriations were both higher than their respective original amounts due to revised estimates in all revenue categories and most expenditures. Actual revenues were lower than the final budgeted revenues due to lower income tax collections. Actual expenditures were lower than the final appropriations due to reductions in spending as revenues decreased.

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 | |
|--------------------------------------|----------------------------|---------------------|-----------------------------|---------------------|---------------------|---------------------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Land | \$1,075,202 | \$1,075,202 | \$435,066 | \$435,066 | \$1,510,268 | \$1,510,268 |
| Construction in Progress | 549,087 | 587,545 | 24,232,485 | 22,707,502 | 24,781,572 | 23,295,047 |
| Buildings | 2,069,579 | 2,113,579 | 13,751,970 | 14,160,043 | 15,821,549 | 16,273,622 |
| Improvements other than Buildings | 934,996 | 946,467 | 0 | 0 | 934,996 | 946,467 |
| Equipment and Machinery | 1,327,030 | 1,158,259 | 1,901,960 | 2,104,461 | 3,228,990 | 3,262,720 |
| Furniture and Fixtures | 8,288 | 10,427 | 28,233 | 33,656 | 36,521 | 44,083 |
| Vehicles | 345,042 | 333,655 | 415,124 | 404,159 | 760,166 | 737,814 |
| Infrastructure | 10,493,718 | 11,018,060 | 18,198,123 | 18,254,920 | 28,691,841 | 29,272,980 |
| Total Capital Assets | \$16,802,942 | \$17,243,194 | \$58,962,961 | \$58,099,807 | \$75,765,903 | \$75,343,001 |

Total capital assets for the City of Dover for the year ended December 31, 2009 increased over 2008. This increase is primarily due to an increase in construction-in-progress from the construction of the wastewater treatment plant and a new fire truck. Capital asset activity for 2009 is provided in Note 10.

Debt

The outstanding debt for the City of Dover as of December 31, 2009 was as follows:

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

| | Governmental Activities | | Business-Type Activities | | Total | |
|-------------------------|----------------------------|--------------------|-----------------------------|---------------------|---------------------|---------------------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Police and Fire Pension | \$279,324 | \$285,319 | \$0 | \$0 | \$279,324 | \$285,319 |
| Revenue Bonds | 0 | 0 | 12,655,641 | 13,562,586 | 12,655,641 | 13,562,586 |
| OWDA Loans | 0 | 0 | 12,795,611 | 12,511,688 | 12,795,611 | 12,511,688 |
| Notes Payable | 2,100,000 | 2,200,000 | 7,200,000 | 7,500,000 | 9,300,000 | 9,700,000 |
| Total | \$2,379,324 | \$2,485,319 | \$32,651,252 | \$33,574,274 | \$35,030,576 | \$36,059,593 |

This balance reflected a decrease from the previous year's balance. Although additional debt was issued in the form of an OWDA loan, other 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. Most of this debt is a revenue bond, OWDA loan and various purpose notes 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 13 of this report.

Current Financial Issues

The Tuscarawas Avenue bridge replacement project has been in the works for many years and 2009 is the year that the project began. The bridge is slated for a full replacement. Although stalled early in 2010 due to inclement weather, the work is now continuing. The bridge is a project of the Ohio Department of Transportation and the City has contributed by paying engineering expenses and the purchase of right of ways necessary to the project. The City is responsible for 20 percent of the total cost. The project, when bid in the summer of 2009, came in well under the original estimation. The City of Dover has already been approved by the State Infrastructure Bank for the funds needed for the City share of the project and does not expect to borrow the full amount initially approved. The bridge is slated for completion in the late fall of 2010.

Another project that has been planned for years is the addition of an interchange in the north end of Dover near County Road 80. This interchange will provide an additional means of accessing Dover and the surrounding areas from Interstate 77. Dover continues to grow to the north and the interchange will help accommodate the flow of traffic. The federal funding for this project required a \$1,000,000 dollar match by the City. In 2009, \$1,000,000 was paid from the City's master capital fund to the Ohio Department of Transportation for the City's portion of the new interchange. The City considers this as an investment to the future growth of the City and is welcoming the interchange which is due for completion in 2011.

Two sources of funding continue to offer the City flexibility in controlling revenues to the general fund. One is the KWH tax collected by the electric fund. This tax was imposed by the State as part of the legislation passed for electric deregulation. The tax collected from power sold within City limits is to be transferred to the general fund. Legislation was passed by City Council to allow the tax to be returned to the electric fund. In an effort to keep rates low, it is the City's intent to return the money to the electric fund each year unless there are significant revenue shortfalls in the general fund. The other flexible source of funding is the split of the income tax. Currently 40 percent of tax collections are allocated to the master capital fund for capital projects. The percentage can be adjusted by City Council to aid in stabilizing the general fund balance should the need arise.

With a fiber optic network already in place, allowing time for an extension to their location, businesses can be offered a reliable, affordable and an 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. In 2009, a fiber to the premise (FTTP) project was engineered by Uptown Services. We feel this technology is an effective economic development tool and would provide a valuable service to our citizens at an affordable price. The City continues to research all sources of funding for this project.

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

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2009
Unaudited

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 745 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 2009. Our goal remains to grow and meet the needs of the future while maintaining fiscal soundness. City departments are adequately staffed and the City continues to replace equipment by necessity. We are proceeding with our yearly paving program, and extending our streets and utilities to new areas based on need.

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

Contacting the City's Finance Department

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

City of Dover, Ohio
Statement of Net Assets
December 31, 2009

| | Governmental Activities | Business-Type Activities | Total |
|---|----------------------------|-----------------------------|---------------------|
| Assets | | | |
| Equity in Pooled Cash and Cash Equivalents | \$2,461,247 | \$7,517,060 | \$9,978,307 |
| Cash and Cash Equivalents: | | | |
| Held by Trustee | 0 | 1,574,740 | 1,574,740 |
| With Fiscal Agents | 6,485 | 28,395 | 34,880 |
| Materials and Supplies Inventory | 135,069 | 940,706 | 1,075,775 |
| Accounts Receivable | 172,768 | 3,844,351 | 4,017,119 |
| Internal Balances | 37,001 | (37,001) | 0 |
| Intergovernmental Receivable | 632,003 | 3,797 | 635,800 |
| Prepaid Items | 71,708 | 227,184 | 298,892 |
| Income Tax Receivable | 1,542,587 | 0 | 1,542,587 |
| Property Taxes Receivable | 940,267 | 0 | 940,267 |
| Loans Receivable | 343,564 | 0 | 343,564 |
| Deferred Charges | 0 | 323,438 | 323,438 |
| Investment in Joint Venture | 0 | 1,799,919 | 1,799,919 |
| Nondepreciable Capital Assets | 1,624,289 | 24,667,551 | 26,291,840 |
| Depreciable Capital Assets, Net | 15,178,653 | 34,295,410 | 49,474,063 |
| <i>Total Assets</i> | <u>23,145,641</u> | <u>75,185,550</u> | <u>98,331,191</u> |
| Liabilities | | | |
| Accounts Payable | 42,808 | 176,085 | 218,893 |
| Accrued Wages | 247,019 | 217,944 | 464,963 |
| Contracts Payable | 61,517 | 1,905,958 | 1,967,475 |
| Intergovernmental Payable | 434,488 | 287,484 | 721,972 |
| Matured Interest Payable | 1,735 | 3,204 | 4,939 |
| Accrued Interest Payable | 42,699 | 187,258 | 229,957 |
| Vacation Benefits Payable | 286,756 | 253,333 | 540,089 |
| Retainage Payable | 4,750 | 25,191 | 29,941 |
| Customer Deposits | 0 | 85,360 | 85,360 |
| Claims Payable | 94,659 | 0 | 94,659 |
| Deferred Revenue | 900,449 | 0 | 900,449 |
| Notes Payable | 100,000 | 300,000 | 400,000 |
| Long-Term Liabilities: | | | |
| Due Within One Year | 167,009 | 1,210,822 | 1,377,831 |
| Due In More Than One Year | 3,626,892 | 32,580,962 | 36,207,854 |
| <i>Total Liabilities</i> | <u>6,010,781</u> | <u>37,233,601</u> | <u>43,244,382</u> |
| Net Assets | | | |
| Invested in Capital Assets, Net of Related Debt | 14,602,942 | 26,335,147 | 40,938,089 |
| Restricted for: | | | |
| Cemetery | 632,997 | 0 | 632,997 |
| Street Maintenance and Repair | 115,661 | 0 | 115,661 |
| Ambulance | 250,831 | 0 | 250,831 |
| Revolving Loan Program | 504,913 | 0 | 504,913 |
| Shade Tree | 2,737 | 0 | 2,737 |
| Law Enforcement and Education | 38,511 | 0 | 38,511 |
| Debt Service | 0 | 1,530,347 | 1,530,347 |
| Capital Projects | 1,514,623 | 0 | 1,514,623 |
| Electric Replacement and Improvement | 0 | 2,034,009 | 2,034,009 |
| Water Replacement and Improvement | 0 | 395,677 | 395,677 |
| Unrestricted (Deficit) | (528,355) | 7,656,769 | 7,128,414 |
| <i>Total Net Assets</i> | <u>\$17,134,860</u> | <u>\$37,951,949</u> | <u>\$55,086,809</u> |

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Activities
For the Year Ended December 31, 2009

| | Expenses | Program Revenues | |
|---------------------------------------|---------------------|--------------------------------|------------------------------------|
| | | Charges for Services and Sales | Operating Grants and Contributions |
| Governmental Activities: | | | |
| General Government | \$1,394,202 | \$0 | \$0 |
| Security of Persons and Property | 4,637,683 | 39,557 | 9,928 |
| Transportation | 3,666,602 | 132 | 548,731 |
| Public Health Services | 757,168 | 419,193 | 0 |
| Community Environment | 108,259 | 0 | 276,833 |
| Basic Utility Services | 532,610 | 785,970 | 0 |
| Leisure Time Activities | 1,010,371 | 0 | 0 |
| Interest and Fiscal Charges | 73,248 | 0 | 0 |
| <i>Total Governmental Activities</i> | <u>12,180,143</u> | <u>1,244,852</u> | <u>835,492</u> |
| Business-Type Activities: | | | |
| Sewer | 2,839,223 | 3,187,337 | 0 |
| Electric | 18,429,586 | 18,748,969 | 0 |
| Water | 1,715,425 | 1,962,129 | 0 |
| <i>Total Business-Type Activities</i> | <u>22,984,234</u> | <u>23,898,435</u> | <u>0</u> |
| <i>Total - Primary Government</i> | <u>\$35,164,377</u> | <u>\$25,143,287</u> | <u>\$835,492</u> |

General Revenues

Property Taxes Levied for:

- General Purposes
- Police and Fire Pension

Income Tax Levied for:

- General Purposes
- Street Maintenance and Repair
- Cemetery
- Police and Fire Pension
- Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

- Investment Earnings
- Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements

| Net (Expense) Revenue and Changes in Net Assets | | |
|---|-----------------------------|---------------------|
| Governmental Activities | Business-Type Activities | Total |
| (\$1,394,202) | \$0 | (\$1,394,202) |
| (4,588,198) | 0 | (4,588,198) |
| (3,117,739) | 0 | (3,117,739) |
| (337,975) | 0 | (337,975) |
| 168,574 | 0 | 168,574 |
| 253,360 | 0 | 253,360 |
| (1,010,371) | 0 | (1,010,371) |
| (73,248) | 0 | (73,248) |
| <u>(10,099,799)</u> | <u>0</u> | <u>(10,099,799)</u> |
| 0 | 348,114 | 348,114 |
| 0 | 319,383 | 319,383 |
| 0 | 246,704 | 246,704 |
| <u>0</u> | <u>914,201</u> | <u>914,201</u> |
| <u>(10,099,799)</u> | <u>914,201</u> | <u>(9,185,598)</u> |
| 1,027,642 | 0 | 1,027,642 |
| 155,866 | 0 | 155,866 |
| 2,257,720 | 0 | 2,257,720 |
| 438,574 | 0 | 438,574 |
| 316,676 | 0 | 316,676 |
| 340,000 | 0 | 340,000 |
| 2,138,200 | 0 | 2,138,200 |
| 1,243,082 | 0 | 1,243,082 |
| 333,594 | 21,616 | 355,210 |
| 187,094 | 287,546 | 474,640 |
| <u>8,438,448</u> | <u>309,162</u> | <u>8,747,610</u> |
| (1,661,351) | 1,223,363 | (437,988) |
| <u>18,796,211</u> | <u>36,728,586</u> | <u>55,524,797</u> |
| <u>\$17,134,860</u> | <u>\$37,951,949</u> | <u>\$55,086,809</u> |

City of Dover, Ohio

Balance Sheet

Governmental Funds

December 31, 2009

| | <u>General</u> | <u>Master Capital</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|---|--------------------|---------------------------|---|---|
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$465,138 | \$901,054 | \$1,084,256 | \$2,450,448 |
| Cash and Cash Equivalents With Fiscal Agents | 0 | 4,085 | 2,400 | 6,485 |
| Materials and Supplies Inventory | 19,704 | 0 | 115,365 | 135,069 |
| Accounts Receivable | 82,023 | 0 | 87,670 | 169,693 |
| Intergovernmental Receivable | 396,811 | 0 | 235,192 | 632,003 |
| Prepaid Items | 50,956 | 0 | 20,752 | 71,708 |
| Income Taxes Receivable | 716,644 | 601,068 | 224,875 | 1,542,587 |
| Property Taxes Receivable | 804,738 | 0 | 135,529 | 940,267 |
| Loans Receivable | 0 | 0 | 343,564 | 343,564 |
| <i>Total Assets</i> | <u>\$2,536,014</u> | <u>\$1,506,207</u> | <u>\$2,249,603</u> | <u>\$6,291,824</u> |
| Liabilities | | | | |
| Accounts Payable | \$27,397 | \$0 | \$15,411 | \$42,808 |
| Accrued Wages | 199,572 | 0 | 47,447 | 247,019 |
| Contracts Payable | 50,133 | 10,027 | 1,357 | 61,517 |
| Intergovernmental Payable | 205,308 | 0 | 229,180 | 434,488 |
| Matured Interest Payable | 0 | 0 | 1,735 | 1,735 |
| Accrued Interest Payable | 0 | 1,941 | 0 | 1,941 |
| Retainage Payable | 0 | 4,085 | 665 | 4,750 |
| Deferred Revenue | 1,480,139 | 235,355 | 461,529 | 2,177,023 |
| Notes Payable | 0 | 100,000 | 0 | 100,000 |
| <i>Total Liabilities</i> | <u>1,962,549</u> | <u>351,408</u> | <u>757,324</u> | <u>3,071,281</u> |
| Fund Balances | | | | |
| Reserved for Encumbrances | 0 | 333,016 | 11,544 | 344,560 |
| Reserved for Loans Receivable | 0 | 0 | 281,105 | 281,105 |
| Unreserved: | | | | |
| Undesignated, Reported in: | | | | |
| General Fund | 573,465 | 0 | 0 | 573,465 |
| Special Revenue Funds | 0 | 0 | 1,175,161 | 1,175,161 |
| Capital Projects Funds | 0 | 821,783 | 24,469 | 846,252 |
| <i>Total Fund Balances</i> | <u>573,465</u> | <u>1,154,799</u> | <u>1,492,279</u> | <u>3,220,543</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$2,536,014</u> | <u>\$1,506,207</u> | <u>\$2,249,603</u> | <u>\$6,291,824</u> |

See accompanying notes to the basic financial statements

City of Dover, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2009*

| | |
|--|---------------------|
| Total Governmental Fund Balances | \$3,220,543 |
| <i>Amounts reported for governmental activities in the statement of net assets are different because</i> | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | 16,802,942 |
| Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds: | |
| Property Taxes | 39,816 |
| Income Tax | 687,989 |
| Grants | 461,099 |
| Charges for Services | 87,670 |
| Total | 1,276,574 |
| An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental-type activities in the statement of net assets. | (80,785) |
| An internal balance is recorded in governmental activities to reflect underpayments to the internal service fund by the business-type activities. | 37,001 |
| Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds. | (40,758) |
| 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. | (286,756) |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds: | |
| Police and Fire Pension | (279,324) |
| Notes Payable | (2,100,000) |
| Compensated Absences | (1,414,577) |
| Total | (3,793,901) |
| <i>Net Assets of Governmental Activities</i> | \$17,134,860 |

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, 2009

| | General | Master Capital | Other Governmental Funds | Total Governmental Funds |
|--|------------------|--------------------|--------------------------------|--------------------------------|
| Revenues | | | | |
| Property Taxes | \$1,020,462 | \$0 | \$154,818 | \$1,175,280 |
| Income Taxes | 2,277,706 | 2,222,725 | 1,118,081 | 5,618,512 |
| Intergovernmental | 1,272,978 | 0 | 906,065 | 2,179,043 |
| Interest | 210,568 | 12,557 | 110,469 | 333,594 |
| Fines, Licenses and Permits | 36,349 | 0 | 3,340 | 39,689 |
| Charges for Services | 785,970 | 0 | 377,115 | 1,163,085 |
| Other | 61,143 | 70,089 | 55,862 | 187,094 |
| <i>Total Revenues</i> | <u>5,665,176</u> | <u>2,305,371</u> | <u>2,725,750</u> | <u>10,696,297</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 1,218,905 | 0 | 0 | 1,218,905 |
| Security of Persons and Property | 3,556,982 | 0 | 535,045 | 4,092,027 |
| Transportation | 0 | 0 | 1,181,395 | 1,181,395 |
| Public Health Services | 8,774 | 0 | 695,201 | 703,975 |
| Community Environment | 98,389 | 0 | 0 | 98,389 |
| Basic Utility Services | 532,610 | 0 | 0 | 532,610 |
| Leisure Time Activities | 837,296 | 0 | 0 | 837,296 |
| Capital Outlay | 0 | 2,671,737 | 288,166 | 2,959,903 |
| Debt Service: | | | | |
| Principal Retirement | 0 | 100,000 | 5,995 | 105,995 |
| Interest and Fiscal Charges | 0 | 64,234 | 12,050 | 76,284 |
| <i>Total Expenditures</i> | <u>6,252,956</u> | <u>2,835,971</u> | <u>2,717,852</u> | <u>11,806,779</u> |
| <i>Excess of Revenues Under Expenditures</i> | <u>(587,780)</u> | <u>(530,600)</u> | <u>7,898</u> | <u>(1,110,482)</u> |
| Other Financing Sources (Uses) | | | | |
| General Obligation Notes Issued | 0 | 2,100,000 | 0 | 2,100,000 |
| Current Refunding | 0 | (2,100,000) | 0 | (2,100,000) |
| <i>Total Other Financing Sources (Uses)</i> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <i>Net Change in Fund Balances</i> | <u>(587,780)</u> | <u>(530,600)</u> | <u>7,898</u> | <u>(1,110,482)</u> |
| <i>Fund Balances Beginning of Year</i> | <u>1,161,245</u> | <u>1,685,399</u> | <u>1,484,381</u> | <u>4,331,025</u> |
| <i>Fund Balances End of Year</i> | <u>\$573,465</u> | <u>\$1,154,799</u> | <u>\$1,492,279</u> | <u>\$3,220,543</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, 2009*

Net Change in Fund Balances - Total Governmental Funds (\$1,110,482)

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

Governmental funds report capital outlays as expenditures.

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

Capital Asset Additions:

| | |
|---------------------------|--------------------|
| Capital Outlay | 628,212 |
| Current Year Depreciation | <u>(1,068,464)</u> |

Total (440,252)

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

| | |
|----------------------|------------------|
| Property Taxes | 8,228 |
| Income Tax | (127,342) |
| Charges for Services | 42,078 |
| Grants | <u>(100,469)</u> |

Total (177,505)

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

2,205,995

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

3,036

Proceeds of notes is an other financing source in the governmental funds, but increases liabilities in governmental activities.

(2,100,000)

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 | (25,091) |
| Vacation Benefits Payable | <u>(8,692)</u> |

Total (33,783)

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

| | |
|----------------------|--------------|
| Change in Net Assets | (15,778) |
| Internal Balance | <u>7,418</u> |

Total (8,360)

Change in Net Assets of Governmental Activities (\$1,661,351)

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, 2009

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---------------------------------------|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Property Taxes | \$855,500 | \$1,035,000 | \$1,020,462 | (\$14,538) |
| Income Taxes | 2,734,031 | 2,851,195 | 2,384,765 | (466,430) |
| Intergovernmental | 1,479,566 | 1,542,972 | 1,667,837 | 124,865 |
| Interest | 191,781 | 200,000 | 210,568 | 10,568 |
| Fines, Licenses and Permits | 43,918 | 45,800 | 35,899 | (9,901) |
| Charges for Services | 688,735 | 718,250 | 784,652 | 66,402 |
| Other | 147,343 | 153,657 | 63,043 | (90,614) |
| <i>Total Revenues</i> | <u>6,140,874</u> | <u>6,546,874</u> | <u>6,167,226</u> | <u>(379,648)</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 1,353,486 | 1,731,986 | 1,245,889 | 486,097 |
| Security of Persons and Property | 3,770,692 | 3,810,692 | 3,586,019 | 224,673 |
| Public Health Services | 8,800 | 8,800 | 8,774 | 26 |
| Community Environment | 104,020 | 104,020 | 98,091 | 5,929 |
| Basic Utility Services | 574,000 | 574,000 | 532,610 | 41,390 |
| Leisure Time Activities | 841,593 | 881,593 | 850,609 | 30,984 |
| <i>Total Expenditures</i> | <u>6,652,591</u> | <u>7,111,091</u> | <u>6,321,992</u> | <u>789,099</u> |
| <i>Net Change in Fund Balance</i> | (511,717) | (564,217) | (154,766) | 409,451 |
| <i>Fund Balance Beginning of Year</i> | 513,282 | 513,282 | 513,282 | 0 |
| Prior Year Encumbrances Appropriated | <u>61,440</u> | <u>61,440</u> | <u>61,440</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$63,005</u> | <u>\$10,505</u> | <u>\$419,956</u> | <u>\$409,451</u> |

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2009

| | Business-Type Activities | | | | Governmental Activities - Internal Service Fund |
|---|--------------------------|---------------------|--------------------|-------------------|--|
| | Sewer | Electric | Water | Total | |
| Assets | | | | | |
| <i>Current Assets:</i> | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$3,452,230 | \$1,115,597 | \$378,606 | \$4,946,433 | \$10,799 |
| Cash and Cash Equivalents With Fiscal Agents | 5,753 | 18,605 | 4,037 | 28,395 | 0 |
| <i>Restricted Assets:</i> | | | | | |
| Equity in Pooled Cash and Cash Equivalents | 0 | 717,902 | 316,920 | 1,034,822 | 0 |
| <i>Receivables:</i> | | | | | |
| Accounts | 459,501 | 3,045,532 | 339,318 | 3,844,351 | 3,075 |
| Intergovernmental | 3,797 | 0 | 0 | 3,797 | 0 |
| Materials and Supplies Inventory | 2,773 | 832,085 | 105,848 | 940,706 | 0 |
| Prepaid Items | 37,338 | 152,332 | 37,514 | 227,184 | 0 |
| <i>Total Current Assets</i> | <u>3,961,392</u> | <u>5,882,053</u> | <u>1,182,243</u> | <u>11,025,688</u> | <u>13,874</u> |
| <i>Non-Current Assets:</i> | | | | | |
| <i>Restricted Assets:</i> | | | | | |
| Equity in Pooled Cash and Cash Equivalents | 0 | 1,410,867 | 124,938 | 1,535,805 | 0 |
| Cash Equivalents Held by Trustee | 0 | 1,022,681 | 552,059 | 1,574,740 | 0 |
| Deferred Charges | 0 | 202,764 | 120,674 | 323,438 | 0 |
| Investment in Joint Venture | 0 | 1,799,919 | 0 | 1,799,919 | 0 |
| Land and Construction in Progress | 14,454,313 | 9,979,973 | 233,265 | 24,667,551 | 0 |
| Depreciable Capital Assets, Net | 9,431,966 | 15,352,327 | 9,511,117 | 34,295,410 | 0 |
| <i>Total Non-Current Assets</i> | <u>23,886,279</u> | <u>29,768,531</u> | <u>10,542,053</u> | <u>64,196,863</u> | <u>0</u> |
| <i>Total Assets</i> | <u>27,847,671</u> | <u>35,650,584</u> | <u>11,724,296</u> | <u>75,222,551</u> | <u>13,874</u> |
| Liabilities | | | | | |
| <i>Current Liabilities:</i> | | | | | |
| Accounts Payable | 38,411 | 114,958 | 22,716 | 176,085 | 0 |
| Accrued Wages | 48,070 | 134,840 | 35,034 | 217,944 | 0 |
| Contracts Payable | 7,511 | 1,897,360 | 1,087 | 1,905,958 | 0 |
| Intergovernmental Payable | 62,886 | 183,921 | 40,677 | 287,484 | 0 |
| Vacation Benefits Payable | 64,441 | 138,361 | 50,531 | 253,333 | 0 |
| Compensated Absences Payable | 44,554 | 189,950 | 71,318 | 305,822 | 0 |
| Matured Interest Payable | 0 | 927 | 2,277 | 3,204 | 0 |
| Accrued Interest Payable | 0 | 170,338 | 16,920 | 187,258 | 0 |
| Retainage Payable | 5,753 | 17,678 | 1,760 | 25,191 | 0 |
| Customer Deposits | 0 | 85,360 | 0 | 85,360 | 0 |
| Notes Payable | 0 | 300,000 | 0 | 300,000 | 0 |
| Revenue Bonds Payable | 0 | 605,000 | 300,000 | 905,000 | 0 |
| Claims Payable | 0 | 0 | 0 | 0 | 94,659 |
| <i>Total Current Liabilities</i> | <u>271,626</u> | <u>3,838,693</u> | <u>542,320</u> | <u>4,652,639</u> | <u>94,659</u> |
| <i>Long-Term Liabilities:</i> | | | | | |
| Compensated Absences Payable (net of current portion) | 311,582 | 293,003 | 230,125 | 834,710 | 0 |
| Notes Payable (net of current portion) | 0 | 7,200,000 | 0 | 7,200,000 | 0 |
| Revenue Bonds Payable (net of current portion) | 0 | 7,082,098 | 4,668,543 | 11,750,641 | 0 |
| OWDA Loans Payable (net of current portion) | 12,795,611 | 0 | 0 | 12,795,611 | 0 |
| <i>Total Long-Term Liabilities</i> | <u>13,107,193</u> | <u>14,575,101</u> | <u>4,898,668</u> | <u>32,580,962</u> | <u>0</u> |
| <i>Total Liabilities</i> | <u>13,378,819</u> | <u>18,413,794</u> | <u>5,440,988</u> | <u>37,233,601</u> | <u>94,659</u> |
| Net Assets | | | | | |
| Invested in Capital Assets, Net of Related Debt | 11,090,668 | 10,347,966 | 4,896,513 | 26,335,147 | 0 |
| <i>Restricted for:</i> | | | | | |
| Debt Service | 0 | 995,208 | 535,139 | 1,530,347 | 0 |
| Replacement and Improvement | 0 | 2,034,009 | 395,677 | 2,429,686 | 0 |
| Unrestricted (Deficit) | 3,378,184 | 3,859,607 | 455,979 | 7,693,770 | (80,785) |
| <i>Total Net Assets (Deficit)</i> | <u>\$14,468,852</u> | <u>\$17,236,790</u> | <u>\$6,283,308</u> | <u>37,988,950</u> | <u>(\$80,785)</u> |

Some amounts reported for business-type activities in the statement of net assets are different because they include accumulated underpayments to the internal service fund.

| | |
|--|--------------|
| | (37,001) |
| Net assets of business-type activities | \$37,951,949 |

See accompanying notes to the basic financial statements

City of Dover, Ohio
*Statement of Revenues,
Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2009*

| | Business-Type | |
|--|---------------------|---------------------|
| | Sewer | Electric |
| Operating Revenues | | |
| Charges for Services | \$3,187,337 | \$18,748,969 |
| Other | 73,156 | 196,942 |
| <i>Total Operating Revenues</i> | <u>3,260,493</u> | <u>18,945,911</u> |
| Operating Expenses | | |
| Salaries and Wages | 927,328 | 2,480,826 |
| Fringe Benefits | 499,482 | 1,168,417 |
| Purchased Services | 386,506 | 1,094,679 |
| Materials and Supplies | 193,569 | 3,875,903 |
| Purchased Power | 0 | 8,670,546 |
| Depreciation | 388,027 | 438,051 |
| Claims | 0 | 0 |
| <i>Total Operating Expenses</i> | <u>2,394,912</u> | <u>17,728,422</u> |
| <i>Operating Income (Loss)</i> | <u>865,581</u> | <u>1,217,489</u> |
| Non-Operating Revenues (Expenses) | | |
| Interest | 0 | 7,101 |
| Loss on Investment in Joint Venture | 0 | (126,652) |
| Interest and Fiscal Charges | (442,512) | (570,249) |
| <i>Total Non-Operating Revenues (Expenses)</i> | <u>(442,512)</u> | <u>(689,800)</u> |
| <i>Change in Net Assets</i> | 423,069 | 527,689 |
| <i>Net Assets (Deficit) Beginning of Year</i> | <u>14,045,783</u> | <u>16,709,101</u> |
| <i>Net Assets (Deficit) End of Year</i> | <u>\$14,468,852</u> | <u>\$17,236,790</u> |

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

Change in net assets of business-type activities

See accompanying notes to the basic financial statements

| Activities | | Governmental Activities - Internal Service Fund |
|--------------------|--------------------|--|
| Water | Total | |
| \$1,962,129 | \$23,898,435 | \$1,810,752 |
| 17,448 | 287,546 | 54,606 |
| <u>1,979,577</u> | <u>24,185,981</u> | <u>1,865,358</u> |
| 676,388 | 4,084,542 | 0 |
| 313,400 | 1,981,299 | 0 |
| 50,077 | 1,531,262 | 0 |
| 5,392 | 4,074,864 | 0 |
| 0 | 8,670,546 | 0 |
| 496,803 | 1,322,881 | 0 |
| <u>0</u> | <u>0</u> | <u>1,881,136</u> |
| <u>1,542,060</u> | <u>21,665,394</u> | <u>1,881,136</u> |
| <u>437,517</u> | <u>2,520,587</u> | <u>(15,778)</u> |
| 14,515 | 21,616 | 0 |
| 0 | (126,652) | 0 |
| <u>(172,009)</u> | <u>(1,184,770)</u> | <u>0</u> |
| <u>(157,494)</u> | <u>(1,289,806)</u> | <u>0</u> |
| 280,023 | 1,230,781 | (15,778) |
| <u>6,003,285</u> | | <u>(65,007)</u> |
| <u>\$6,283,308</u> | | <u>(\$80,785)</u> |
| | <u>(7,418)</u> | |
| | <u>\$1,223,363</u> | |

City of Dover, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2009

| | 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 | \$3,193,128 | \$18,750,214 | \$1,958,452 | \$23,901,794 | \$0 |
| Cash Received from Transactions with Other Funds | 0 | 0 | 0 | 0 | 1,810,752 |
| Other Cash Receipts | 73,156 | 196,942 | 17,448 | 287,546 | 51,531 |
| Electric Deposits Received | 0 | 26,350 | 0 | 26,350 | 0 |
| Cash Payments to Employees for Services | (1,383,802) | (3,618,690) | (980,839) | (5,983,331) | 0 |
| Cash Payments for Goods and Services | (539,025) | (13,402,946) | (61,770) | (14,003,741) | 0 |
| Electric Deposits Returned | 0 | (18,298) | 0 | (18,298) | 0 |
| Cash Payments for Claims | 0 | 0 | 0 | 0 | (1,879,202) |
| <i>Net Cash Provided by (Used in) Operating Activities</i> | 1,343,457 | 1,933,572 | 933,291 | 4,210,320 | (16,919) |
| Cash Flows from Capital and Related Financing Activities | | | | | |
| Proceeds from Sale of Notes | 0 | 7,500,000 | 0 | 7,500,000 | 0 |
| Proceeds from OWDA Loans | 780,426 | 0 | 0 | 780,426 | 0 |
| Principal Paid on Loans | (496,503) | 0 | 0 | (496,503) | 0 |
| Interest Paid on Loans | (442,512) | 0 | 0 | (442,512) | 0 |
| Principal Paid on Bonds | 0 | (590,000) | (290,000) | (880,000) | 0 |
| Interest Paid on Bonds | 0 | (362,835) | (189,176) | (552,011) | 0 |
| Principal Paid on Notes | 0 | (7,800,000) | 0 | (7,800,000) | 0 |
| Interest Paid on Notes | 0 | (181,405) | 0 | (181,405) | 0 |
| Payments for Capital Acquisitions | (1,017,940) | (989,448) | (253,105) | (2,260,493) | 0 |
| <i>Net Cash Used in Capital and Related Financing Activities</i> | (1,176,529) | (2,423,688) | (732,281) | (4,332,498) | 0 |
| Cash Flows from Investing Activities | | | | | |
| Interest on Investments | 0 | 5,240 | 36,531 | 41,771 | 0 |
| <i>Net Increase (Decrease) in Cash and Cash Equivalents</i> | 166,928 | (484,876) | 237,541 | (80,407) | (16,919) |
| <i>Cash and Cash Equivalents Beginning of Year</i> | 3,291,055 | 4,770,528 | 1,139,019 | 9,200,602 | 27,718 |
| <i>Cash and Cash Equivalents End of Year</i> | \$3,457,983 | \$4,285,652 | \$1,376,560 | \$9,120,195 | \$10,799 |

(continued)

City of Dover, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2009

| | Business-Type Activities | | | | Governmental Activities - Internal Service Fund |
|---|--------------------------|--------------------|------------------|--------------------|--|
| | Sewer | Electric | Water | Total | |
| Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities | | | | | |
| Operating Income (Loss) | \$865,581 | \$1,217,489 | \$437,517 | \$2,520,587 | (\$15,778) |
| Adjustments: | | | | | |
| Depreciation | 388,027 | 438,051 | 496,803 | 1,322,881 | 0 |
| (Increase) Decrease in Assets: | | | | | |
| Accounts Receivable | 5,346 | 1,245 | (3,677) | 2,914 | (3,075) |
| Intergovernmental Receivable | 445 | 0 | 0 | 445 | 0 |
| Prepaid Items | 34,593 | (2,048) | (15,168) | 17,377 | 0 |
| Materials and Supplies Inventory | 1,896 | (10,575) | 11,202 | 2,523 | 0 |
| Increase (Decrease) in Liabilities: | | | | | |
| Accounts Payable | 7,359 | (12,878) | (3,979) | (9,498) | 0 |
| Contracts Payable | (9,388) | 253,046 | 218 | 243,876 | 0 |
| Accrued Wages | 6,740 | 12,519 | 3,662 | 22,921 | 0 |
| Vacation Benefits Payable | 5,241 | 10,914 | (656) | 15,499 | 0 |
| Compensated Absences Payable | 34,902 | 20,685 | 10,741 | 66,328 | 0 |
| Intergovernmental Payable | 2,715 | (2,928) | (3,372) | (3,585) | 0 |
| Customer Deposits | 0 | 8,052 | 0 | 8,052 | 0 |
| Claims Payable | 0 | 0 | 0 | 0 | 1,934 |
| <i>Net Cash Provided by (Used in) Operating Activities</i> | <u>\$1,343,457</u> | <u>\$1,933,572</u> | <u>\$933,291</u> | <u>\$4,210,320</u> | <u>(\$16,919)</u> |

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2009

| | Private Purpose Trust |
|--|--------------------------|
| Assets | |
| Equity in Pooled Cash and Cash Equivalents | \$225,285 |
| Net Assets | |
| Held in Trust for Cemetery | \$225,285 |

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended December 31, 2009

| | Private-Purpose Trust |
|-------------------------------------|--------------------------|
| Additions | |
| Deposits for Burial Expenses | \$15,993 |
| Interest | 595 |
| | 16,588 |
| <i>Total Additions</i> | 16,588 |
| Deductions | |
| Burial Expense | 16,257 |
| | 331 |
| <i>Change in Net Assets</i> | 331 |
| <i>Net Assets Beginning of Year</i> | 224,954 |
| | 224,954 |
| <i>Net Assets End of Year</i> | \$225,285 |

See accompanying notes to the basic financial statements

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

Note 1 - Description of the City and Reporting Entity

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

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

Reporting Entity

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

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

The City participates in the Community Improvement Corporation of Tuscarawas County, Tuscarawas County Regional Planning Commission, Southeastern Ohio Narcotics Team and Ohio Mid-Eastern Governments Association as jointly governed organizations and the Ohio Municipal Electric Generation Agency (JV2) joint venture. These organizations are presented in Notes 16 and 17 of the Basic Financial Statements.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the City of Dover have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The entity has elected not to apply FASB pronouncements and Interpretations issued after November 30, 1989, to its business-type activities and enterprise funds. The more significant of the City's accounting policies are described below.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

Basis of Presentation

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

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

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

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

Fund Accounting

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

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

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

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

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

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

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

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

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

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

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

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

Measurement Focus

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

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

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

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

Basis of Accounting

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

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

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

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

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

Property taxes for which there is an enforceable legal claim as of December 31, 2009, but which were levied to finance year 2010 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

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 2009, 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 repurchase agreements and nonnegotiable certificates of deposit are reported at cost. The fair value of the mutual funds is determined by the fund's December 31, 2009, 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 2009. STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold at December 31, 2009.

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 sewer, electric, and water enterprise funds. Interest revenue credited to the general fund during 2009 amounted to \$210,568 which includes \$205,846 assigned from other City funds.

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

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2009, 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, 2009

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 assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

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

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

| Description | Governmental Activities Estimated Lives | Business-Type Activities Estimated Lives |
|-----------------------------------|---|--|
| Buildings | 45 years | 45 years |
| Improvements other than Buildings | 20 years | 20-50 years |
| Machinery and Equipment | 15 years | 10-15 years |
| Furniture and Fixtures | 6-20 years | 20 years |
| Vehicles | 6 years | 6 years |
| Infrastructure | 30-65 years | 30-65 years |

The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, and water and sewer lines 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, 2009

Interfund Balances

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

Compensated Absences

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

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

Accrued Liabilities and Long-Term Obligations

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

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

Bond Issuance Costs

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

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

Fund Balance Reserves

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

Net Assets

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

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

Operating Revenues and Expenses

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

Interfund Activity

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

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

Extraordinary and Special Items

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

Estimates

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

Budgetary Process

All funds are legally required to be budgeted and appropriated. There was no budget adopted for the nonmajor debt service fund in 2009 as there was no budgetary activity for 2009. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the object level within each department. Any budgetary modifications at this level may only be made by resolution of City Council.

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

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

Note 3 – Change in Accounting Principles

For fiscal year 2009, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 52, "Land and Other Real Estate Held as Investments by Endowments", Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments", Statement No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments," Statement No. 56, "Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards", Statement No. 57, "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans", and Statement No. 58, "Accounting and Financial Reporting for Chapter 9 Bankruptcies".

GASB Statement No. 52 establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments are also required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. It requires governments to measure derivative instruments, with the exception of synthetic guaranteed investment contracts that are fully benefit-responsive, at fair value in their economic resources measurement focus financial statements. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 55 incorporates the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the GASB authoritative literature. The GAAP hierarchy consists of the sources of accounting principles used in the preparation of financial statements of state and local governmental entities that are presented in conformity with GAAP, and the framework for selecting those principles. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 56 incorporates accounting and financial reporting guidance previously only contained in the American Institute of Certified Public Accountants' and auditing literature into the GASB's accounting and financial reporting literature for state and local governments. The statement's guidance

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

addresses related party transactions, going concern considerations, and subsequent events from the AICPA literature. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 57 addresses issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (that is, agent employers). The requirements in this Statement will allow more agent employers to use the alternative measurement method to produce actuarially based information for purposes of financial reporting and clarify that OPEB measures reported by agent multiple-employer OPEB plans and their participating employers should be determined at the same minimum frequency and as of a common date to improve the consistency of reporting with regard to funded status and funding progress information. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 58 provides accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. The requirements in this Statement will provide more consistent recognition, measurement, display, and disclosure guidance for governments that file for Chapter 9 bankruptcy. The implementation of this statement did not result in any change in the City's financial statements.

Note 4 – Accountability and Compliance

Accountability

At December 31, 2009, the police and fire pension special revenue fund had a deficit fund balance of \$158,598. The deficit in this fund is caused by the application of generally accepted accounting principles to this fund. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

At December 31, 2009, the employee health insurance internal service fund had deficit net assets in the amount of \$80,785. Management is currently analyzing the operations of this fund to determine appropriate action to alleviate the deficit.

Compliance

Contrary to Ohio Revised Code Section 5705.39, the following funds had original appropriations in excess of certified available resources:

| | Original Revenues Plus Carryover Balances | Original Appropriations | Excess |
|------------------------------------|--|----------------------------|-----------|
| <i>Major Fund:</i> | | | |
| Master Capital Fund | \$6,773,564 | \$6,919,206 | \$145,642 |
| <i>Nonmajor Funds:</i> | | | |
| Street Maintenance and Repair Fund | 1,054,143 | 1,143,164 | 89,021 |
| CHIP Fund | 335,802 | 500,000 | 164,198 |

Management has indicated that appropriations will be closely monitored to ensure no future violations.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

Note 5 - Budgetary Basis of Accounting

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

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

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

| Net Change in Fund Balance | |
|---|---------------------------|
| GAAP Basis | (\$587,780) |
| Net Adjustment for Revenue Accruals | 503,634 |
| Unrecorded Cash | (1,584) |
| Net Adjustment for Expenditure Accruals | (25,438) |
| Encumbrances | (43,598) |
| Budget Basis | <u><u>(\$154,766)</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.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

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

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

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

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

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

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

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

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, the carrying amount of the City's deposits was \$5,274,689 and the bank balance was \$5,066,436. Of the bank balance \$750,000 was covered by Federal depository insurance and \$4,316,436 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institutions' trust department or agent. Although the securities were held by the pledging financial institution's 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.

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, 2009, the City had the following investments:

| | <u>Fair Value</u> | <u>Maturity</u> |
|--|--------------------|-----------------|
| STAROhio | \$4,963,783 | 61 day average |
| Huntington Treasury Money Market II Mutual Fund | 552,059 | 57 day average |
| First American Funds Government Obligations Mutual Fund | 1,022,681 | 33 day average |
| Total Investments | <u>\$6,538,523</u> | |

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 addresses credit risk.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

Note 7 - Receivables

Receivables at December 31, 2009, 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 | \$172,768 | \$0 | \$172,768 |
| Business Type Activities | 4,031,491 | 187,140 | 3,844,351 |

The community development block grant monies loaned to local businesses are reported as loans receivable and are also considered collectible in full. \$206,343 of the \$261,290 loans receivable are not scheduled to be collected within one year.

Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2009 for real and public utility property taxes represents collections of the 2008 taxes. Property tax payments received during 2009 for tangible personal property (other than public utility property) are for 2009 taxes.

2009 real property taxes are levied after October 1, 2009, on the assessed value as of January 1, 2009, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2009 real property taxes are collected in and intended to finance 2010.

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. 2009 public utility property taxes which became a lien December 31, 2008, are levied after October 1, 2009, and are collected in 2010 with real property taxes.

Tangible personal property tax revenue received during 2009 (other than public utility property tax) represents the collection of 2009 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in 2009 were levied after October 1, 2008, on the value as of December 21, 2008. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

The full tax rate for all City operations for the year ended December 31, 2009, was \$6.60 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2009 property tax receipts were based are as follows:

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

| | |
|----------------------------|---------------|
| Real Property | \$248,922,930 |
| Tangible Personal Property | 430,430 |
| Public Utility Property | 574,360 |
| Total | \$249,927,720 |

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Dover. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2009 and for which there is an enforceable legal claim. In the general fund and police and fire special revenue fund, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2009 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On an accrual basis, collectible delinquent property taxes have been recorded as revenue while on a modified accrual basis the revenue is deferred.

Income Taxes

For 2009, 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: Forty percent to the master capital projects fund and the remaining balance allocated to the cemetery special revenue fund, the street maintenance and repair special revenue fund, the police and fire pension special revenue fund and the general fund.

Intergovernmental Receivables

A summary of intergovernmental receivables follows:

| | Amount |
|--------------------------------------|-----------|
| Governmental Activities | |
| Local Government | \$265,715 |
| Gasoline Tax | 161,267 |
| Estate Tax | 79,690 |
| Motor Vehicle Tax | 64,650 |
| Homestead and Rollback | 58,533 |
| Municipal Court Fines | 1,976 |
| Hotel/Motel Tax | 172 |
| <i>Total Governmental Activities</i> | \$632,003 |
| Business-Type Activities | |
| Sewer | \$3,797 |

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

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 2009, 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 the Scottsdale/National Casualty with a \$1,000,000 limit. Police liability coverage has a \$5,000 deductible and professional liability coverage has a \$5,000 deductible. An umbrella policy with Merchant Mutual covers a \$5,000,000 excess law enforcement liability.

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

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

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

The City has elected to provide employee medical/surgical and dental 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 \$100,000 per employee and an aggregate of \$2,170,979 per year. The City pays into the self-insurance internal service fund \$900 family coverage or \$600 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 2008, a resolution was adopted which allows an additional \$100 premium to be paid for each employee monthly on an as needed basis.

The claims liability of \$94,659 reported in the fund at December 31, 2009, 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 2008 and 2009 were:

| | Beginning of Year | Year Claims | Claim Payments | at End of Year |
|------|----------------------|----------------|-------------------|-------------------|
| 2008 | \$112,668 | \$1,922,966 | \$1,942,909 | \$92,725 |
| 2009 | 92,725 | 1,881,136 | 1,879,202 | 94,659 |

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

Note 9 - Capital Assets

Capital asset activity for the year ended December 31, 2009, was as follows:

| | Balance 12/31/08 | Additions | Deductions | Balance 12/31/09 |
|--|---------------------|----------------------|--------------------|---------------------|
| Governmental Activities | | | | |
| Capital Assets, not being depreciated: | | | | |
| Land | \$1,075,202 | \$0 | \$0 | \$1,075,202 |
| Construction in Progress | 587,545 | 549,087 | (587,545) | 549,087 |
| Total Capital Assets, not being Depreciated | <u>1,662,747</u> | <u>549,087</u> | <u>(587,545)</u> | <u>1,624,289</u> |
| Capital Assets, being Depreciated | | | | |
| Buildings | 2,923,209 | 18,299 | 0 | 2,941,508 |
| Improvements Other Than Buildings | 1,560,531 | 41,188 | 0 | 1,601,719 |
| Equipment and Machinery | 2,534,272 | 297,624 | (43,073) | 2,788,823 |
| Furniture and Fixtures | 56,279 | 0 | (1,563) | 54,716 |
| Vehicles | 2,203,565 | 302,069 | (60,922) | 2,444,712 |
| Infrastructure | 21,733,585 | 7,490 | (86,369) | 21,654,706 |
| Total Capital Assets, being Depreciated | <u>31,011,441</u> | <u>666,670</u> | <u>(191,927)</u> | <u>31,486,184</u> |
| Less Accumulated Depreciation: | | | | |
| Buildings | (809,630) | (62,299) | 0 | (871,929) |
| Improvements Other Than Buildings | (614,064) | (52,659) | 0 | (666,723) |
| Equipment and Machinery | (1,376,013) | (128,853) | 43,073 | (1,461,793) |
| Furniture and Fixtures | (45,852) | (2,139) | 1,563 | (46,428) |
| Vehicles | (1,869,910) | (290,682) | 60,922 | (2,099,670) |
| Infrastructure | (10,715,525) | (531,832) | 86,369 | (11,160,988) |
| Total Accumulated Depreciation | <u>(15,430,994)</u> | <u>(1,068,464) *</u> | <u>191,927</u> | <u>(16,307,531)</u> |
| Total Capital Assets, being Depreciated, net | <u>15,580,447</u> | <u>(401,794)</u> | <u>0</u> | <u>15,178,653</u> |
| Governmental Activities Capital Assets, Net | <u>\$17,243,194</u> | <u>\$147,293</u> | <u>(\$587,545)</u> | <u>\$16,802,942</u> |

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

| | |
|---|--------------------|
| General Government | \$73,164 |
| Security of Persons and Property | 238,523 |
| Transportation | 658,713 |
| Public Health Services | 19,992 |
| Leisure Time Activities | 74,630 |
| Community Environment | 3,442 |
| Total Governmental Depreciation Expense | <u>\$1,068,464</u> |

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

| | Balance 12/31/08 | Additions | Deductions | Balance 12/31/09 |
|--|---------------------|--------------------|------------------|---------------------|
| Business-Type Activities | | | | |
| Capital Assets, not being depreciated: | | | | |
| Land | \$435,066 | \$0 | \$0 | \$435,066 |
| Construction in Progress | 22,707,502 | 1,524,983 | 0 | 24,232,485 |
| Total Capital Assets, not being Depreciated | <u>23,142,568</u> | <u>1,524,983</u> | <u>0</u> | <u>24,667,551</u> |
| Capital Assets, being Depreciated | | | | |
| Buildings | 20,099,598 | 29,616 | 0 | 20,129,214 |
| Equipment and Machinery | 17,263,908 | 104,012 | (1,400) | 17,366,520 |
| Furniture and Fixtures | 113,422 | 0 | 0 | 113,422 |
| Vehicles | 1,551,392 | 116,916 | (70,592) | 1,597,716 |
| Infrastructure | 31,035,028 | 410,508 | (41,132) | 31,404,404 |
| Total Capital Assets, being Depreciated | <u>70,063,348</u> | <u>661,052</u> | <u>(113,124)</u> | <u>70,611,276</u> |
| Less Accumulated Depreciation: | | | | |
| Buildings | (5,939,555) | (437,689) | 0 | (6,377,244) |
| Equipment and Machinery | (15,159,447) | (306,513) | 1,400 | (15,464,560) |
| Furniture and Fixtures | (79,766) | (5,423) | 0 | (85,189) |
| Vehicles | (1,147,233) | (105,951) | 70,592 | (1,182,592) |
| Infrastructure | (12,780,108) | (467,305) | 41,132 | (13,206,281) |
| Total Accumulated Depreciation | <u>(35,106,109)</u> | <u>(1,322,881)</u> | <u>113,124</u> | <u>(36,315,866)</u> |
| Total Capital Assets, being Depreciated, net | <u>34,957,239</u> | <u>(661,829)</u> | <u>0</u> | <u>34,295,410</u> |
| Business-Type Activities Capital Assets, Net | <u>\$58,099,807</u> | <u>\$863,154</u> | <u>\$0</u> | <u>\$58,962,961</u> |

Note 10 - Contingent Liabilities

Litigation

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

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, 2009, the audits of certain of these programs have not been completed. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

Note 11 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional 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 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. For the year ended December 31, 2009, members in state and local classifications contributed 10 percent of covered payroll, public safety and law enforcement members contributed 10.1 percent.

The City's 2009 contribution rate was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.63 percent of covered payroll. For the period January 1 through March 31, a portion of the City's contribution equal to 7.0 percent of covered payroll was allocated to fund the post-employment health care plan; for the period April 1 through December 31, 2009 this amount was decreased to 5.5 percent. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the City of 14.0 percent, except for public safety and law enforcement, where the maximum employer contribution rate is 18.1 percent.

The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2009, 2008, and 2007 were \$505,515, \$425,990 and \$466,492 respectively; 80.7 percent has been contributed for 2009 and 100 percent for 2008 and 2007. There were no contributions to the member-directed plan for 2009.

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

Funding Policy – Plan members are required to contribute 10.0 percent of their annual covered salary to fund pension obligations. The City’s contribution was 19.5 percent for police officers and 24.0 percent for firefighters. The City’s pension contributions to OP&F for police and firefighters were \$151,792 and \$197,550 for the year ended December 31, 2009, \$148,489 and \$182,673 for the year ended December 31, 2008, and \$144,995 and \$172,471 for the year ended December 31, 2007. The full amount has been contributed for 2008 and 2007. 65.8 percent has been contributed for police and 67.7 percent has been contributed for firefighters for 2009.

Note 12 – Postemployment Benefits

Ohio Public Employees Retirement System

Plan Description – Ohio Public Employees Retirement System (OPERS) maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the Traditional Pension and Combined Plans. Members of the Member-Directed plan do not qualify for ancillary benefits, including post-employment health care. The plan includes a medical plan, a 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 require, 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 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 administered in accordance with, Internal Revenue Code 401 (h). State statute requires that public employers fund post-employment health care through contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2009, local government employers contributed 14.0 percent of covered payroll, and public safety and law enforcement employers contributed at 17.63. Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding post-employment health care benefits. The amount of employer contributions which were allocated to fund post-employment health care was 7.0 percent from January 1 through March 31, 2009, and 5.5 percent from April 1 through December 31, 2009.

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, 2009, 2008, and 2007 were \$365,526, \$425,990 and \$307,270 respectively; 80.7 percent has been contributed for 2009 and 100 percent for 2008 and 2007.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

Ohio Police and Fire Pension Fund

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

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

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

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2009, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$80,360 and \$77,302 for the year ended December 31, 2009, \$78,612 and \$71,481 for the year ended December 31, 2008, and \$76,762 and \$67,489 for the year ended December 31, 2007. 65.8 percent has been contributed for police and 67.7 percent has been contributed for firefighters for 2009. The full amount has been contributed for 2008 and 2007.

Note 13 - Long-Term Debt

| Debt Issue | Interest Rate | Original Issue Amount | Date of Maturity |
|--|---------------|-----------------------|------------------|
| Governmental Activities | | | |
| Various Purpose Bond Anticipation Note | 2.55% | \$2,100,000 | April 2, 2010 |
| 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 |
| Municipal Electric Bond Anticipation Note Series 2009 | 4.25 | 7,100,000 | June 3, 2010 |

A schedule of changes in bonds and other long-term obligations of the City during 2009 follows:

| | Amount Outstanding 12/31/08 | Additions | Deletions | Amount Outstanding 12/31/09 | Amounts Due in One Year |
|--|--------------------------------|--------------------|--------------------|--------------------------------|----------------------------|
| Governmental Activities | | | | | |
| Police and Fire Pension | \$285,319 | \$0 | \$5,995 | \$279,324 | \$6,252 |
| Various Purpose Bond Anticipation Note | 2,200,000 | 2,100,000 | 2,200,000 | 2,100,000 | 0 |
| Compensated Absences | 1,389,486 | 69,658 | 44,567 | 1,414,577 | 160,757 |
| Total Governmental Activities | <u>\$3,874,805</u> | <u>\$2,169,658</u> | <u>\$2,250,562</u> | <u>\$3,793,901</u> | <u>\$167,009</u> |
| Business-Type Activities | | | | | |
| <u>Revenue Bonds</u> | | | | | |
| Waterworks System Refunding | \$4,573,574 | \$0 | \$254,575 | \$4,318,999 | \$263,354 |
| Discount | (24,574) | 0 | (1,755) | (22,819) | 0 |
| Accounting Loss | 76,852 | 0 | 5,490 | 71,362 | 0 |
| Municipal Electric System Refunding | 8,045,000 | 0 | 590,000 | 7,455,000 | 605,000 |
| Premium | 202,851 | 0 | 18,441 | 184,410 | 0 |
| Accounting Loss | 52,457 | 0 | 4,769 | 47,688 | 0 |
| Waterworks System Improvement | 636,426 | 0 | 35,425 | 601,001 | 36,646 |
| Total Revenue Bonds | <u>13,562,586</u> | <u>0</u> | <u>906,945</u> | <u>12,655,641</u> | <u>905,000</u> |
| <u>Bond Anticipation Notes</u> | | | | | |
| Municipal Electric Series 2008 | 7,500,000 | 0 | 7,500,000 | 0 | 0 |
| Municipal Electric Series 2009 | 0 | 7,200,000 | 0 | 7,200,000 | 0 |
| Total Bond Anticipation Notes | <u>7,500,000</u> | <u>7,200,000</u> | <u>7,500,000</u> | <u>7,200,000</u> | <u>0</u> |
| OWDA Loan Payable | 12,511,688 | 780,426 | 496,503 | 12,795,611 | 0 |
| Compensated Absences | 1,074,204 | 107,662 | 41,334 | 1,140,532 | 305,822 |
| Total Business-Type Activities | <u>\$34,648,478</u> | <u>\$8,088,088</u> | <u>\$8,944,782</u> | <u>\$33,791,784</u> | <u>\$1,210,822</u> |

City of Dover, Ohio
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The police and fire pension liability will be paid from taxes receipted in the police and fire pension special revenue fund. The various purpose bond anticipation note was used for storm sewer projects, land acquisition and bridge construction and will be paid from taxes receipted in the master capital capital projects fund.

The revenue bonds, bond anticipation notes, and the OWDA loan will be paid from charges for services revenue in the enterprise funds. The municipal electric note series 2008 was issued retire a note that was issued to construct, install and equip pollution control facilities. The municipal electric note series 2009 was issued to retire the 2008 notes.

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. The refunded bonds were callable at 102 percent. The revenue bonds are serial bonds. The bonds maturing on or after December 1, 2014 are subject to early redemption, at the sole option of the City, either in whole on any date or in part on any interest payment date, on or after December 1, 2014, in multiples of \$5,000, at the following redemption prices plus accrued interest:

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

The current refunding resulted in a difference between the reacquisition price and net carrying amount of the old debt of \$104,300. This difference, being reported as a liability in the accompanying financial statements, is being charged to operations through year 2022 using the straight-line method. The City decreased its total debt service payments by \$91,202 as a result of the refunding. They also incurred an economic gain (difference between the present values of the old and new debt service payments) of \$228,286.

Restricted assets relating to the water revenue bonds at December 31, 2009, were as follows:

| | |
|---------------------------------------|-----------|
| Restricted Assets Held by City | |
| Replacement and Improvement | \$395,677 |
| Restricted Assets Held by the Trustee | |
| Revenue Bond Current Debt Service | \$552,059 |

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

| Redemption Dates | Redemption Prices |
|---------------------------------|-------------------|
| December 1, 2016 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

City of Dover, Ohio
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revenues include all revenues received by the water utility less all operating expenses other than depreciation expense. Annual principal and interest payments on the bonds are expected to require less than 51 percent of net revenues in future years. The total principal and interest remaining to be paid on the bonds is \$6,458,734. Principal and interest paid for the current year were \$479,176, net revenues were \$948,835 and total revenues were \$1,994,092.

In 2006, the City issued \$9,670,000 in Municipal Electric System Refunding Revenue Bonds with interest rates varying from 3.9 percent to 5.0 percent. Proceeds were used to current refund the \$7,190,000 current outstanding waterworks system revenue bonds and \$2,200,000 in bond anticipation notes. The refunded bonds were callable at 101 percent. 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 |

The current refunding resulted in a difference between the reacquisition price and net carrying amount of the old debt of \$71,900. This difference, being reported as a liability in the accompanying financial statements, is being charged to operations through year 2019 using the straight-line method. The City decreased its total debt service payments by \$1,291,402 as a result of the refunding. They also incurred an economic gain (difference between the present values of the old and new debt service payments) of \$962,603.

Restricted assets relating to the electric revenue bonds at December 31, 2009, were as follows:

| | |
|---------------------------------------|-------------|
| Restricted Assets Held by City | |
| Replacement and Improvement | \$2,034,009 |
| Restricted Assets Held by the Trustee | |
| Revenue Bond Current Debt Service | \$1,022,681 |

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 and interest payments on the bonds are expected to require less than 57 percent of net revenues in future years. The total principal and interest remaining to be paid on the bonds is \$9,287,455. Principal and interest paid for the current year were \$952,835, net revenues were \$1,662,641 and total revenues were \$18,953,012.

A line of credit has been established with the Ohio Water Development Authority in the amount of \$13,754,554 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.

As of December 31, 2009, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$24,042,411 and the unvoted legal debt margin was \$11,546,025. Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2009 are as follows:

City of Dover, Ohio
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| Year Ending December 31 | Waterworks System | | Municipal Electric System | |
|----------------------------|--------------------|--------------------|---------------------------|--------------------|
| | Revenue Bonds | | Revenue Bonds | |
| | Principal | Interest | Principal | Interest |
| 2010 | \$300,000 | \$196,489 | \$605,000 | \$319,047 |
| 2011 | 310,000 | 187,339 | 630,000 | 294,847 |
| 2012 | 320,000 | 176,954 | 655,000 | 269,647 |
| 2013 | 330,000 | 165,594 | 700,000 | 236,897 |
| 2014 | 345,000 | 150,744 | 730,000 | 201,899 |
| 2015-2019 | 1,955,000 | 542,227 | 4,135,000 | 510,118 |
| 2020-2022 | 1,360,000 | 119,387 | 0 | 0 |
| Total | \$4,920,000 | \$1,538,734 | \$7,455,000 | \$1,832,455 |

| Year Ending December 31 | Police and Fire Pension | |
|----------------------------|----------------------------|------------------|
| | Principal | Interest |
| 2010 | \$6,252 | \$11,793 |
| 2011 | 6,521 | 11,524 |
| 2012 | 6,801 | 11,244 |
| 2013 | 7,093 | 10,952 |
| 2014 | 7,398 | 10,647 |
| 2015-2019 | 42,036 | 48,189 |
| 2020-2024 | 51,872 | 38,353 |
| 2025-2029 | 64,012 | 26,213 |
| 2030-2034 | 78,991 | 11,234 |
| 2035 | 8,348 | 171 |
| Total | \$279,324 | \$180,320 |

Note 14 - Notes Payable

A summary of the note transactions for the year ended December 31, 2009, follows:

| | Outstanding 12/31/08 | Issued | Retired | Outstanding 12/31/09 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| Governmental Activities: | | | | |
| 2.75% Various Purpose - Master Capital 2008 | \$270,000 | \$0 | \$270,000 | \$0 |
| 2.55% Various Purpose - Master Capital 2009 | 0 | 100,000 | 0 | 100,000 |
| <i>Total Governmental Activities</i> | <u>270,000</u> | <u>100,000</u> | <u>270,000</u> | <u>100,000</u> |
| Business Type Activities: | | | | |
| 2.50% Municipal Electric Series 2008 | 300,000 | 0 | 300,000 | 0 |
| 4.25% Municipal Electric Series 2009 | 0 | 300,000 | 0 | 300,000 |
| <i>Total Business Type Activities</i> | <u>300,000</u> | <u>300,000</u> | <u>300,000</u> | <u>300,000</u> |
| Total | <u>\$570,000</u> | <u>\$400,000</u> | <u>\$570,000</u> | <u>\$400,000</u> |

City of Dover, Ohio
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On April 3, 2008, the City issued the various purpose 2008 note, which matured on April 2, 2009. On April 2, 2009, the City issued the various purpose 2009 note to finance storm sewer projects, and street and bridge construction. These notes mature on April 1, 2010.

On June 5, 2008, the City issued the municipal electric series 2008 notes, which matured on June 4, 2009. On June 4, 2009, the City issued the municipal electric series 2009 notes, which mature on June 3, 2010. All of these notes were issued to improve the City's utilities.

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

Note 15 – Other Employee Benefits

Compensated Absences

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

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

Life Insurance

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

Note 16 – 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 25 trustees consisting of the three County Commissioners, the mayor of each participating city and fifteen elected trustees. The board exercises total control over the operation of the corporation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the board. In 2009, the City contributed \$35,346.

Tuscarawas County Regional Planning Commission

The City is associated with the Tuscarawas County Regional Planning Commission as a Jointly Governed Organization. The Commission is a statutorily created political subdivision of the State. The commission is jointly governed among Tuscarawas County, municipalities and townships. Of the 61 members, the City appoints three. Each member's control over the operation of the Commission is limited to its representation on the board. The Commission makes studies, maps, plans, recommendations and reports concerning the

City of Dover, Ohio
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physical, environmental, social, economic and governmental characteristics, functions and services of the county. In 2009, the City contributed \$1,343 which represents 1.40 percent of total contributions.

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

The City is associated with the Southeastern Ohio Narcotics Team (S.E.N.T.) as a Jointly Governed Organization. S.E.N.T. is a multi-jurisdictional drug task force with the primary goal of combating major narcotics traffickers in Guernsey, Monroe and Tuscarawas Counties. It is jointly governed among the participating counties and cities. A grant is received from the State of Ohio of which the participating entities must match 25 percent. Of the 11 member governing board, the City appoints one. Each participant's control over the operation of S.E.N.T. is limited to its representation on the board. In 2009, no monies were contributed by the City.

Ohio Mid-Eastern Governments Association (OMEGA)

The City is associated with the Ohio Mid-Eastern Governments Association (OMEGA), which is a ten county regional council of governments comprised of Belmont, Carroll, Coshocton, Columbiana, Guernsey, Harrison, Holmes, Jefferson, Muskingum and Tuscarawas counties. OMEGA was formed to aid and assist the participating counties and political subdivisions within the counties in the application for Appalachian Regional Commission and Economic Development grant monies. OMEGA is governed by a seventeen member executive board comprised of members appointed from each participating county and cities within each county. City membership is voluntary. The mayor of the City of Dover serves as the City's representative on the board. The board has total control over budgeting, personnel and financial matters. Each member currently pays a per capita membership fee based on the most recent United States census. During 2009, OMEGA received \$1,832 from the City of Dover for an annual fee. OMEGA has no outstanding debt.

Note 17 – Joint Venture

Ohio Municipal Electric Generation Agency (JV2)

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

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

OMEGA JV2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economic status of the participants' respective municipal electric utility system. The Project consists of 138.65 MW of distributed generation of which 134.081 MW is the participants' entitlement and 4.569 MW are held in reserve. On dissolution of OMEGA JV2, the net assets will be shared

City of Dover, Ohio
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by the participants on a percentage of ownership basis. OMEGA JV2 is managed by AMP-Ohio, which acts as the joint venture's agent. During 2001, AMP-Ohio 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. 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 \$1,799,919 at December 31, 2009. OMEGA JV2 is not accumulating significant financial resources or experiencing fiscal distress which would cause additional financial benefit to or burden on the City. Complete financial statements for OMEGA JV2 may be obtained from AMP-Ohio or from the State Auditor's website at www.auditor.state.oh.us.

Note 18 – Contractual Commitments

As of December 31, 2009, the open construction contracts awarded for the Fabric Filer Baghouse associated with improvements to the municipal electric system were \$10,000. Open construction contracts awarded for the expansion of the wastewater treatment plant were \$1,622,207.

Note 19 – Subsequent Events

On April 1, 2010, the City refinanced \$2,100,000 in various purpose bond anticipation notes. The new note has an interest rate of 1.5 percent and matures on March 31, 2011.

On June 3, 2010, the City refinanced \$7,200,000 in municipal electric system improvement bond anticipation notes. The new note has an interest rate of 1.25 percent and matures March 31, 2011.

Combining and Individual Fund Statements and Schedules

Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

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

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

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

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

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

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

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

Law Enforcement Block Grant Fund - To account for grant monies to be used for upgrades to police computer systems. This fund has no budgetary activity for 2009.

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

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

(continued)

Fund Descriptions – Nonmajor Governmental Funds (continued)

Nonmajor Debt Service Fund

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

Debt Service Fund - To account for matured interest payable on past bond coupons held by a fiscal agent. This fund has no budgetary activity for 2009.

Nonmajor Capital Projects Fund

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

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

CHIP Fund - To account for monies received from the Ohio Regional Development for low income renovations and down payments.

City of Dover, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2009

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Fund | Nonmajor Capital Projects Fund | Total Nonmajor Governmental Funds |
|---|---|-------------------------------------|---|--|
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$1,059,787 | \$0 | \$24,469 | \$1,084,256 |
| Cash and Cash Equivalents | | | | |
| With Fiscal Agents | 665 | 1,735 | 0 | 2,400 |
| Materials and Supplies Inventory | 115,365 | 0 | 0 | 115,365 |
| Accounts Receivable | 87,670 | 0 | 0 | 87,670 |
| Intergovernmental Receivable | 235,192 | 0 | 0 | 235,192 |
| Prepaid Items | 20,752 | 0 | 0 | 20,752 |
| Income Tax Receivable | 224,875 | 0 | 0 | 224,875 |
| Property Taxes Receivable | 135,529 | 0 | 0 | 135,529 |
| Loans Receivable | 343,564 | 0 | 0 | 343,564 |
| <i>Total Assets</i> | <u>\$2,223,399</u> | <u>\$1,735</u> | <u>\$24,469</u> | <u>\$2,249,603</u> |
| Liabilities and Fund Balances | | | | |
| Liabilities | | | | |
| Accounts Payable | \$15,411 | \$0 | \$0 | \$15,411 |
| Accrued Wages | 47,447 | 0 | 0 | 47,447 |
| Contracts Payable | 1,357 | 0 | 0 | 1,357 |
| Intergovernmental Payable | 229,180 | 0 | 0 | 229,180 |
| Matured Interest Payable | 0 | 1,735 | 0 | 1,735 |
| Retainage Payable | 665 | 0 | 0 | 665 |
| Deferred Revenue | 461,529 | 0 | 0 | 461,529 |
| <i>Total Liabilities</i> | <u>755,589</u> | <u>1,735</u> | <u>0</u> | <u>757,324</u> |
| Fund Balances | | | | |
| Reserved for Encumbrances | 11,544 | 0 | 0 | 11,544 |
| Reserved for Loans Receivable | 281,105 | 0 | 0 | 281,105 |
| Unreserved, Undesignated, Reported in: | | | | |
| Special Revenue Funds | 1,175,161 | 0 | 0 | 1,175,161 |
| Capital Projects Fund | 0 | 0 | 24,469 | 24,469 |
| <i>Total Fund Balances</i> | <u>1,467,810</u> | <u>0</u> | <u>24,469</u> | <u>1,492,279</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$2,223,399</u> | <u>\$1,735</u> | <u>\$24,469</u> | <u>\$2,249,603</u> |

City of Dover, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2009

| | Nonmajor Special Revenue Funds | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|--|---|--|--|
| Revenues | | | |
| Property Taxes | \$154,818 | \$0 | \$154,818 |
| Income Taxes | 1,118,081 | 0 | 1,118,081 |
| Intergovernmental | 629,232 | 276,833 | 906,065 |
| Interest | 110,469 | 0 | 110,469 |
| Fines, Licenses and Permits | 3,340 | 0 | 3,340 |
| Charges for Services | 377,115 | 0 | 377,115 |
| Other | 55,862 | 0 | 55,862 |
| <i>Total Revenues</i> | <u>2,448,917</u> | <u>276,833</u> | <u>2,725,750</u> |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property | 535,045 | 0 | 535,045 |
| Transportation | 1,181,395 | 0 | 1,181,395 |
| Public Health Services | 695,201 | 0 | 695,201 |
| Capital Outlay | 0 | 288,166 | 288,166 |
| Debt Service: | | | |
| Principal Retirement | 5,995 | 0 | 5,995 |
| Interest and Fiscal Charges | 12,050 | 0 | 12,050 |
| <i>Total Expenditures</i> | <u>2,429,686</u> | <u>288,166</u> | <u>2,717,852</u> |
| <i>Net Change in Fund Balances</i> | 19,231 | (11,333) | 7,898 |
| <i>Fund Balances Beginning of Year</i> | <u>1,448,579</u> | <u>35,802</u> | <u>1,484,381</u> |
| <i>Fund Balances End of Year</i> | <u><u>\$1,467,810</u></u> | <u><u>\$24,469</u></u> | <u><u>\$1,492,279</u></u> |

City of Dover, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2009

| | Street Maintenance and Repair | State Highway | Police and Fire Pension | Ambulance | Cemetery |
|---|-------------------------------------|------------------|----------------------------|------------------|------------------|
| Assets | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$11,858 | \$3,094 | \$9,501 | \$159,623 | \$673,407 |
| Cash and Cash Equivalents With Fiscal Agents | 665 | 0 | 0 | 0 | 0 |
| Materials and Supplies Inventory | 115,029 | 0 | 0 | 336 | 0 |
| Accounts Receivable | 0 | 0 | 0 | 87,670 | 0 |
| Intergovernmental Receivable | 208,974 | 16,943 | 8,982 | 0 | 0 |
| Prepaid Items | 7,819 | 0 | 0 | 9,799 | 3,134 |
| Income Tax Receivable | 138,081 | 0 | 0 | 0 | 86,794 |
| Property Taxes Receivable | 0 | 0 | 135,529 | 0 | 0 |
| Loans Receivable | 0 | 0 | 0 | 0 | 0 |
| <i>Total Assets</i> | <u>\$482,426</u> | <u>\$20,037</u> | <u>\$154,012</u> | <u>\$257,428</u> | <u>\$763,335</u> |
| Liabilities and Fund Balances | | | | | |
| Liabilities | | | | | |
| Accounts Payable | \$7,991 | \$0 | \$0 | \$6,309 | \$1,111 |
| Accrued Wages | 32,072 | 0 | 0 | 0 | 15,375 |
| Contracts Payable | 1,069 | 0 | 0 | 288 | 0 |
| Intergovernmental Payable | 42,947 | 0 | 168,099 | 0 | 18,134 |
| Retainage Payable | 665 | 0 | 0 | 0 | 0 |
| Deferred Revenue | 164,238 | 13,316 | 144,511 | 87,670 | 51,794 |
| <i>Total Liabilities</i> | <u>248,982</u> | <u>13,316</u> | <u>312,610</u> | <u>94,267</u> | <u>86,414</u> |
| Fund Balances | | | | | |
| Reserved for Encumbrances | 0 | 1,922 | 0 | 7,420 | 2,202 |
| Reserved for Loans Receivable | 0 | 0 | 0 | 0 | 0 |
| Unreserved (Deficit) | 233,444 | 4,799 | (158,598) | 155,741 | 674,719 |
| <i>Total Fund Balances (Deficit)</i> | <u>233,444</u> | <u>6,721</u> | <u>(158,598)</u> | <u>163,161</u> | <u>676,921</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$482,426</u> | <u>\$20,037</u> | <u>\$154,012</u> | <u>\$257,428</u> | <u>\$763,335</u> |

| Revolving Loan | Drug Law Enforcement | Law Enforcement Block Grant | Enforcement and Education | Shade Tree | Total Nonmajor Special Revenue Funds |
|-------------------|-------------------------|--------------------------------|------------------------------|----------------|---|
| \$161,349 | \$8,740 | \$427 | \$29,051 | \$2,737 | \$1,059,787 |
| 0 | 0 | 0 | 0 | 0 | 665 |
| 0 | 0 | 0 | 0 | 0 | 115,365 |
| 0 | 0 | 0 | 0 | 0 | 87,670 |
| 0 | 0 | 0 | 293 | 0 | 235,192 |
| 0 | 0 | 0 | 0 | 0 | 20,752 |
| 0 | 0 | 0 | 0 | 0 | 224,875 |
| 0 | 0 | 0 | 0 | 0 | 135,529 |
| 343,564 | 0 | 0 | 0 | 0 | 343,564 |
| <u>\$504,913</u> | <u>\$8,740</u> | <u>\$427</u> | <u>\$29,344</u> | <u>\$2,737</u> | <u>\$2,223,399</u> |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$15,411 |
| 0 | 0 | 0 | 0 | 0 | 47,447 |
| 0 | 0 | 0 | 0 | 0 | 1,357 |
| 0 | 0 | 0 | 0 | 0 | 229,180 |
| 0 | 0 | 0 | 0 | 0 | 665 |
| 0 | 0 | 0 | 0 | 0 | 461,529 |
| 0 | 0 | 0 | 0 | 0 | 755,589 |
| 0 | 0 | 0 | 0 | 0 | 11,544 |
| 281,105 | 0 | 0 | 0 | 0 | 281,105 |
| 223,808 | 8,740 | 427 | 29,344 | 2,737 | 1,175,161 |
| 504,913 | 8,740 | 427 | 29,344 | 2,737 | 1,467,810 |
| <u>\$504,913</u> | <u>\$8,740</u> | <u>\$427</u> | <u>\$29,344</u> | <u>\$2,737</u> | <u>\$2,223,399</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, 2009

| | Street Maintenance and Repair | State Highway | Police and Fire Pension | Ambulance | Cemetery |
|--|-------------------------------------|------------------|----------------------------|------------------|------------------|
| Revenues | | | | | |
| Property Taxes | \$0 | \$0 | \$154,818 | \$0 | \$0 |
| Income Taxes | 448,081 | 0 | 340,000 | 0 | 330,000 |
| Intergovernmental | 577,255 | 42,877 | 9,100 | 0 | 0 |
| Interest | 2,397 | 0 | 0 | 0 | 31,896 |
| Fines, Licenses and Permits | 132 | 0 | 0 | 0 | 0 |
| Charges for Services | 0 | 0 | 0 | 213,569 | 163,546 |
| Other | 38,629 | 361 | 0 | 7,000 | 9,872 |
| <i>Total Revenues</i> | <u>1,066,494</u> | <u>43,238</u> | <u>503,918</u> | <u>220,569</u> | <u>535,314</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| Security of Persons and Property | 0 | 0 | 534,545 | 0 | 0 |
| Transportation | 1,126,399 | 54,996 | 0 | 0 | 0 |
| Public Health Services | 0 | 0 | 0 | 180,781 | 514,420 |
| Community Environment | 0 | 0 | 0 | 0 | 0 |
| Debt Service: | | | | | |
| Principal Retirement | 0 | 0 | 5,995 | 0 | 0 |
| Interest and Fiscal Charges | 0 | 0 | 12,050 | 0 | 0 |
| <i>Total Expenditures</i> | <u>1,126,399</u> | <u>54,996</u> | <u>552,590</u> | <u>180,781</u> | <u>514,420</u> |
| <i>Net Change in Fund Balances</i> | (59,905) | (11,758) | (48,672) | 39,788 | 20,894 |
| <i>Fund Balances (Deficit) Beginning of Year</i> | <u>293,349</u> | <u>18,479</u> | <u>(109,926)</u> | <u>123,373</u> | <u>656,027</u> |
| <i>Fund Balances (Deficit) End of Year</i> | <u>\$233,444</u> | <u>\$6,721</u> | <u>(\$158,598)</u> | <u>\$163,161</u> | <u>\$676,921</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 | \$154,818 |
| 0 | 0 | 0 | 0 | 0 | 1,118,081 |
| 0 | 0 | 0 | 0 | 0 | 629,232 |
| 76,176 | 0 | 0 | 0 | 0 | 110,469 |
| 0 | 0 | 0 | 3,208 | 0 | 3,340 |
| 0 | 0 | 0 | 0 | 0 | 377,115 |
| 0 | 0 | 0 | 0 | 0 | 55,862 |
| <u>76,176</u> | <u>0</u> | <u>0</u> | <u>3,208</u> | <u>0</u> | <u>2,448,917</u> |
| 0 | 0 | 0 | 500 | 0 | 535,045 |
| 0 | 0 | 0 | 0 | 0 | 1,181,395 |
| 0 | 0 | 0 | 0 | 0 | 695,201 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 5,995 |
| 0 | 0 | 0 | 0 | 0 | 12,050 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>500</u> | <u>0</u> | <u>2,429,686</u> |
| 76,176 | 0 | 0 | 2,708 | 0 | 19,231 |
| <u>428,737</u> | <u>8,740</u> | <u>427</u> | <u>26,636</u> | <u>2,737</u> | <u>1,448,579</u> |
| <u>\$504,913</u> | <u>\$8,740</u> | <u>\$427</u> | <u>\$29,344</u> | <u>\$2,737</u> | <u>\$1,467,810</u> |

City of Dover, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2009

| | Small Cities Block Grant | CHIP | Total Nonmajor Capital Projects Funds |
|--|-----------------------------|-----------|--|
| Revenues | | | |
| Intergovernmental | \$81,900 | \$194,933 | \$276,833 |
| Expenditures | | | |
| Capital Outlay | 81,900 | 206,266 | 288,166 |
| <i>Net Change in Fund Balances</i> | 0 | (11,333) | (11,333) |
| <i>Fund Balances Beginning of Year</i> | 0 | 35,802 | 35,802 |
| <i>Fund Balances End of Year</i> | \$0 | \$24,469 | \$24,469 |

**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, 2009

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|-----------------------------|------------------|-------------|-------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Property Taxes | \$855,500 | \$1,035,000 | \$1,020,462 | (\$14,538) |
| Income Taxes | 2,734,031 | 2,851,195 | 2,384,765 | (466,430) |
| Intergovernmental | 1,479,566 | 1,542,972 | 1,667,837 | 124,865 |
| Interest | 191,781 | 200,000 | 210,568 | 10,568 |
| Fines, Licenses and Permits | 43,918 | 45,800 | 35,899 | (9,901) |
| Charges for Services | 688,735 | 718,250 | 784,652 | 66,402 |
| Other | 147,343 | 153,657 | 63,043 | (90,614) |
| <i>Total Revenues</i> | 6,140,874 | 6,546,874 | 6,167,226 | (379,648) |
| Expenditures | | | | |
| Current: | | | | |
| General Government: | | | | |
| Mayor: | | | | |
| Salaries and Wages | 117,282 | 117,282 | 116,107 | 1,175 |
| Fringe Benefits | 63,710 | 62,710 | 59,817 | 2,893 |
| Purchased Services | 12,900 | 13,900 | 12,129 | 1,771 |
| Materials and Supplies | 7,942 | 7,942 | 5,449 | 2,493 |
| Total Mayor | 201,834 | 201,834 | 193,502 | 8,332 |
| Auditor: | | | | |
| Salaries and Wages | 106,218 | 106,218 | 106,218 | 0 |
| Fringe Benefits | 81,860 | 78,860 | 71,032 | 7,828 |
| Purchased Services | 32,767 | 32,767 | 23,457 | 9,310 |
| Materials and Supplies | 3,911 | 6,911 | 6,073 | 838 |
| Total Auditor | 224,756 | 224,756 | 206,780 | 17,976 |
| Treasurer: | | | | |
| Salaries and Wages | 13,113 | 13,113 | 13,113 | 0 |
| Fringe Benefits | 4,300 | 4,300 | 4,239 | 61 |
| Purchased Services | 1,650 | 1,650 | 905 | 745 |
| Materials and Supplies | 50 | 50 | 0 | 50 |
| Total Treasurer | \$19,113 | \$19,113 | \$18,257 | \$856 |

(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, 2009

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|----------------|----------------|---|
| | Original | Final | | |
| Law Director: | | | | |
| Salaries and Wages | \$65,926 | \$65,926 | \$65,926 | \$0 |
| Fringe Benefits | 31,700 | 31,700 | 30,158 | 1,542 |
| Purchased Services | 143,400 | 103,400 | 91,006 | 12,394 |
| Materials and Supplies | 7,852 | 7,852 | 4,789 | 3,063 |
| Total Law Director | 248,878 | 208,878 | 191,879 | 16,999 |
| Civil Service Commission: | | | | |
| Salaries and Wages | 3,000 | 3,000 | 2,700 | 300 |
| Fringe Benefits | 600 | 700 | 627 | 73 |
| Purchased Services | 3,600 | 3,500 | 2,407 | 1,093 |
| Total Civil Service Commission | 7,200 | 7,200 | 5,734 | 1,466 |
| Income Tax Department: | | | | |
| Salaries and Wages | 83,910 | 87,160 | 86,599 | 561 |
| Fringe Benefits | 50,232 | 48,482 | 46,449 | 2,033 |
| Purchased Services | 4,955 | 20,955 | 12,754 | 8,201 |
| Materials and Supplies | 7,000 | 7,000 | 6,499 | 501 |
| Total Income Tax Department | 146,097 | 163,597 | 152,301 | 11,296 |
| Council: | | | | |
| Salaries and Wages | 44,432 | 44,432 | 44,297 | 135 |
| Fringe Benefits | 14,150 | 14,150 | 13,957 | 193 |
| Purchased Services | 26,500 | 26,500 | 25,137 | 1,363 |
| Materials and Supplies | 700 | 700 | 270 | 430 |
| Total Council | 85,782 | 85,782 | 83,661 | 2,121 |
| Clerk of Council: | | | | |
| Salaries and Wages | 5,602 | 5,602 | 5,602 | 0 |
| Fringe Benefits | 2,725 | 2,725 | 2,440 | 285 |
| Purchased Services | 1,050 | 1,050 | 470 | 580 |
| Materials and Supplies | 500 | 500 | 319 | 181 |
| Total Clerk of Council | \$9,877 | \$9,877 | \$8,831 | \$1,046 |

(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, 2009

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|-----------------------------------|------------------|-----------|-----------|---|
| | Original | Final | | |
| Service Director: | | | | |
| Salaries and Wages | \$18,042 | \$18,042 | \$16,603 | \$1,439 |
| Fringe Benefits | 60,339 | 60,339 | 57,024 | 3,315 |
| Purchased Services | 8,888 | 8,888 | 6,868 | 2,020 |
| Materials and Supplies | 3,250 | 3,250 | 2,517 | 733 |
| | 90,519 | 90,519 | 83,012 | 7,507 |
| Total Service Director | | | | |
| Rubbish-Janitor-City Hall: | | | | |
| Salaries and Wages | 34,250 | 35,250 | 34,858 | 392 |
| Fringe Benefits | 21,450 | 21,450 | 17,788 | 3,662 |
| Purchased Services | 30,765 | 30,765 | 15,778 | 14,987 |
| Materials and Supplies | 850 | 850 | 0 | 850 |
| | 87,315 | 88,315 | 68,424 | 19,891 |
| Total Rubbish-Janitor-City Hall | | | | |
| Other: | | | | |
| Purchased Services | 182,515 | 582,515 | 207,008 | 375,507 |
| Materials and Supplies | 4,600 | 4,600 | 2,469 | 2,131 |
| Capital Outlay | 40,000 | 40,000 | 24,031 | 15,969 |
| Other | 5,000 | 5,000 | 0 | 5,000 |
| | 232,115 | 632,115 | 233,508 | 398,607 |
| Total Other | | | | |
| Total General Government | 1,353,486 | 1,731,986 | 1,245,889 | 486,097 |
| Security of Persons and Property: | | | | |
| Police: | | | | |
| Salaries and Wages | 1,333,801 | 1,333,801 | 1,286,704 | 47,097 |
| Fringe Benefits | 404,061 | 404,061 | 359,793 | 44,268 |
| Purchased Services | 89,671 | 89,671 | 74,127 | 15,544 |
| Materials and Supplies | 89,274 | 89,274 | 48,899 | 40,375 |
| | 1,916,807 | 1,916,807 | 1,769,523 | 147,284 |
| Total Police | | | | |
| Traffic Safety: | | | | |
| Salaries and Wages | 135,551 | 135,551 | 133,362 | 2,189 |
| Fringe Benefits | 72,702 | 72,702 | 71,114 | 1,588 |
| Purchased Services | 36,991 | 36,991 | 29,283 | 7,708 |
| Materials and Supplies | 38,800 | 38,800 | 34,038 | 4,762 |
| | \$284,044 | \$284,044 | \$267,797 | \$16,247 |
| Total Traffic Safety | | | | |

(continued)

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2009

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|-------------|-------------|---|
| | Original | Final | | |
| Fire Prevention: | | | | |
| Salaries and Wages | \$1,018,186 | \$1,053,186 | \$1,040,851 | \$12,335 |
| Fringe Benefits | 358,530 | 356,530 | 339,243 | 17,287 |
| Purchased Services | 82,779 | 83,779 | 72,066 | 11,713 |
| Materials and Supplies | 66,782 | 72,782 | 55,846 | 16,936 |
| | 1,526,277 | 1,566,277 | 1,508,006 | 58,271 |
| Total Fire Prevention | | | | |
| Director of Public Safety: | | | | |
| Salaries and Wages | 30,514 | 30,514 | 30,514 | 0 |
| Fringe Benefits | 8,450 | 8,450 | 8,247 | 203 |
| Purchased Services | 4,275 | 4,275 | 1,871 | 2,404 |
| Materials and Supplies | 325 | 325 | 61 | 264 |
| | 43,564 | 43,564 | 40,693 | 2,871 |
| Total Director of Public Safety | | | | |
| Total Security of Persons and Property | 3,770,692 | 3,810,692 | 3,586,019 | 224,673 |
| Public Health Services: | | | | |
| County Health Services: | | | | |
| Purchased Services | 8,800 | 8,800 | 8,774 | 26 |
| Community Environment: | | | | |
| Demolition and Mowing: | | | | |
| Purchased Services | 12,890 | 12,890 | 12,676 | 214 |
| Building Inspector: | | | | |
| Salaries and Wages | 50,565 | 50,565 | 50,565 | 0 |
| Fringe Benefits | 35,200 | 35,200 | 30,991 | 4,209 |
| Purchased Services | 3,000 | 3,000 | 2,330 | 670 |
| Materials and Supplies | 2,365 | 2,365 | 1,529 | 836 |
| | 91,130 | 91,130 | 85,415 | 5,715 |
| Total Building Inspector | | | | |
| Total Community Environment | \$104,020 | \$104,020 | \$98,091 | \$5,929 |

(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, 2009

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Basic Utility Services: | | | | |
| Refuse Collections and Disposals: | | | | |
| Purchased Services | \$574,000 | \$574,000 | \$532,610 | \$41,390 |
| Leisure Time Activities: | | | | |
| Parks and Recreation: | | | | |
| Personal Services | 416,700 | 454,700 | 452,422 | 2,278 |
| Fringe Benefits | 231,900 | 223,900 | 212,270 | 11,630 |
| Purchased Services | 103,682 | 108,682 | 92,292 | 16,390 |
| Materials and Supplies | 89,311 | 94,311 | 93,625 | 686 |
| Total Leisure Time Activities | 841,593 | 881,593 | 850,609 | 30,984 |
| <i>Total Expenditures</i> | <u>6,652,591</u> | <u>7,111,091</u> | <u>6,321,992</u> | <u>789,099</u> |
| <i>Net Change in Fund Balance</i> | (511,717) | (564,217) | (154,766) | 409,451 |
| <i>Fund Balance Beginning of Year</i> | 513,282 | 513,282 | 513,282 | 0 |
| Prior Year Encumbrances Appropriated | 61,440 | 61,440 | 61,440 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$63,005</u> | <u>\$10,505</u> | <u>\$419,956</u> | <u>\$409,451</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, 2009

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Income Taxes | \$2,371,445 | \$2,518,043 | \$2,285,330 | (\$232,713) |
| Interest | 47 | 50 | 12,557 | 12,507 |
| Contributions and Donations | 141,267 | 150,000 | 150,000 | 0 |
| Other | 237,241 | 251,907 | 75,449 | (176,458) |
| <i>Total Revenues</i> | <u>2,750,000</u> | <u>2,920,000</u> | <u>2,523,336</u> | <u>(396,664)</u> |
| Expenditures | | | | |
| Capital Outlay | 4,381,282 | 4,401,282 | 3,091,948 | 1,309,334 |
| Debt Service: | | | | |
| Principal Retirement | 2,470,000 | 2,470,000 | 2,470,000 | 0 |
| Interest and Fiscal Charges | 67,924 | 67,924 | 67,924 | 0 |
| <i>Total Debt Service</i> | <u>2,537,924</u> | <u>2,537,924</u> | <u>2,537,924</u> | <u>0</u> |
| <i>Total Expenditures</i> | <u>6,919,206</u> | <u>6,939,206</u> | <u>5,629,872</u> | <u>1,309,334</u> |
| <i>Excess of Revenues Under Expenditures</i> | (4,169,206) | (4,019,206) | (3,106,536) | 912,670 |
| Other Financing Sources | | | | |
| General Obligation Notes Issued | 2,537,925 | 2,537,925 | 2,200,000 | (337,925) |
| <i>Net Change in Fund Balance</i> | (1,631,281) | (1,481,281) | (906,536) | 574,745 |
| <i>Fund Balance Beginning of Year</i> | 1,239,584 | 1,239,584 | 1,239,584 | 0 |
| Prior Year Encumbrances Appropriated | 246,055 | 246,055 | 246,055 | 0 |
| <i>Fund Balance (Deficit) End of Year</i> | <u>(\$145,642)</u> | <u>\$4,358</u> | <u>\$579,103</u> | <u>\$574,745</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, 2009

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|------------------------------|--------------------|--------------------|--------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Charges for Services | \$2,555,394 | \$3,048,000 | \$3,185,657 | \$137,657 |
| Tap-In Fees | 838 | 1,000 | 3,063 | 2,063 |
| OWDA Loan Proceeds | 654,297 | 780,426 | 780,426 | 0 |
| Other | 939,471 | 1,120,574 | 73,156 | (1,047,418) |
| <i>Total Revenues</i> | <u>4,150,000</u> | <u>4,950,000</u> | <u>4,042,302</u> | <u>(907,698)</u> |
| Expenses | | | | |
| Salaries and Wages: | | | | |
| Sewer Office | 82,637 | 82,637 | 79,641 | 2,996 |
| Sewer Disposal Plant | 836,418 | 836,418 | 800,804 | 35,614 |
| Total Salaries and Wages | <u>919,055</u> | <u>919,055</u> | <u>880,445</u> | <u>38,610</u> |
| Fringe Benefits: | | | | |
| Sewer Office | 45,978 | 45,978 | 34,781 | 11,197 |
| Sewer Disposal Plant | 541,409 | 541,409 | 469,532 | 71,877 |
| Total Fringe Benefits | <u>587,387</u> | <u>587,387</u> | <u>504,313</u> | <u>83,074</u> |
| Purchased Services: | | | | |
| Sewer Office | 71,946 | 71,946 | 47,042 | 24,904 |
| Sewer Disposal Plant | 460,650 | 455,650 | 327,314 | 128,336 |
| Total Purchased Services | <u>532,596</u> | <u>527,596</u> | <u>374,356</u> | <u>153,240</u> |
| Materials and Supplies: | | | | |
| Sewer Office | 6,300 | 6,300 | 4,953 | 1,347 |
| Sewer Disposal Plant | 164,793 | 189,793 | 159,681 | 30,112 |
| Total Materials and Supplies | <u>171,093</u> | <u>196,093</u> | <u>164,634</u> | <u>31,459</u> |
| Capital Outlay: | | | | |
| Sewer Office | 15,000 | 15,000 | 120 | 14,880 |
| Sewer Disposal Plant | 1,050,000 | 427,867 | 124,647 | 303,220 |
| Wastewater Reserve | 815,903 | 815,903 | 169,814 | 646,089 |
| Wastewater Construction | 1,800,000 | 1,800,000 | 776,647 | 1,023,353 |
| Total Capital Outlay | <u>3,680,903</u> | <u>3,058,770</u> | <u>1,071,228</u> | <u>1,987,542</u> |
| Debt Service: | | | | |
| Principal Retirement | 0 | 496,503 | 496,503 | 0 |
| Interest and Fiscal Charges | 0 | 442,972 | 442,512 | 460 |
| Total Debt Service | <u>0</u> | <u>939,475</u> | <u>939,015</u> | <u>460</u> |
| <i>Total Expenses</i> | <u>\$5,891,034</u> | <u>\$6,228,376</u> | <u>\$3,933,991</u> | <u>\$2,294,385</u> |

(continued)

City of Dover, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Sewer Fund (continued)
For the Year Ended December 31, 2009

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|--------------------|--------------------|--------------------|---|
| | Original | Final | Actual | |
| <i>Excess of Revenues Over (Under) Expenses</i> | (\$1,741,034) | (\$1,278,376) | \$108,311 | \$1,386,687 |
| Transfers In | 350,000 | 350,000 | 0 | (350,000) |
| Transfers Out | 0 | (627,658) | 0 | 627,658 |
| <i>Net Change in Fund Equity</i> | (1,391,034) | (1,556,034) | 108,311 | 1,664,345 |
| <i>Fund Equity Beginning of Year</i> | 3,194,218 | 3,194,218 | 3,194,218 | 0 |
| Prior Year Encumbrances Appropriated | 70,167 | 70,167 | 70,167 | 0 |
| <i>Fund Equity End of Year</i> | <u>\$1,873,351</u> | <u>\$1,708,351</u> | <u>\$3,372,696</u> | <u>\$1,664,345</u> |

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, 2009

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|------------------------------|-------------------------|--------------------|--------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Interest | \$62,000 | \$52,000 | \$5,240 | (\$46,760) |
| Charges for Services | 20,064,909 | 20,074,099 | 18,713,977 | (1,360,122) |
| Electric Deposits Received | 30,000 | 30,000 | 26,350 | (3,650) |
| Notes Issued | 7,995,000 | 7,995,000 | 7,500,000 | (495,000) |
| Other | 210,500 | 210,500 | 196,942 | (13,558) |
| <i>Total Revenues</i> | <u>28,362,409</u> | <u>28,361,599</u> | <u>26,442,509</u> | <u>(1,919,090)</u> |
| Expenses | | | | |
| Salaries and Wages: | | | | |
| Electric Office | 141,425 | 156,425 | 154,099 | 2,326 |
| Electric Distribution | 971,072 | 971,072 | 956,875 | 14,197 |
| Electric Plant | 1,396,405 | 1,396,405 | 1,325,734 | 70,671 |
| Total Salaries and Wages | <u>2,508,902</u> | <u>2,523,902</u> | <u>2,436,708</u> | <u>87,194</u> |
| Fringe Benefits: | | | | |
| Electric Office | 63,165 | 63,165 | 55,010 | 8,155 |
| Electric Distribution | 536,103 | 536,103 | 509,845 | 26,258 |
| Electric Plant | 714,354 | 714,354 | 617,248 | 97,106 |
| Total Fringe Benefits | <u>1,313,622</u> | <u>1,313,622</u> | <u>1,182,103</u> | <u>131,519</u> |
| Purchased Services: | | | | |
| Electric Office | 63,116 | 63,116 | 53,115 | 10,001 |
| Electric Distribution | 378,073 | 378,073 | 335,530 | 42,543 |
| Electric Plant | 1,008,215 | 1,008,215 | 776,941 | 231,274 |
| Total Purchased Services | <u>1,449,404</u> | <u>1,449,404</u> | <u>1,165,586</u> | <u>283,818</u> |
| Materials and Supplies: | | | | |
| Electric Office | 5,500 | 5,500 | 4,751 | 749 |
| Electric Distribution | 114,805 | 114,805 | 89,181 | 25,624 |
| Electric Plant | 3,845,316 | 3,845,316 | 3,630,837 | 214,479 |
| Total Materials and Supplies | <u>3,965,621</u> | <u>3,965,621</u> | <u>3,724,769</u> | <u>240,852</u> |
| Purchased Power: | | | | |
| Electric Plant | <u>\$8,600,000</u> | <u>\$8,600,000</u> | <u>\$8,304,833</u> | <u>\$295,167</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, 2009

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|---|-------------------------|--------------------|--------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Capital Outlay: | | | | |
| Electric Construction | \$587,500 | \$587,500 | \$553,672 | \$33,828 |
| Electric Capital Reserve | 100,000 | 100,000 | 0 | 100,000 |
| Electric Surplus | 750,000 | 750,000 | 202,122 | 547,878 |
| Electric Office | 2,500 | 2,500 | 0 | 2,500 |
| Municipal Electric Improvement | 9,012 | 9,012 | 0 | 9,012 |
| Electric Distribution | 802,367 | 802,367 | 796,947 | 5,420 |
| Electric Plant | 354,968 | 354,968 | 33,799 | 321,169 |
| Total Capital Outlay | <u>2,606,347</u> | <u>2,606,347</u> | <u>1,586,540</u> | <u>1,019,807</u> |
| Debt Service: | | | | |
| Principal Retirement | 8,910,000 | 8,910,000 | 8,390,000 | 520,000 |
| Interest and Fiscal Charges | 683,150 | 683,150 | 524,053 | 159,097 |
| Total Debt Service | <u>9,593,150</u> | <u>9,593,150</u> | <u>8,914,053</u> | <u>679,097</u> |
| Electric Deposits Returned: | | | | |
| Refunds | 97,020 | 97,020 | 18,298 | 78,722 |
| Total Expenses | <u>30,134,066</u> | <u>30,149,066</u> | <u>27,332,890</u> | <u>2,816,176</u> |
| Net Change in Fund Equity | (1,771,657) | (1,787,467) | (890,381) | 897,086 |
| Fund Equity Beginning of Year | 3,029,326 | 3,029,326 | 3,029,326 | 0 |
| Prior Year Encumbrances Appropriated | <u>627,419</u> | <u>627,419</u> | <u>627,419</u> | <u>0</u> |
| Fund Equity End of Year | <u>\$1,885,088</u> | <u>\$1,869,278</u> | <u>\$2,766,364</u> | <u>\$897,086</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, 2009

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|------------------------------|------------------|------------------|------------------|---|
| | Original | Final | Actual | |
| Revenues | | | | |
| Interest | \$6,550 | \$6,550 | \$12,704 | \$6,154 |
| Charges for Services | 1,901,812 | 1,901,812 | 1,946,999 | 45,187 |
| Tap-In Fees | 19,300 | 19,300 | 8,227 | (11,073) |
| Other | 13,838 | 13,838 | 17,448 | 3,610 |
| <i>Total Revenues</i> | <u>1,941,500</u> | <u>1,941,500</u> | <u>1,985,378</u> | <u>43,878</u> |
| Expenses | | | | |
| Salaries and Wages: | | | | |
| Water Office | 84,680 | 84,680 | 79,692 | 4,988 |
| Water Plant | 631,418 | 631,418 | 582,949 | 48,469 |
| Total Salaries and Wages | <u>716,098</u> | <u>716,098</u> | <u>662,641</u> | <u>53,457</u> |
| Fringe Benefits: | | | | |
| Water Office | 43,467 | 43,467 | 39,824 | 3,643 |
| Water Plant | 325,424 | 325,424 | 279,896 | 45,528 |
| Total Fringe Benefits | <u>368,891</u> | <u>368,891</u> | <u>319,720</u> | <u>49,171</u> |
| Purchased Services: | | | | |
| Water Office | 58,847 | 58,847 | 45,291 | 13,556 |
| Water Plant | 91,973 | 106,973 | 101,936 | 5,037 |
| Total Purchased Services | <u>150,820</u> | <u>165,820</u> | <u>147,227</u> | <u>18,593</u> |
| Materials and Supplies: | | | | |
| Water Office | 5,900 | 5,900 | 4,837 | 1,063 |
| Water Plant | 144,534 | 144,534 | 117,676 | 26,858 |
| Total Materials and Supplies | <u>150,434</u> | <u>150,434</u> | <u>122,513</u> | <u>27,921</u> |
| Capital Outlay: | | | | |
| Water Office | 10,000 | 10,000 | 0 | 10,000 |
| Water Plant | 262,097 | 262,097 | 114,503 | 147,594 |
| Water Construction | 170,853 | 170,853 | 0 | 170,853 |
| Water Surplus | 100,000 | 100,000 | 0 | 100,000 |
| Total Capital Outlay | <u>\$542,950</u> | <u>\$542,950</u> | <u>\$114,503</u> | <u>\$428,447</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, 2009

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--------------------------------------|-------------------------|-------------------------|-------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Debt Service: | | | | |
| Principal Retirement | \$290,000 | \$290,000 | \$290,000 | \$0 |
| Interest and Fiscal Charges | 206,000 | 206,000 | 189,176 | 16,824 |
| Total Debt Service | <u>496,000</u> | <u>496,000</u> | <u>479,176</u> | <u>16,824</u> |
| <i>Total Expenses</i> | <u>2,425,193</u> | <u>2,440,193</u> | <u>1,845,780</u> | <u>594,413</u> |
| <i>Net Change in Fund Equity</i> | (483,693) | (498,693) | 139,598 | 638,291 |
| <i>Fund Equity Beginning of Year</i> | 492,244 | 492,244 | 492,244 | 0 |
| Prior Year Encumbrances Appropriated | <u>105,736</u> | <u>105,736</u> | <u>105,736</u> | <u>0</u> |
| <i>Fund Equity End of Year</i> | <u><u>\$597,980</u></u> | <u><u>\$597,980</u></u> | <u><u>\$737,578</u></u> | <u><u>\$0</u></u> |

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2009

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Income Taxes | \$442,068 | \$525,000 | \$525,000 | \$0 |
| Intergovernmental | 553,301 | 657,100 | 577,730 | (79,370) |
| Interest | 3,789 | 4,500 | 2,397 | (2,103) |
| Fines, Licenses and Permits | 42 | 50 | 132 | 82 |
| Other | 800 | 950 | 38,629 | 37,679 |
| <i>Total Revenues</i> | <u>1,000,000</u> | <u>1,187,600</u> | <u>1,143,888</u> | <u>(43,712)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Transportation: | | | | |
| Street Construction and Reconstruction: | | | | |
| Salaries and Wages | 540,106 | 581,207 | 572,743 | 8,464 |
| Fringe Benefits | 308,815 | 343,815 | 337,370 | 6,445 |
| Purchased Services | 100,800 | 64,920 | 58,055 | 6,865 |
| Materials and Supplies | 193,443 | 251,722 | 223,426 | 28,296 |
| <i>Total Expenditures</i> | <u>1,143,164</u> | <u>1,241,664</u> | <u>1,191,594</u> | <u>50,070</u> |
| <i>Net Change in Fund Balance</i> | (143,164) | (54,064) | (47,706) | 6,358 |
| <i>Fund Balance Beginning of Year</i> | 1,950 | 1,950 | 1,950 | 0 |
| Prior Year Encumbrances Appropriated | <u>52,193</u> | <u>52,193</u> | <u>52,193</u> | <u>0</u> |
| <i>Fund Balance (Deficit) End of Year</i> | <u>(\$89,021)</u> | <u>\$79</u> | <u>\$6,437</u> | <u>\$6,358</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, 2009

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-----------------------|-----------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Intergovernmental | \$55,000 | \$55,000 | \$42,914 | (\$12,086) |
| Other | <u>0</u> | <u>0</u> | <u>361</u> | <u>361</u> |
| <i>Total Revenues</i> | 55,000 | 55,000 | 43,275 | (11,725) |
| Expenditures | | | | |
| Current: | | | | |
| Transportation: | | | | |
| Street Construction and Reconstruction: | | | | |
| Materials and Supplies | <u>65,000</u> | <u>65,000</u> | <u>54,996</u> | <u>10,004</u> |
| <i>Net Change in Fund Balance</i> | (10,000) | (10,000) | (11,721) | (1,721) |
| <i>Fund Balance Beginning of Year</i> | 4,815 | 4,815 | 4,815 | 0 |
| Prior Year Encumbrances Appropriated | <u>10,000</u> | <u>10,000</u> | <u>10,000</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$4,815</u></u> | <u><u>\$4,815</u></u> | <u><u>\$3,094</u></u> | <u><u>(\$1,721)</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, 2009

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|---------------------|-----------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Property Taxes | \$146,000 | \$151,600 | \$154,818 | \$3,218 |
| Income Taxes | 311,440 | 340,000 | 340,000 | 0 |
| Intergovernmental | 9,160 | 10,000 | 9,100 | (900) |
| <i>Total Revenues</i> | <u>466,600</u> | <u>501,600</u> | <u>503,918</u> | <u>2,318</u> |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Police Disability and Pension: | | | | |
| Fringe Benefits | 236,000 | 245,000 | 241,542 | 3,458 |
| Fire Disability and Pension: | | | | |
| Fringe Benefits | <u>265,000</u> | <u>291,000</u> | <u>288,142</u> | <u>2,858</u> |
| <i>Total Expenditures</i> | <u>501,000</u> | <u>536,000</u> | <u>529,684</u> | <u>6,316</u> |
| <i>Net Change in Fund Balance</i> | (34,400) | (34,400) | (25,766) | 8,634 |
| <i>Fund Balance Beginning of Year</i> | <u>35,267</u> | <u>35,267</u> | <u>35,267</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$867</u></u> | <u><u>\$867</u></u> | <u><u>\$9,501</u></u> | <u><u>\$8,634</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, 2009

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|-----------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Charges for Services | \$200,000 | \$200,000 | \$213,569 | \$13,569 |
| Other | <u>0</u> | <u>0</u> | <u>7,000</u> | <u>7,000</u> |
| <i>Total Revenues</i> | <u>200,000</u> | <u>200,000</u> | <u>220,569</u> | <u>20,569</u> |
| Expenditures | | | | |
| Current: | | | | |
| Public Health Services: | | | | |
| Ambulance: | | | | |
| Salaries and Wages | 125,000 | 125,000 | 110,248 | 14,752 |
| Purchased Services | 0 | 20,000 | 4,209 | 15,791 |
| Materials and Supplies | <u>78,265</u> | <u>78,265</u> | <u>74,007</u> | <u>4,258</u> |
| <i>Total Expenditures</i> | <u>203,265</u> | <u>223,265</u> | <u>188,464</u> | <u>34,801</u> |
| <i>Net Change in Fund Balance</i> | (3,265) | (23,265) | 32,105 | 55,370 |
| <i>Fund Balance Beginning of Year</i> | 111,020 | 111,020 | 111,020 | 0 |
| Prior Year Encumbrances Appropriated | <u>3,266</u> | <u>3,266</u> | <u>3,266</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$111,021</u> | <u>\$91,021</u> | <u>\$146,391</u> | <u>\$55,370</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, 2009

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Income Taxes | \$330,000 | \$330,000 | \$330,000 | \$0 |
| Interest | 35,000 | 35,000 | 31,896 | (3,104) |
| Charges for Services | 145,000 | 145,000 | 163,546 | 18,546 |
| Other | 0 | 0 | 9,872 | 9,872 |
| <i>Total Revenues</i> | <u>510,000</u> | <u>510,000</u> | <u>535,314</u> | <u>25,314</u> |
| Expenditures | | | | |
| Current: | | | | |
| Public Health Services: | | | | |
| Cemetery: | | | | |
| Salaries and Wages | 281,123 | 293,123 | 291,415 | 1,708 |
| Fringe Benefits | 157,255 | 163,255 | 160,806 | 2,449 |
| Purchased Services | 17,930 | 19,955 | 18,604 | 1,351 |
| Materials and Supplies | 24,083 | 36,083 | 26,208 | 9,875 |
| Capital Outlay | 2,600 | 2,600 | 2,245 | 355 |
| Other | 40,000 | 39,975 | 32,000 | 7,975 |
| <i>Total Expenditures</i> | <u>522,991</u> | <u>554,991</u> | <u>531,278</u> | <u>23,713</u> |
| <i>Net Change in Fund Balance</i> | (12,991) | (44,991) | 4,036 | 49,027 |
| <i>Fund Balance Beginning of Year</i> | 666,742 | 666,742 | 666,742 | 0 |
| Prior Year Encumbrances Appropriated | <u>2,563</u> | <u>2,563</u> | <u>2,563</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$656,314</u> | <u>\$624,314</u> | <u>\$673,341</u> | <u>\$49,027</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, 2009

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|----------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Intergovernmental | \$64,500 | \$64,500 | \$76,445 | \$11,945 |
| Interest | 500 | 500 | 98 | (402) |
| <i>Total Revenues</i> | 65,000 | 65,000 | 76,543 | 11,543 |
| Expenditures | | | | |
| Current: | | | | |
| Community Environment: | | | | |
| Other Community Environment: | | | | |
| Purchased Services | 175,000 | 175,000 | 29,975 | 145,025 |
| <i>Net Change in Fund Balance</i> | (110,000) | (110,000) | 46,568 | 156,568 |
| <i>Fund Balance Beginning of Year</i> | 114,782 | 114,782 | 114,782 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$4,782</u> | <u>\$4,782</u> | <u>\$161,350</u> | <u>\$156,568</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, 2009

| | 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 | 8,000 | 8,000 | 0 | 8,000 |
| <i>Net Change in Fund Balance</i> | (8,000) | (8,000) | 0 | 8,000 |
| <i>Fund Balance Beginning of Year</i> | 8,740 | 8,740 | 8,740 | 0 |
| <i>Fund Balance End of Year</i> | \$740 | \$740 | \$8,740 | \$8,000 |

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, 2009

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|-----------------------|------------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Fines, Licenses and Permits | \$3,000 | \$3,000 | \$3,093 | \$93 |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Enforcement and Education: | | | | |
| Materials and Supplies | <u>25,000</u> | <u>25,000</u> | <u>500</u> | <u>24,500</u> |
| <i>Net Change in Fund Balance</i> | (22,000) | (22,000) | 2,593 | 24,593 |
| <i>Fund Balance Beginning of Year</i> | <u>26,458</u> | <u>26,458</u> | <u>26,458</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$4,458</u></u> | <u><u>\$4,458</u></u> | <u><u>\$29,051</u></u> | <u><u>\$24,593</u></u> |

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Shade Tree Fund
For the Year Ended December 31, 2009

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

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Small Cities Block Grant Fund
For the Year Ended December 31, 2009

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|-------------------|-------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Intergovernmental | \$72,900 | \$81,900 | \$81,900 | \$0 |
| Expenditures | | | | |
| Capital Outlay | <u>72,900</u> | <u>81,900</u> | <u>81,900</u> | <u>0</u> |
| <i>Net Change in Fund Balance</i> | 0 | 0 | 0 | 0 |
| <i>Fund Balance Beginning of Year</i> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$0</u></u> | <u><u>\$0</u></u> | <u><u>\$0</u></u> |

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
CHIP Fund
For the Year Ended December 31, 2009

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-----------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Intergovernmental | \$300,000 | \$500,000 | \$194,933 | (\$305,067) |
| Expenditures | | | | |
| Capital Outlay | <u>500,000</u> | <u>511,700</u> | <u>206,266</u> | <u>305,434</u> |
| <i>Net Change in Fund Balance</i> | (200,000) | (11,700) | (11,333) | 367 |
| <i>Fund Balance Beginning of Year</i> | <u>35,802</u> | <u>35,802</u> | <u>35,802</u> | <u>0</u> |
| <i>Fund Balance (Deficit) End of Year</i> | <u>(\$164,198)</u> | <u>\$24,102</u> | <u>\$24,469</u> | <u>\$367</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, 2009

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--------------------------------------|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Charges for Services | \$1,950,000 | \$1,950,000 | \$1,810,752 | (\$139,248) |
| Other | <u>50,000</u> | <u>50,000</u> | <u>51,531</u> | <u>1,531</u> |
| <i>Total Revenues</i> | 2,000,000 | 2,000,000 | 1,862,283 | (137,717) |
| Expenses | | | | |
| Claims | <u>1,800,000</u> | <u>1,900,000</u> | <u>1,879,202</u> | <u>20,798</u> |
| <i>Net Change in Fund Equity</i> | 200,000 | 100,000 | (16,919) | (116,919) |
| <i>Fund Equity Beginning of Year</i> | <u>27,718</u> | <u>27,718</u> | <u>27,718</u> | <u>0</u> |
| <i>Fund Equity End of Year</i> | <u>\$227,718</u> | <u>\$127,718</u> | <u>\$10,799</u> | <u>(\$116,919)</u> |

City of Dover, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Cemetery Interment Fund
For the Year Ended December 31, 2009

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--------------------------------------|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Deposits for Burial Expenses | \$10,000 | \$10,000 | \$15,993 | \$5,993 |
| Interest | 5,000 | 5,000 | 595 | (4,405) |
| <i>Total Revenues</i> | 15,000 | 15,000 | 16,588 | 1,588 |
| Expenses | | | | |
| Current: | | | | |
| Public Health Services: | | | | |
| Cemetery: | | | | |
| Other | 40,000 | 40,000 | 16,257 | 23,743 |
| <i>Net Change in Fund Equity</i> | (25,000) | (25,000) | 331 | 25,331 |
| <i>Fund Equity Beginning of Year</i> | 224,954 | 224,954 | 224,954 | 0 |
| <i>Fund Equity End of Year</i> | <u>\$199,954</u> | <u>\$199,954</u> | <u>\$225,285</u> | <u>\$25,331</u> |

STATISTICAL SECTION

City of Dover, Ohio



City of Dover, Ohio

Statistical Section

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

| <u>Contents</u> | <u>Page</u> |
|--|-------------|
| Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. | S2-S13 |
| Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its income taxes and electric revenues. | S14-20 |
| Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. | S21-S27 |
| Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments. | S28-S29 |
| Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs. | S30-S37 |
| Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented Statement 34 in 2001; schedules presenting government-wide information include information beginning in that year. | |

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

| | <u>2009</u> | <u>2008</u> | <u>2007</u> |
|--|---------------------|---------------------|---------------------|
| Governmental Activities | | | |
| Invested in Capital Assets, Net of Related Debt | \$14,602,942 | \$14,773,194 | \$13,312,076 |
| Restricted | 3,060,273 | 3,852,663 | 3,946,056 |
| Unrestricted (Deficit) | <u>(528,355)</u> | <u>170,354</u> | <u>281,189</u> |
| <i>Total Governmental Activities Net Assets</i> | <u>17,134,860</u> | <u>18,796,211</u> | <u>17,539,321</u> |
| Business Type - Activities | | | |
| Invested in Capital Assets, Net of Related Debt | 26,335,147 | 24,578,530 | 21,145,608 |
| Restricted | 3,960,033 | 4,024,091 | 4,188,957 |
| Unrestricted | <u>7,656,769</u> | <u>8,125,965</u> | <u>8,802,130</u> |
| <i>Total Business-Type Activities Net Assets</i> | <u>37,951,949</u> | <u>36,728,586</u> | <u>34,136,695</u> |
| Primary Government | | | |
| Invested in Capital Assets, Net of Related Debt | 40,938,089 | 39,351,724 | 34,457,684 |
| Restricted | 7,020,306 | 7,876,754 | 8,135,013 |
| Unrestricted | <u>7,128,414</u> | <u>8,296,319</u> | <u>9,083,319</u> |
| <i>Total Primary Government Net Assets</i> | <u>\$55,086,809</u> | <u>\$55,524,797</u> | <u>\$51,676,016</u> |

| 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$13,612,852 | \$13,229,586 | \$13,232,374 | \$12,462,498 | \$11,704,571 | \$10,878,439 |
| 2,311,499 | 2,689,957 | 2,290,983 | 3,074,163 | 1,729,383 | 1,783,836 |
| 12,369 | 199,864 | 227,630 | 352,507 | 3,010,884 | 3,059,539 |
| 15,936,720 | 16,119,407 | 15,750,987 | 15,889,168 | 16,444,838 | 15,721,814 |
| 23,207,592 | 18,955,375 | 17,905,575 | 20,041,144 | 18,665,629 | 19,776,491 |
| 3,967,516 | 3,812,435 | 4,137,860 | 4,718,108 | 4,269,181 | 4,690,504 |
| 7,476,271 | 9,078,102 | 8,818,043 | 6,473,109 | 8,228,061 | 7,083,777 |
| 34,651,379 | 31,845,912 | 30,861,478 | 31,232,361 | 31,162,871 | 31,550,772 |
| 36,820,444 | 32,184,961 | 31,137,949 | 32,503,642 | 30,370,200 | 30,654,930 |
| 6,279,015 | 6,502,392 | 6,428,843 | 7,792,271 | 5,998,564 | 6,474,340 |
| 7,488,640 | 9,277,966 | 9,045,673 | 6,825,616 | 11,238,945 | 10,143,316 |
| \$50,588,099 | \$47,965,319 | \$46,612,465 | \$47,121,529 | \$47,607,709 | \$47,272,586 |

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

| | <u>2009</u> | <u>2008</u> | <u>2007</u> |
|--|---------------------|---------------------|---------------------|
| Program Revenues | | | |
| Governmental Activities: | | | |
| Charges for Services: | | | |
| General Government | \$0 | \$0 | \$0 |
| Security of Persons and Property | 39,557 | 58,882 | 55,318 |
| Transportation | 132 | 24 | 0 |
| Public Health Services | 419,193 | 285,747 | 339,393 |
| Community Environment | 0 | 0 | 0 |
| Basic Utility Services | 785,970 | 732,707 | 496,765 |
| Leisure Time Activities | 0 | 0 | 144,707 |
| Subtotal - Charges for Services | <u>1,244,852</u> | <u>1,077,360</u> | <u>1,036,183</u> |
| Operating Grants and Contributions: | | | |
| Security of Persons and Property | 9,928 | 0 | 0 |
| Transportation | 548,731 | 814,109 | 715,192 |
| Public Health Services | 0 | 0 | 0 |
| Community Environment | 276,833 | 83,171 | 0 |
| Subtotal - Operating Grants and Contributions | <u>835,492</u> | <u>897,280</u> | <u>715,192</u> |
| Capital Grants and Contributions: | | | |
| Security of Persons and Property | 0 | 0 | 0 |
| Transportation | 0 | 0 | 0 |
| Community Environment | 0 | 0 | 257,835 |
| Leisure Time Activities | 0 | 236,422 | 78,600 |
| Subtotal - Capital Grants and Contributions | <u>0</u> | <u>236,422</u> | <u>336,435</u> |
| <i>Total Governmental Activities Program Revenues</i> | <u>2,080,344</u> | <u>2,211,062</u> | <u>2,087,810</u> |
| Business-Type Activities: | | | |
| Charges for Services: | | | |
| Sewer | 3,187,337 | 3,223,641 | 3,132,570 |
| Electric | 18,748,969 | 20,080,589 | 20,145,313 |
| Water | 1,962,129 | 1,902,828 | 1,701,213 |
| Subtotal - Charges for Services | <u>23,898,435</u> | <u>25,207,058</u> | <u>24,979,096</u> |
| Capital Grants and Contributions | | | |
| Sewer | 0 | 0 | 0 |
| Water | 0 | 0 | 0 |
| Subtotal - Capital Grants and Contributions | <u>0</u> | <u>0</u> | <u>0</u> |
| <i>Total Business-Type Activities Program Revenues</i> | <u>23,898,435</u> | <u>25,207,058</u> | <u>24,979,096</u> |
| <i>Total Primary Government Program Revenues</i> | <u>\$25,978,779</u> | <u>\$27,418,120</u> | <u>\$27,066,906</u> |

| 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$24,207 | \$24,025 | \$24,917 | \$24,779 | \$40,206 | \$21,521 |
| 82,473 | 100,455 | 92,138 | 69,315 | 109,674 | 58,576 |
| 0 | 6 | 12 | 0 | 1,308 | 0 |
| 319,218 | 341,713 | 283,036 | 239,944 | 241,210 | 184,286 |
| 23,796 | 20,524 | 23,059 | 20,632 | 21,122 | 22,989 |
| 515,941 | 426,042 | 424,740 | 444,926 | 418,426 | 412,544 |
| 78,897 | 84,998 | 72,478 | 59,852 | 67,845 | 72,243 |
| <u>1,044,532</u> | <u>997,763</u> | <u>920,380</u> | <u>859,448</u> | <u>899,791</u> | <u>772,159</u> |
| 10,847 | 8,978 | 0 | 0 | 0 | 0 |
| 806,875 | 780,801 | 413,393 | 539,613 | 456,671 | 455,451 |
| 0 | 65,538 | 285,005 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>817,722</u> | <u>855,317</u> | <u>698,398</u> | <u>539,613</u> | <u>456,671</u> | <u>455,451</u> |
| 0 | 0 | 0 | 0 | 20,607 | 0 |
| 0 | 0 | 0 | 261,000 | 262,000 | 293,873 |
| 404,216 | 640,088 | 202,273 | 39,600 | 39,600 | 37,800 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>404,216</u> | <u>640,088</u> | <u>202,273</u> | <u>300,600</u> | <u>322,207</u> | <u>331,673</u> |
| <u>2,266,470</u> | <u>2,493,168</u> | <u>1,821,051</u> | <u>1,699,661</u> | <u>1,678,669</u> | <u>1,559,283</u> |
| 2,889,367 | 2,720,284 | 2,429,520 | 2,326,892 | 1,900,129 | 1,341,492 |
| 18,299,853 | 15,559,521 | 13,946,111 | 13,443,971 | 13,382,771 | 12,748,852 |
| 1,785,102 | 1,757,607 | 1,704,158 | 1,895,600 | 1,762,441 | 1,735,530 |
| <u>22,974,322</u> | <u>20,037,412</u> | <u>18,079,789</u> | <u>17,666,463</u> | <u>17,045,341</u> | <u>15,825,874</u> |
| 0 | 132,955 | 8,166 | 93,732 | 44,472 | 105,541 |
| 0 | 179,644 | 29,993 | 119,225 | 53,220 | 88,273 |
| 0 | 312,599 | 38,159 | 212,957 | 97,692 | 193,814 |
| <u>22,974,322</u> | <u>20,350,011</u> | <u>18,117,948</u> | <u>17,879,420</u> | <u>17,143,033</u> | <u>16,019,688</u> |
| <u>\$25,240,792</u> | <u>\$22,843,179</u> | <u>\$19,938,999</u> | <u>\$19,579,081</u> | <u>\$18,821,702</u> | <u>\$17,578,971</u> |

(continued)

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

| | <u>2009</u> | <u>2008</u> | <u>2007</u> |
|---|----------------------|----------------------|----------------------|
| Expenses | | | |
| Governmental Activities: | | | |
| General Government | \$1,394,202 | \$1,378,583 | \$1,421,425 |
| Security of Persons and Property | 4,637,683 | 4,732,202 | 4,114,123 |
| Transportation | 3,666,602 | 2,019,895 | 1,886,315 |
| Public Health Services | 757,168 | 672,959 | 734,164 |
| Community Environment | 108,259 | 195,913 | 406,736 |
| Basic Utility Services | 532,610 | 463,671 | 578,515 |
| Leisure Time Activities | 1,010,371 | 1,223,705 | 861,788 |
| Interest and Fiscal Charges | 73,248 | 31,636 | 1,468 |
| <i>Total Governmental Activities Expenses</i> | <u>12,180,143</u> | <u>10,718,564</u> | <u>10,004,534</u> |
| Business-Type Activities | | | |
| Sewer | 2,839,223 | 2,421,889 | 2,321,173 |
| Electric | 18,429,586 | 18,448,428 | 21,582,963 |
| Water | 1,715,425 | 2,277,084 | 2,326,837 |
| <i>Total Business-Type Activities Expenses</i> | <u>22,984,234</u> | <u>23,147,401</u> | <u>26,230,973</u> |
| <i>Total Primary Government Expenses</i> | <u>35,164,377</u> | <u>33,865,965</u> | <u>36,235,507</u> |
| Net (Expense)/Revenue | | | |
| Governmental Activities | (10,099,799) | (8,507,502) | (7,916,724) |
| Business-Type Activities | 914,201 | 2,059,657 | (1,251,877) |
| <i>Total Primary Government Net (Expense)/Revenue</i> | <u>(\$9,185,598)</u> | <u>(\$6,447,845)</u> | <u>(\$9,168,601)</u> |

| 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$1,098,324 | \$1,053,903 | \$1,030,940 | \$1,210,455 | \$969,886 | \$843,700 |
| 3,845,604 | 3,799,383 | 3,492,242 | 3,687,742 | 3,104,690 | 2,961,926 |
| 1,355,383 | 1,539,960 | 1,323,868 | 1,056,544 | 1,296,099 | 421,984 |
| 616,158 | 685,021 | 645,274 | 547,149 | 483,663 | 459,964 |
| 454,646 | 462,327 | 590,541 | 91,624 | 82,789 | 72,811 |
| 433,167 | 423,012 | 459,082 | 360,112 | 361,789 | 441,833 |
| 666,868 | 647,646 | 602,131 | 658,363 | 540,740 | 599,834 |
| 164,594 | 33,675 | 51,326 | 62,513 | 119,045 | 94,682 |
| <u>8,634,744</u> | <u>8,644,927</u> | <u>8,195,404</u> | <u>7,674,502</u> | <u>6,958,701</u> | <u>5,896,734</u> |
| 2,112,304 | 2,005,511 | 1,857,449 | 1,826,540 | 1,732,960 | 1,786,036 |
| 18,228,596 | 17,121,282 | 14,883,421 | 14,672,954 | 13,961,954 | 13,217,704 |
| <u>1,517,568</u> | <u>1,881,816</u> | <u>2,574,878</u> | <u>2,062,920</u> | <u>1,999,392</u> | <u>2,029,701</u> |
| <u>21,858,468</u> | <u>21,008,609</u> | <u>19,315,748</u> | <u>18,562,414</u> | <u>17,694,306</u> | <u>17,033,441</u> |
| <u>30,493,212</u> | <u>29,653,536</u> | <u>27,511,152</u> | <u>26,236,916</u> | <u>24,653,007</u> | <u>22,930,175</u> |
| (6,368,274) | (6,151,759) | (6,374,353) | (5,974,841) | (5,280,032) | (4,337,451) |
| <u>1,115,854</u> | <u>(658,598)</u> | <u>(1,197,800)</u> | <u>(682,994)</u> | <u>(551,273)</u> | <u>(1,013,753)</u> |
| <u>(\$5,252,420)</u> | <u>(\$6,810,357)</u> | <u>(\$7,572,153)</u> | <u>(\$6,657,835)</u> | <u>(\$5,831,305)</u> | <u>(\$5,351,204)</u> |

(continued)

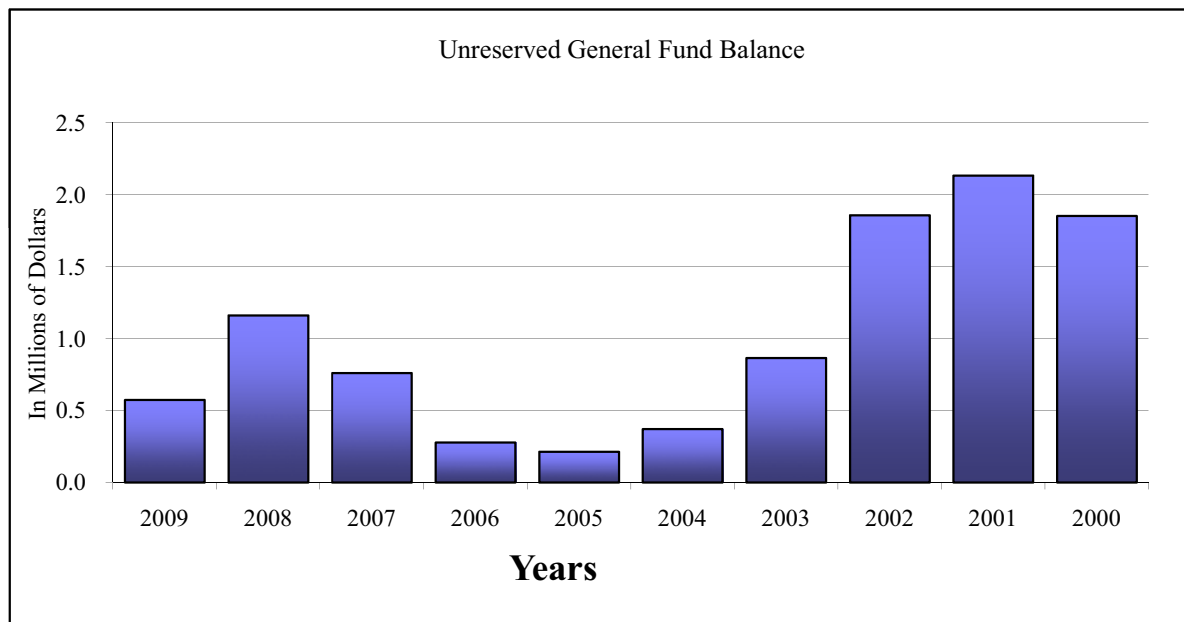
City of Dover, Ohio
Changes in Net Assets (continued)
Last Nine Years
(Accrual Basis of Accounting)

| | <u>2009</u> | <u>2008</u> | <u>2007</u> |
|--|--------------------|--------------------|--------------------|
| General Revenues | | | |
| Governmental Activities | | | |
| Taxes: | | | |
| Property Taxes Levied For: | | | |
| General Purposes | \$1,027,642 | \$1,053,027 | \$1,032,747 |
| Police and Fire Pension | 155,866 | 158,448 | 126,312 |
| Income Taxes levied for: | | | |
| General Purposes | 2,257,720 | 2,908,923 | 2,507,749 |
| Street Maintenance and Repair | 438,574 | 535,272 | 312,374 |
| Cemetery | 316,676 | 331,960 | 341,515 |
| Police and Fire Pension | 340,000 | 241,842 | 347,105 |
| Capital Outlay | 2,138,200 | 2,576,903 | 2,577,460 |
| Grants and Entitlements not Restricted to Specific Programs | 1,243,082 | 1,487,366 | 1,708,557 |
| Investment Income | 333,594 | 228,603 | 319,702 |
| Miscellaneous | 187,094 | 242,048 | 245,804 |
| <i>Total Governmental Activities</i> | <u>8,438,448</u> | <u>9,764,392</u> | <u>9,519,325</u> |
| Business-Type Activities | | | |
| Investment Income | 21,616 | 198,481 | 490,570 |
| Miscellaneous | 287,546 | 333,753 | 246,623 |
| <i>Total Business-Type Activities</i> | <u>309,162</u> | <u>532,234</u> | <u>737,193</u> |
| <i>Total Primary Government General Revenues</i> | <u>8,747,610</u> | <u>10,296,626</u> | <u>10,256,518</u> |
| Transfers | | | |
| Governmental Activities | 0 | 0 | 0 |
| Business-Type Activities | <u>0</u> | <u>0</u> | <u>0</u> |
| Change in Net Assets | | | |
| Governmental Activities | (1,661,351) | 1,256,890 | 1,602,601 |
| Business-Type Activities | <u>1,223,363</u> | <u>2,591,891</u> | <u>(514,684)</u> |
| <i>Total Primary Government Change in Net Assets</i> | <u>(\$437,988)</u> | <u>\$3,848,781</u> | <u>\$1,087,917</u> |

| 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
|--------------------|--------------------|--------------------|--------------------|------------------|--------------------|
| \$1,041,905 | \$1,013,703 | \$926,655 | \$922,657 | \$960,839 | \$954,208 |
| 155,395 | 147,803 | 139,826 | 136,848 | 109,480 | 96,874 |
| 2,119,470 | 2,204,050 | 1,955,294 | 1,481,810 | 1,035,582 | 1,341,848 |
| 243,398 | 362,831 | 355,425 | 371,883 | 316,752 | 343,511 |
| 305,224 | 311,280 | 290,001 | 232,810 | 198,297 | 215,048 |
| 278,085 | 313,730 | 301,522 | 278,556 | 237,261 | 257,304 |
| 705,775 | 749,608 | 641,075 | 1,088,144 | 1,192,437 | 1,355,768 |
| 1,785,908 | 1,711,617 | 1,865,282 | 1,136,833 | 1,545,024 | 1,807,058 |
| 174,285 | 186,319 | 106,991 | 171,851 | 313,767 | 361,563 |
| 126,142 | 119,238 | 133,753 | 118,164 | 86,492 | 168,593 |
| <u>6,935,587</u> | <u>7,120,179</u> | <u>6,715,824</u> | <u>5,939,556</u> | <u>5,995,931</u> | <u>6,901,775</u> |
| 442,634 | 122,992 | 68,639 | 37,128 | 85,604 | 312,792 |
| 496,979 | 920,040 | 278,626 | 194,971 | 84,893 | 67,787 |
| 939,613 | 1,043,032 | 347,265 | 232,099 | 170,497 | 380,579 |
| <u>7,875,200</u> | <u>8,163,211</u> | <u>7,063,089</u> | <u>6,171,655</u> | <u>6,166,428</u> | <u>7,282,354</u> |
| (650,000) | (600,000) | (579,652) | (520,385) | 7,125 | 11,325 |
| 650,000 | 600,000 | 579,652 | 520,385 | (7,125) | (11,325) |
| (82,687) | 368,420 | (238,181) | (555,670) | 723,024 | 2,575,649 |
| 2,705,467 | 984,434 | (270,883) | 69,490 | (387,901) | (644,499) |
| <u>\$2,622,780</u> | <u>\$1,352,854</u> | <u>(\$509,064)</u> | <u>(\$486,180)</u> | <u>\$335,123</u> | <u>\$1,931,150</u> |

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

| | 2009 | 2008 | 2007 | 2006 |
|--|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Reserved | \$0 | \$0 | \$42,249 | \$22,292 |
| Unreserved | 573,465 | 1,161,245 | 759,758 | 277,213 |
| Total General Fund | 573,465 | 1,161,245 | 802,007 | 299,505 |
| All Other Governmental Funds | | | | |
| Reserved | 625,665 | 427,335 | 688,582 | 967,528 |
| Unreserved, Undesignated (Deficit), Reported in: | | | | |
| Special Revenue Funds | 1,175,161 | 1,173,059 | 1,112,140 | 955,905 |
| Capital Projects Funds | 846,252 | 1,569,386 | 1,023,428 | (147,694) |
| Total All Other Governmental Funds | 2,647,078 | 3,169,780 | 2,824,150 | 1,775,739 |
| Total Governmental Funds | <u>\$3,220,543</u> | <u>\$4,331,025</u> | <u>\$3,626,157</u> | <u>\$2,075,244</u> |



| 2005 | 2004 | 2003 | 2002 | 2001 | 2000 |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$29,998 | \$19,265 | \$56,173 | \$87,425 | \$143,836 | \$144,412 |
| 213,625 | 371,280 | 865,044 | 1,856,975 | 2,132,412 | 1,850,975 |
| 243,623 | 390,545 | 921,217 | 1,944,400 | 2,276,248 | 1,995,387 |
| 562,989 | 201,187 | 242,876 | 463,459 | 192,979 | 673,157 |
| 836,398 | 1,238,929 | 1,426,594 | 1,529,433 | 1,357,739 | 1,302,374 |
| 807,721 | 616,736 | 931,630 | 1,066,092 | 1,240,614 | 355,721 |
| 2,207,108 | 2,056,852 | 2,601,100 | 3,058,984 | 2,791,332 | 2,331,252 |
| <u>\$2,450,731</u> | <u>\$2,447,397</u> | <u>\$3,522,317</u> | <u>\$5,003,384</u> | <u>\$5,067,580</u> | <u>\$4,326,639</u> |

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

| | 2009 | 2008 | 2007 | 2006 |
|---|-----------------------------|-------------------------|---------------------------|---------------------------|
| Revenues | | | | |
| Property Taxes | \$1,175,280 | \$1,218,183 | \$1,156,640 | \$1,190,154 |
| Income Taxes | 5,618,512 | 6,770,438 | 5,692,860 | 3,855,822 |
| Intergovernmental | 2,179,043 | 2,377,839 | 2,958,335 | 2,946,020 |
| Interest | 333,594 | 228,603 | 319,702 | 174,285 |
| Fines, Licenses and Permits | 39,689 | 58,906 | 55,318 | 53,418 |
| Charges for Services | 1,163,085 | 1,040,296 | 962,375 | 989,636 |
| Contributions and Donations | 0 | 0 | 78,600 | 0 |
| Other | 187,094 | 242,048 | 245,804 | 126,142 |
| <i>Total Revenues</i> | <u>10,696,297</u> | <u>11,936,313</u> | <u>11,469,634</u> | <u>9,335,477</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 1,218,905 | 1,197,585 | 1,237,668 | 1,063,197 |
| Security of Persons and Property | 4,092,027 | 3,990,259 | 3,787,088 | 3,584,484 |
| Transportation | 1,181,395 | 1,234,454 | 1,067,923 | 934,808 |
| Public Health Services | 703,975 | 631,723 | 685,428 | 653,822 |
| Community Environment | 98,389 | 182,588 | 107,893 | 116,239 |
| Basic Utility Services | 532,610 | 463,671 | 578,515 | 433,167 |
| Leisure Time Activities | 837,296 | 872,576 | 710,690 | 610,942 |
| Capital Outlay | 2,959,903 | 2,412,778 | 1,522,384 | 1,517,533 |
| Debt Service: | | | | |
| Principal Retirement | 105,995 | 175,747 | 205,511 | 55,284 |
| Interest and Fiscal Charges | 76,284 | 70,064 | 15,621 | 121,795 |
| <i>Total Expenditures</i> | <u>11,806,779</u> | <u>11,231,445</u> | <u>9,918,721</u> | <u>9,091,271</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(1,110,482)</u> | <u>704,868</u> | <u>1,550,913</u> | <u>244,206</u> |
| Other Financing Sources (Uses) | | | | |
| Notes Issued | 2,100,000 | 2,200,000 | 2,370,000 | 2,570,000 |
| Premium on Debt Issuance | 0 | 0 | 0 | 30,307 |
| Payment to Refund Notes | (2,100,000) | (2,200,000) | (2,370,000) | (2,570,000) |
| Transfers In | 0 | 0 | 0 | 0 |
| Transfers Out | 0 | 0 | 0 | (650,000) |
| <i>Total Other Financing Sources (Uses)</i> | <u>0</u> | <u>0</u> | <u>0</u> | <u>(619,693)</u> |
| <i>Net Change in Fund Balances</i> | <u><u>(\$1,110,482)</u></u> | <u><u>\$704,868</u></u> | <u><u>\$1,550,913</u></u> | <u><u>(\$375,487)</u></u> |
| Debt Service as a Percentage of Noncapital Expenditures | 1.6% | 2.7% | 2.4% | 2.2% |

| 2005 | 2004 | 2003 | 2002 | 2001 | 2000 |
|------------------|----------------------|----------------------|-------------------|------------------|------------------|
| \$1,164,720 | \$1,056,781 | \$1,079,529 | \$1,074,537 | \$1,085,340 | \$1,021,544 |
| 3,759,707 | 3,461,933 | 3,391,790 | 3,043,487 | 3,244,546 | 2,952,177 |
| 3,041,171 | 2,796,069 | 2,162,986 | 1,999,867 | 2,460,283 | 1,882,015 |
| 186,319 | 106,991 | 171,846 | 313,754 | 360,939 | 548,870 |
| 54,106 | 53,242 | 51,425 | 72,000 | 45,379 | 59,390 |
| 943,280 | 866,364 | 802,403 | 838,405 | 726,780 | 717,037 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 115,022 | 132,767 | 117,508 | 86,121 | 167,420 | 78,917 |
| <u>9,264,325</u> | <u>8,474,147</u> | <u>7,777,487</u> | <u>7,428,171</u> | <u>8,090,687</u> | <u>7,259,950</u> |
| 1,032,690 | 1,021,408 | 1,079,208 | 959,875 | 901,024 | 879,066 |
| 3,448,079 | 3,346,954 | 3,391,342 | 3,192,292 | 3,000,283 | 2,815,614 |
| 998,710 | 914,163 | 913,496 | 820,998 | 798,741 | 770,247 |
| 673,682 | 639,736 | 521,479 | 477,570 | 433,842 | 411,135 |
| 105,040 | 600,399 | 89,066 | 70,183 | 68,294 | 63,742 |
| 423,012 | 459,082 | 360,112 | 361,789 | 375,863 | 321,642 |
| 599,512 | 566,443 | 588,496 | 578,440 | 571,899 | 520,448 |
| 1,212,199 | 1,267,063 | 1,746,083 | 919,272 | 1,116,398 | 1,234,808 |
| 105,066 | 4,858 | 0 | 0 | 0 | 0 |
| 63,001 | 51,378 | 65,925 | 119,073 | 94,727 | 104,386 |
| <u>8,660,991</u> | <u>8,871,484</u> | <u>8,755,207</u> | <u>7,499,492</u> | <u>7,361,071</u> | <u>7,121,088</u> |
| <u>603,334</u> | <u>(397,337)</u> | <u>(977,720)</u> | <u>(71,321)</u> | <u>729,616</u> | <u>138,862</u> |
| 2,520,000 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 17,038 | 0 | 0 | 0 |
| (2,520,000) | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 7,454 | 103,114 | 58,395 | 78,415 |
| (600,000) | (677,583) | (527,839) | (95,989) | (47,070) | (46,415) |
| <u>(600,000)</u> | <u>(677,583)</u> | <u>(503,347)</u> | <u>7,125</u> | <u>11,325</u> | <u>32,000</u> |
| <u>\$3,334</u> | <u>(\$1,074,920)</u> | <u>(\$1,481,067)</u> | <u>(\$64,196)</u> | <u>\$740,941</u> | <u>\$170,862</u> |
| 2.0% | 0.7% | 0.9% | 1.9% | 1.7% | 1.5% |

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

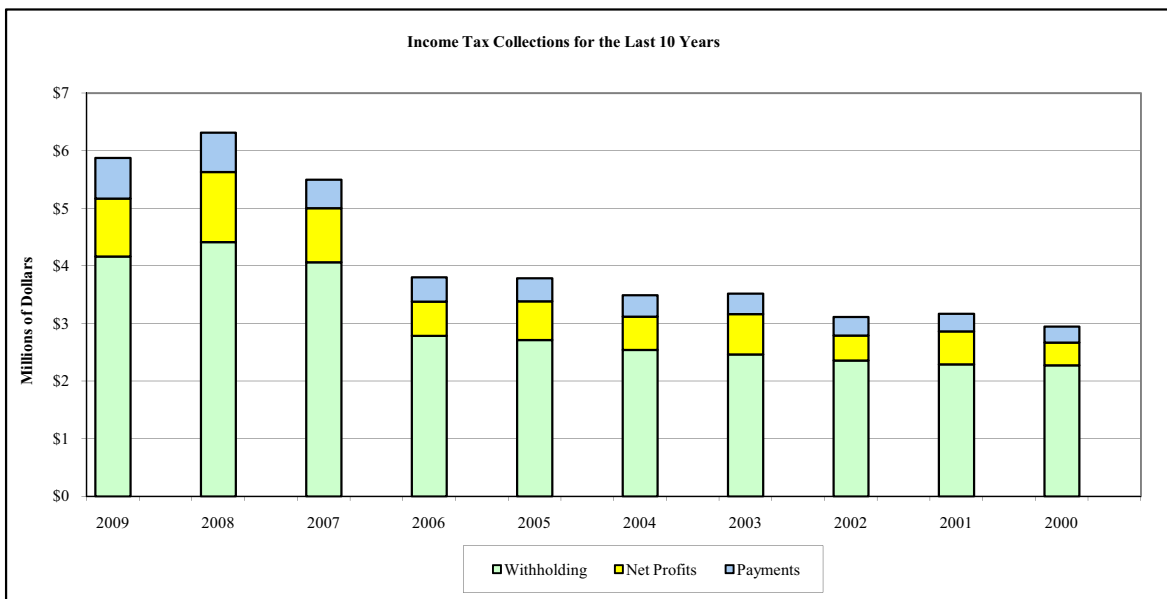
| Tax Year | Tax Rate (1) | Total Tax Collected (2) | Taxes From Withholding | Percentage of Taxes from Withholding | Taxes From Net Profits | Percentage of Taxes from Net Profits | Taxes from Individual Payments | Percentage of Taxes from Individual Payments |
|----------|--------------|-------------------------|------------------------|--------------------------------------|------------------------|--------------------------------------|--------------------------------|--|
| 2009 | 1.50% | \$5,865,095 | \$4,164,217 | 71.00% | \$1,007,396 | 17.00% | \$703,811 | 12.00% |
| 2008 | 1.50 | 6,314,388 | 4,413,757 | 69.90 | 1,218,045 | 19.29 | 682,585 | 10.81 |
| 2007 | 1.50 | 5,500,103 | 4,065,676 | 73.92 | 938,318 | 17.06 | 496,109 | 9.02 |
| 2006 | 1.00 | 3,803,674 | 2,787,387 | 73.28 | 592,434 | 15.58 | 423,853 | 11.14 |
| 2005 | 1.00 | 3,790,428 | 2,717,521 | 71.69 | 669,197 | 17.65 | 403,710 | 10.65 |
| 2004 | 1.00 | 3,495,550 | 2,543,794 | 72.77 | 576,160 | 16.48 | 375,596 | 10.74 |
| 2003 | 1.00 | 3,519,700 | 2,464,205 | 70.01 | 699,420 | 19.87 | 356,075 | 10.12 |
| 2002 | 1.00 | 3,116,478 | 2,357,931 | 75.66 | 435,323 | 13.97 | 323,224 | 10.37 |
| 2001 | 1.00 | 3,169,989 | 2,293,091 | 72.34 | 570,746 | 18.00 | 306,152 | 9.66 |
| 2000 | 1.00 | 2,946,631 | 2,275,662 | 77.23 | 393,689 | 13.36 | 277,280 | 9.41 |

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

| | 2009 | 2008 | 2007 | 2006 | 2005 |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|
| Electric Sold (MWH) (000) | | | | | |
| Residential | 55,830 | 58,807 | 58,317 | 55,846 | 57,161 |
| Commercial | 27,042 | 23,424 | 24,942 | 24,392 | 25,913 |
| Industrial | 128,300 | 134,536 | 139,024 | 134,977 | 129,454 |
| Total | <u>211,172</u> | <u>216,767</u> | <u>222,283</u> | <u>215,215</u> | <u>212,528</u> |
| Number of Customers | | | | | |
| Residential | 5,762 | 5,822 | 5,741 | 5,714 | 5,692 |
| Commercial | 836 | 868 | 846 | 840 | 842 |
| Industrial | 122 | 124 | 119 | 117 | 115 |
| Total | <u>6,720</u> | <u>6,814</u> | <u>6,706</u> | <u>6,671</u> | <u>6,649</u> |

| 2004 | 2003 | 2002 | 2001 | 2000 |
|----------------|----------------|----------------|----------------|----------------|
| 53,935 | 52,773 | 55,496 | 51,525 | 49,168 |
| 25,742 | 25,554 | 25,930 | 24,709 | 24,507 |
| 123,696 | 116,989 | 121,233 | 118,972 | 121,208 |
| <u>203,373</u> | <u>195,316</u> | <u>202,659</u> | <u>195,206</u> | <u>194,883</u> |
| 5,704 | 5,635 | 5,579 | 5,469 | 5,424 |
| 865 | 862 | 856 | 849 | 834 |
| 112 | 112 | 106 | 105 | 101 |
| <u>6,681</u> | <u>6,609</u> | <u>6,541</u> | <u>6,423</u> | <u>6,359</u> |

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

| Type of Customer: | 2009 | 2008 | 2007 | 2006 | 2005 |
|--|-----------|-----------|-----------|-----------|-----------|
| Residential: | | | | | |
| Customer Charge | \$5.97000 | \$5.97000 | \$5.97000 | \$5.97000 | \$5.97000 |
| First 800 KWH | 0.06107 | 0.06107 | 0.06107 | 0.06107 | 0.05310 |
| Next 700 KWH - per KWH | 0.05609 | 0.05609 | 0.05609 | 0.05609 | 0.04877 |
| All Over 1500 KWH - per KWH | 0.04950 | 0.04950 | 0.04950 | 0.04950 | 0.04304 |
| Commercial: | | | | | |
| Customer Charge | 5.97000 | 5.97000 | 5.97000 | 5.97000 | 5.97000 |
| First 50 KWH per KW of demand - per KWH | 0.09900 | 0.09990 | 0.09900 | 0.09900 | 0.08609 |
| Next 150 KWH per KW of demnd - per KWH | | | | | |
| First 3,000 KWH per KWH | 0.07997 | 0.07997 | 0.07997 | 0.07997 | 0.06954 |
| Over 3,000 KWH per KWH | 0.05970 | 0.05970 | 0.05970 | 0.05970 | 0.05191 |
| For all remaining KWH per KWH | 0.04701 | 0.04701 | 0.04701 | 0.04701 | 0.04088 |
| Industrial (per KVA): | | | | | |
| Minimum Charge - per KVA of demand | 2.75000 | 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 | 0.10599 |
| Next 170 KWH per KVA of demand | | | | | |
| 2,000 KWH - per KWH | 0.08010 | 0.08010 | 0.08010 | 0.08010 | 0.06965 |
| 8,000 KWH - per KWH | 0.06765 | 0.06765 | 0.06765 | 0.06765 | 0.05883 |
| 90,000 KWH - per KWH | 0.05597 | 0.05597 | 0.05597 | 0.05597 | 0.04867 |
| Over 100,000 KWH - per KWH | 0.04801 | 0.04801 | 0.04801 | 0.04801 | 0.04175 |
| Over 200 KWH per KVA of demand | | | | | |
| First 200,000 KWH - per KWH | 0.03842 | 0.03842 | 0.03842 | 0.03842 | 0.03341 |
| All remaining KWH - per KWH | 0.03283 | 0.03283 | 0.03283 | 0.03283 | 0.02855 |

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

| 2004 | 2003 | 2002 | 2001 | 2000 |
|-----------|-----------|-----------|-----------|-----------|
| \$5.97000 | \$5.97000 | \$5.97000 | \$5.97000 | \$5.97000 |
| 0.05310 | 0.05310 | 0.05310 | 0.05310 | 0.05310 |
| 0.04877 | 0.04877 | 0.04877 | 0.04877 | 0.04877 |
| 0.04304 | 0.04304 | 0.04304 | 0.04304 | 0.04304 |
| 5.97000 | 5.97000 | 5.97000 | 5.97000 | 5.97000 |
| 0.08609 | 0.08609 | 0.08609 | 0.08609 | 0.08609 |
| 0.06954 | 0.06954 | 0.06954 | 0.06954 | 0.06954 |
| 0.05191 | 0.05191 | 0.05191 | 0.05191 | 0.05191 |
| 0.04088 | 0.04088 | 0.04088 | 0.04088 | 0.04088 |
| 2.75000 | 2.75000 | 2.75000 | 2.75000 | 2.75000 |
| 0.10599 | 0.10599 | 0.10599 | 0.10599 | 0.10599 |
| 0.06965 | 0.06965 | 0.06965 | 0.06965 | 0.06965 |
| 0.05883 | 0.05883 | 0.05883 | 0.05883 | 0.05883 |
| 0.04867 | 0.04867 | 0.04867 | 0.04867 | 0.04867 |
| 0.04175 | 0.04175 | 0.04175 | 0.04175 | 0.04175 |
| 0.03341 | 0.03341 | 0.03341 | 0.03341 | 0.03341 |
| 0.02855 | 0.02855 | 0.02855 | 0.02855 | 0.02855 |

City of Dover, Ohio
Principal Electric Customers
2009 and 2004 (1)

| Customer | 2009 | |
|-----------------------------------|--------------------|------------------------------|
| | MWH Sold | Percentage of Total MWH Sold |
| Arizona Chemical Corporation | 28,577,520 | 13.53 % |
| Dover Chemical Corporation | 21,009,345 | 9.95 |
| Allied Machine and Engineering | 10,860,000 | 5.14 |
| Union Hospital | 10,711,440 | 5.07 |
| Meteor Sealing Systems | 5,898,237 | 2.79 |
| INCA Presswood Pallets Ltd | 6,647,000 | 3.15 |
| Zimmer Patient Care Division | 5,124,200 | 2.43 |
| Rolite Plastics Inc | 4,970,970 | 2.35 |
| Buehlers Food Market Incorporated | 4,573,500 | 2.17 |
| Giant Eagle | 4,153,000 | 1.97 |
| Totals | <u>102,525,212</u> | <u>48.55 %</u> |
| Total MWH Sold | <u>211,174,316</u> | |

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

Source: City Records

(1) Data from nine years ago is not available

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

| Year | Governmental Activities | | Percentage of Actual Taxable Value of Property | Per Capita (1) | Governmental Activities | | |
|---------------------------------|--------------------------|----------------------------------|--|-------------------------|-------------------------|-----------------------------------|----------------|
| | Bond Anticipation Notes | Actual Taxable Value of Property | | | Police and Fire Pension | | |
| 2009 | \$2,200,000 | \$714,079,200 | 0.31 % | 162 | \$279,324 | | |
| 2008 | 2,470,000 | 729,445,967 | 0.34 | 183 | 285,319 | | |
| 2007 | 2,770,000 | 898,534,287 | 0.31 | 203 | 291,066 | | |
| 2006 | 2,970,000 | 841,281,475 | 0.35 | 219 | 296,577 | | |
| 2005 | 2,720,000 | 843,684,435 | 0.32 | 202 | 301,861 | | |
| 2004 | 2,820,000 | 841,547,469 | 0.34 | 212 | 306,927 | | |
| 2003 | 2,820,000 | 791,259,012 | 0.36 | 207 | 311,785 | | |
| 2002 | 2,550,000 | 789,271,832 | 0.32 | 187 | 316,142 | | |
| 2001 | 2,470,000 | 776,675,046 | 0.32 | 182 | 320,607 | | |
| 2000 | 2,670,000 | 733,066,212 | 0.36 | 199 | 324,889 | | |
| 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) |
| 2009 | \$0 | \$12,795,611 | \$12,655,641 | \$7,500,000 | \$35,430,576 | 13.75 % | \$2,603 |
| 2008 | 0 | 12,511,688 | 13,562,586 | 7,800,000 | 36,629,593 | 14.31 | 2,708 |
| 2007 | 260,000 | 8,248,331 | 14,434,531 | 8,100,000 | 34,103,928 | 13.23 | 2,503 |
| 2006 | 455,000 | 0 | 15,276,476 | 8,750,000 | 27,748,053 | 10.79 | 2,043 |
| 2005 | 640,000 | 0 | 16,108,419 | 6,000,000 | 25,770,280 | 10.09 | 1,910 |
| 2004 | 815,000 | 0 | 13,907,216 | 6,500,000 | 24,349,143 | 9.65 | 1,827 |
| 2003 | 985,000 | 0 | 13,855,000 | 5,750,000 | 23,721,785 | 9.19 | 1,739 |
| 2002 | 1,205,000 | 0 | 13,530,000 | 6,250,000 | 23,851,142 | 9.26 | 1,754 |
| 2001 | 1,415,000 | 0 | 13,980,000 | 6,650,000 | 24,835,607 | 9.67 | 1,830 |
| 2000 | 1,620,000 | 0 | 14,415,000 | 4,950,000 | 23,979,889 | 9.43 | 1,785 |

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

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

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

City of Dover, Ohio

Computation of Direct and Overlapping Debt Attributable to Governmental Activities

December 31, 2009

| | <u>Debt Attributable to Governmental Activities</u> | <u>Overlapping Percentage Applicable to Dover (1)</u> | <u>Amount of Direct and Overlapping Debt</u> |
|---|---|---|--|
| <u>Direct:</u> | | | |
| City of Dover | | | |
| Bond Anticipation Notes | \$2,200,000 | 100.00 % | \$2,200,000 |
| Police and Fire Pension | <u>279,324</u> | 100.00 | <u>279,324</u> |
| Total Direct Debt | <u>2,479,324</u> | | <u>2,479,324</u> |
| <u>Overlapping Debt:</u> | | | |
| Payable from Property Taxes | | | |
| Dover City School District Bonds | 4,640,622 | 70.04 | 3,250,292 |
| Tuscarawas County Bond Anticipation Notes | 866,000 | 16.17 | 140,032 |
| Payable from Other Sources | | | |
| Dover City School District Capital Leases | 149,658 | 70.04 | 104,820 |
| Tuscarawas County Capital Leases | <u>29,909</u> | 16.17 | <u>4,836</u> |
| Total Overlapping Debt | <u>5,686,189</u> | | <u>3,499,981</u> |
| Total | <u><u>\$8,165,513</u></u> | | <u><u>\$5,979,305</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.

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

| | 2009 | 2008 | 2007 | 2006 | 2005 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Overall Legal Debt Limit (10.5% of Assessed Valuation) | \$26,242,411 | \$27,400,427 | \$28,608,566 | \$28,027,064 | \$28,791,693 |
| Net Debt Applicable to Debt Limit | <u>2,200,000</u> | <u>2,470,000</u> | <u>2,770,000</u> | <u>2,970,000</u> | <u>2,620,000</u> |
| Overall Legal Debt Margin (10.5% of Assessed Valuation) | <u>\$24,042,411</u> | <u>\$24,930,427</u> | <u>\$25,838,566</u> | <u>\$25,057,064</u> | <u>\$26,171,693</u> |
| Legal Debt Margin as a Percentage of Debt Limit | 91.62% | 90.99% | 90.32% | 89.40% | 90.90% |
| Unvoted Legal Debt Limit (5.5% of Assessed Valuation) | \$13,746,025 | \$14,352,605 | \$14,985,439 | \$14,680,843 | \$15,081,363 |
| Net Debt Applicable to Debt Limit | <u>2,200,000</u> | <u>2,470,000</u> | <u>2,770,000</u> | <u>2,970,000</u> | <u>2,620,000</u> |
| Unvoted Legal Debt Margin (5.5% of Assessed Valuation) | <u>\$11,546,025</u> | <u>\$11,882,605</u> | <u>\$12,215,439</u> | <u>\$11,710,843</u> | <u>\$12,461,363</u> |
| Legal Debt Margin as a Percentage of Debt Limit | 84.00% | 82.79% | 81.52% | 79.77% | 82.63% |

Legal Debt Margin Calculation for the Year Ended December 31, 2009

| | Overall Margin Within 10.5% | Unvoted Margin Within 5.5% |
|---|--------------------------------|-------------------------------|
| Assessed property value | <u>\$249,927,720</u> | <u>\$249,927,720</u> |
| Debt Limitation (percentage of assessed property value) | \$26,242,411 | \$13,746,025 |
| Gross Indebtedness | 22,634,965 | 22,634,965 |
| Less: Bond Anticipation Notes - Enterprise Funds | (7,500,000) | (7,500,000) |
| Revenue Bonds | (12,655,641) | (12,655,641) |
| Police and Fire Pension | <u>(279,324)</u> | <u>(279,324)</u> |
| Net Debt Applicable to Debt Limit | <u>2,200,000</u> | <u>2,200,000</u> |
| Legal Debt Margin Within Limitations | <u>\$24,042,411</u> | <u>\$11,546,025</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.

| 2004 | 2003 | 2002 | 2001 | 2000 |
|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$28,450,248 | \$27,162,737 | \$27,224,687 | \$26,729,751 | \$25,300,914 |
| 2,720,000 | 2,820,000 | 2,550,000 | 2,470,000 | 2,670,000 |
| <u>\$25,730,248</u> | <u>\$24,342,737</u> | <u>\$24,674,687</u> | <u>\$24,259,751</u> | <u>\$22,630,914</u> |
| 90.44% | 89.62% | 90.63% | 90.76% | 89.45% |
| \$14,902,511 | \$14,260,550 | \$14,260,550 | \$14,001,298 | \$13,252,860 |
| 2,720,000 | 2,820,000 | 2,550,000 | 2,470,000 | 2,670,000 |
| <u>\$12,182,511</u> | <u>\$11,440,550</u> | <u>\$11,710,550</u> | <u>\$11,531,298</u> | <u>\$10,582,860</u> |
| 81.75% | 80.23% | 82.12% | 82.36% | 79.85% |

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 | Annual Debt Service Requirements (3) | Coverage |
|------|-----------------------|-------------------------------------|--|--|----------|
| 2009 | \$1,994,092 | \$1,045,257 | \$948,835 | \$479,176 | 1.98 |
| 2008 | 1,949,190 | 1,423,748 | 525,442 | 466,906 | 1.13 |
| 2007 | 1,761,325 | 1,594,531 | 166,794 | 501,016 | 0.33 |
| 2006 | 1,924,178 | 1,020,335 | 903,843 | 417,993 | 2.16 |
| 2005 | 1,803,621 | 1,237,465 | 566,156 | 500,861 | 1.13 |
| 2004 | 1,743,102 | 1,244,303 | 498,799 | 534,467 | 0.93 |
| 2003 | 1,902,977 | 1,255,591 | 647,386 | 498,735 | 1.30 |
| 2002 | 1,762,441 | 1,197,029 | 565,412 | 499,251 | 1.13 |
| 2001 | 1,735,530 | 1,237,124 | 498,406 | 500,738 | 1.00 |
| 2000 | 1,833,485 | 972,123 | 861,362 | 498,488 | 1.73 |

(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 | Annual Debt Service Requirements (3) | Coverage |
|------|--------------------|-------------------------------|--|--------------------------------------|----------|
| 2009 | \$18,953,012 | \$17,290,371 | \$1,662,641 | \$952,835 | 1.74 |
| 2008 | 20,537,863 | 17,528,791 | 3,009,072 | 925,048 | 3.25 |
| 2007 | 20,774,394 | 19,761,146 | 1,013,248 | 1,041,448 | 0.97 |
| 2006 | 19,556,464 | 16,483,465 | 3,072,999 | 1,028,500 | 2.99 |
| 2005 | 16,897,572 | 15,451,875 | 1,445,697 | 616,815 | 2.34 |
| 2004 | 14,729,101 | 13,271,813 | 1,457,288 | 859,328 | 1.70 |
| 2003 | 14,146,329 | 13,124,341 | 1,021,988 | 933,549 | 1.09 |
| 2002 | 13,430,716 | 12,015,310 | 1,415,406 | 616,159 | 2.30 |
| 2001 | 12,806,517 | 11,429,382 | 1,377,135 | 947,673 | 1.45 |
| 2000 | 12,437,522 | 9,649,872 | 2,787,650 | 960,752 | 2.90 |

(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> |
|-------------|-----------------------|--------------------------------------|---|--|----------------------------------|
| 2009 | 13,612 | \$257,647,936 | \$18,928 | \$44,604 | 9.2% |
| 2008 | 13,528 | 256,057,984 | 18,928 | 44,604 | 6.4 |
| 2007 | 13,623 | 257,856,144 | 18,928 | 44,604 | 5.6 |
| 2006 | 13,585 | 257,136,880 | 18,928 | 44,604 | 5.1 |
| 2005 | 13,492 | 255,376,576 | 18,928 | 44,604 | 5.7 |
| 2004 | 13,331 | 252,329,168 | 18,928 | 44,604 | 5.2 |
| 2003 | 13,643 | 258,234,704 | 18,928 | 44,604 | 6.5 |
| 2002 | 13,602 | 257,458,656 | 18,928 | 44,604 | 5.4 |
| 2001 | 13,573 | 256,909,744 | 18,928 | 44,604 | 4.9 |
| 2000 | 13,431 | 254,221,968 | 18,928 | 44,604 | 4.1 |

(1) Estimated by the City

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

(3) Source: U. S. Census

(a) Years 2000 through 2008 - 2000 Federal Census

(b) Year 1999 - 1990 Federal Census

(4) Ohio Department of Job and Family Services

City of Dover, Ohio

Principal Employers

2009 and 2000

2009

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

2000

| <u>Employer</u> | <u>Employees</u> |
|--|---------------------|
| Union Hospital | 700 |
| Allied Machine and Engineering Corporation | 390 |
| Hennis Care Center Incorporated | 181 |
| Zimmer Patient Care Division | 286 |
| Dover City Schools | 303 |
| New Dawn Health Care | 250 |
| Commercial And Architectural Products | 214 |
| Buehlers Food Market Incorporated | 230 |
| Union Camp Corporation | 187 |
| Bag-N-Save Foods Incorporated | 130 |
| Total | <u><u>2,871</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 | 2009 | 2008 | 2007 | 2006 | 2005 |
|---|--------------|--------------|--------------|--------------|--------------|
| 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 | 3.0 | 1.5 | 3.0 | 3.0 | 3.0 |
| Income Tax Department | 2.5 | 2.5 | 2.0 | 2.0 | 2.0 |
| Service Director | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Janitor | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Shade Tree | 0.0 | 0.0 | 0.0 | 0.0 | 0.5 |
| Security of Persons and Property | | | | | |
| Police | 22.0 | 22.0 | 23.0 | 23.0 | 23.0 |
| Fire | 18.0 | 19.0 | 18.0 | 16.0 | 16.0 |
| Safety Director | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Traffic Safety | 9.0 | 8.0 | 8.5 | 9.5 | 10.5 |
| Transportation | | | | | |
| Service/Street M&R | 14.0 | 15.0 | 16.0 | 14.5 | 14.5 |
| Public Health Services | | | | | |
| Cemetery | 7.5 | 7.5 | 7.5 | 8.5 | 7.5 |
| Community Environment | | | | | |
| Building | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Leisure Time Activities | | | | | |
| Parks and Recreation | 23.5 | 27.0 | 21.5 | 21.0 | 20.0 |
| Basic Utility Services | | | | | |
| Sewer | 17.0 | 17.0 | 16.0 | 17.5 | 17.0 |
| Electric | 47.5 | 41.0 | 39.5 | 42.5 | 42.0 |
| Water | 14.0 | 13.0 | 14.5 | 14.0 | 14.5 |
| Totals: | <u>198.5</u> | <u>194.0</u> | <u>190.0</u> | <u>192.0</u> | <u>191.0</u> |

Source: City of Dover, Ohio Payroll Department

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee.

| 2004 | 2003 | 2002 | 2001 | 2000 |
|--------------|--------------|--------------|--------------|--------------|
| 11.5 | 12.0 | 11.0 | 11.0 | 11.0 |
| 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| 2.0 | 2.0 | 2.0 | 3.0 | 3.0 |
| 2.5 | 2.5 | 2.5 | 2.5 | 3.0 |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| 0.5 | 0.0 | 0.5 | 0.0 | 0.0 |
| 23.0 | 22.0 | 22.0 | 22.0 | 22.0 |
| 16.0 | 17.0 | 17.0 | 16.0 | 15.0 |
| 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| 10.5 | 10.5 | 11.0 | 11.0 | 11.0 |
| 14.5 | 14.5 | 14.5 | 14.5 | 13.5 |
| 7.0 | 7.5 | 8.0 | 7.5 | 7.0 |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| 20.0 | 21.5 | 19.0 | 20.0 | 23.5 |
| 18.0 | 17.0 | 17.5 | 19.0 | 17.5 |
| 43.0 | 43.0 | 44.0 | 41.5 | 39.0 |
| 15.0 | 15.5 | 17.0 | 15.5 | 13.5 |
| <u>193.5</u> | <u>195.0</u> | <u>196.0</u> | <u>193.5</u> | <u>189.0</u> |

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

| Function/Program | 2009 | 2008 | 2007 |
|---|--------------|--------------|--------------|
| General Government | | | |
| <i>Council and Clerk</i> | | | |
| Number of Ordinances Passed | 70 | 71 | 76 |
| Number of Resolutions Passed | 22 | 32 | 17 |
| <i>Planning Commission</i> | | | |
| Number of Planning Commission docket items | 36 | 26 | 18 |
| <i>Finance Department</i> | | | |
| Number of checks/ vouchers issued | 4,048 | 7,904 | 3,806 |
| Amount of checks written | \$50,816,846 | \$55,934,193 | \$61,851,209 |
| Interest earnings for fiscal year (cash basis) | \$210,568 | \$184,436 | \$255,612 |
| Number of Receipts issued | 584 | 517 | 518 |
| General Fund Receipts (cash basis) | \$6,167,226 | \$5,893,616 | \$6,415,847 |
| General Fund Expenditures (cash basis) | \$6,321,992 | \$6,194,109 | \$5,901,479 |
| <i>Income Tax Department</i> | | | |
| Number of Business net profit forms processed | 1,261 | 1,278 | 1,219 |
| Number of Individual forms processed | 2,590 | 2,662 | 2,560 |
| Amount of Penalties and Interest Collected | \$29,725 | \$22,533 | \$24,223 |
| <i>Civil Service</i> | | | |
| Number of police entry tests administered | 0 | 1 | 1 |
| Number of fire entry tests administered | 1 | 0 | 1 |
| Number of police promotional tests administered | 0 | 0 | 1 |
| Number of fire promotional tests administered | 0 | 0 | 0 |
| Number of hires of Police Officers from certified lists | 0 | 1 | 0 |
| Number of hires of Fire/Medics from certified lists | 0 | 1 | 1 |
| Number of promotions from police certified lists | 0 | 0 | 2 |
| Number of promotions from fire certified lists | 0 | 0 | 0 |
| <i>Building and Zoning</i> | | | |
| Estimated Value of Construction | \$5,884,436 | \$6,896,283 | \$9,562,157 |
| Number of permits issued (all types) | 228 | 272 | 290 |
| Amount of Revenue generated from permits | \$21,478 | \$19,927 | \$21,987 |
| Number of contractor licenses | 285 | 326 | 205 |
| Zoning Board of Appeals hearings | 29 | 26 | 37 |

Source: City Records

| 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 57 | 59 | 62 | 81 | 66 | 73 | 78 |
| 22 | 29 | 27 | 12 | 14 | 13 | 20 |
| 19 | 22 | 21 | 23 | 20 | 22 | 19 |
| 3,852 | 3,769 | 3,822 | 2,664 | 3,985 | 3,841 | 3,959 |
| \$43,454,567 | \$43,182,203 | \$37,144,990 | \$36,584,280 | \$30,109,669 | \$33,758,267 | \$23,153,468 |
| \$129,830 | \$143,896 | \$92,562 | \$141,486 | \$221,171 | \$370,265 | \$400,150 |
| 511 | 533 | 525 | 498 | 728 | 476 | 542 |
| \$6,081,615 | \$5,721,478 | \$5,368,211 | \$4,826,541 | \$4,548,997 | \$5,048,181 | \$4,205,243 |
| \$6,163,730 | \$5,851,883 | \$5,864,617 | \$5,656,883 | \$4,870,002 | \$4,685,516 | \$4,235,995 |
| 1,179 | 1,018 | 953 | 914 | 891 | 869 | 818 |
| 2,459 | 2,466 | 2,317 | 2,029 | 1,948 | 1,862 | 1,824 |
| \$22,017 | \$10,859 | \$11,135 | \$9,969 | \$6,177 | \$5,346 | \$3,075 |
| 0 | 0 | 0 | 1 | 0 | 1 | 0 |
| 0 | 0 | 1 | 1 | 0 | 1 | 0 |
| 1 | 0 | 0 | 1 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 4 | 3 | 1 | 0 | 1 |
| 0 | 0 | 2 | 2 | 0 | 2 | 0 |
| 1 | 0 | 0 | 2 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| \$11,867,945 | \$13,716,916 | \$12,159,784 | \$8,714,316 | \$8,249,060 | \$8,921,422 | \$9,286,965 |
| 251 | 211 | 192 | 236 | 220 | 235 | 246 |
| \$14,342 | \$11,397 | \$9,575 | \$10,348 | \$8,745 | \$10,134 | \$10,285 |
| 282 | 289 | 323 | 254 | 226 | 287 | 268 |
| 38 | 6 | 24 | 31 | 32 | 31 | 16 |

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

| Function/Program | 2009 | 2008 | 2007 |
|---|----------|----------|----------|
| Security of Persons and Property | | | |
| <i>Police</i> | | | |
| Total Calls for Services | 10,802 | 10,148 | 11,007 |
| Number of traffic citations issued | 887 | 1,043 | 929 |
| Number of parking citations issued | 183 | 379 | 293 |
| Number of felony arrests | 79 | 81 | 39 |
| Number of misdemeanor arrests | 590 | 476 | 427 |
| Number of traffic accidents investigated | 343 | 396 | 375 |
| Number of injury accidents | 50 | 62 | 94 |
| Number of fatal accidents | 0 | 1 | 1 |
| Prisoners | 88 | 59 | 44 |
| Prisoner meal costs | \$5,600 | \$4,000 | \$2,600 |
| Total miles driven | 162,104 | 147,554 | 139,049 |
| Total gasoline used | 14,438 | 13,242 | 13,025 |
| | | | |
| <i>Fire</i> | | | |
| EMS Calls | 1,238 | 1,338 | 1,165 |
| Fire Calls | 131 | 117 | 118 |
| Training hours | 1,338 | 1,891 | 1,178 |
| | | | |
| Leisure Time Activities | | | |
| <i>Recreation</i> | | | |
| Recreation League fees | \$21,475 | \$19,986 | \$11,915 |
| | | | |
| Transportation | | | |
| Tons of asphalt | 4,593 | 7,582 | 3,930 |
| Tons of limestone | 1,357 | 1,167 | 1,255 |
| Paint Striping (gallons of paint) | 375 | 410 | 575 |
| Street sweeping (days) | 144 | 117 | 123 |
| Man hours of leaf pick-up | 1,120 | 1,200 | 1,328 |
| Tons of salt | 1,575 | 2,353 | 1,361 |
| | | | |
| Water Department | | | |
| Average residential gallons of water billed monthly | 4,599 | 4,875 | 4,913 |
| | | | |
| Wastewater Department | | | |
| Average residential gallons of sewer billed monthly | 4,599 | 4,868 | 4,913 |

Source: City Records

| 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 |
|---------|----------|----------|----------|----------|----------|----------|
| 11,866 | 12,270 | 12,586 | 12,148 | 12,473 | 11,687 | 12,428 |
| 1,243 | 1,270 | 1,111 | 1,481 | 1,260 | 1,261 | 1,620 |
| 389 | 267 | 185 | 188 | 136 | 245 | 479 |
| 83 | 260 | 78 | 86 | 109 | 76 | 185 |
| 540 | 372 | 473 | 581 | 696 | 519 | 593 |
| 391 | 441 | 410 | 480 | 502 | 470 | 473 |
| 84 | 112 | 83 | 94 | 99 | 100 | 85 |
| 1 | 1 | 1 | 0 | 1 | 0 | 1 |
| 56 | 63 | 118 | 116 | 14 | 2 | 4 |
| \$3,645 | \$5,130 | \$5,715 | \$6,570 | \$3,600 | \$495 | \$450 |
| 154,186 | 154,883 | 144,860 | 153,797 | 149,881 | 163,353 | 157,091 |
| 13,928 | 14,179 | 13,411 | 14,107 | 13,696 | 14,437 | 14,256 |
| 1,182 | 1,128 | 1,160 | n/a | 1,110 | 1,006 | 988 |
| 119 | 101 | 134 | n/a | 177 | 143 | 134 |
| 1,325 | 1,632 | 1,505 | n/a | 2,384 | 1,736 | 1,881 |
| \$6,044 | \$10,280 | \$12,486 | \$11,527 | \$11,695 | \$13,755 | \$14,052 |
| 4,052 | 7,137 | 5,965 | 7,500 | 7,664 | 6,772 | 7,137 |
| 1,217 | 1,500 | n/a | 1,500 | n/a | 1,094 | 1,500 |
| 445 | 710 | 585 | 760 | 695 | 595 | 695 |
| 111 | 134 | n/a | 155 | n/a | 164 | 165 |
| 1,284 | 1,284 | 1,352 | 1,192 | 1,608 | 1,152 | 1,296 |
| 976 | n/a | n/a | 2,135 | n/a | 1,886 | 1,426 |
| 5,100 | 5,100 | 5,040 | 5,490 | 5,460 | 11,700 | 8,790 |
| 5,010 | 5,010 | 4,950 | 4,950 | 4,950 | 4,950 | 5,070 |

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

| Function/Program | 2009 | 2008 | 2007 | 2006 | 2005 |
|---|-------|-------|-------|-------|-------|
| General Government | | | | | |
| Square Footage Occupied | 1,932 | 1,932 | 1,932 | 1,932 | 1,932 |
| Vehicles | 3 | 3 | 3 | 1 | 1 |
| Security of Persons and Property | | | | | |
| Police | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 |
| Square Footage of Building | 6,468 | 6,468 | 6,468 | 6,468 | 6,468 |
| Vehicles | 13 | 11 | 10 | 9 | 9 |
| Fire | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 |
| Square Footage of Building | 6,900 | 6,900 | 6,900 | 6,900 | 6,900 |
| Fire Hydrants | 633 | 633 | 614 | 582 | 582 |
| Vehicles | 12 | 12 | 12 | 15 | 15 |
| Leisure Time Activities | | | | | |
| Recreation | | | | | |
| Number of Parks | 2 | 2 | 2 | 2 | 2 |
| Number of Swimming Pools | 2 | 2 | 2 | 2 | 2 |
| Number of Tennis Courts | 8 | 8 | 8 | 8 | 8 |
| Number of Baseball Diamonds | 10 | 10 | 10 | 9 | 9 |
| Transportation | | | | | |
| Service | | | | | |
| Streets (miles) | 71 | 70 | 70 | 70 | 70 |
| Street Lights | 2,397 | 2,387 | 2,380 | 2,369 | 2,352 |
| Storm Sewers (miles) | 33 | 33 | 33 | 33 | 33 |
| Utility Services | | | | | |
| Sanitary Sewers (miles) | 67 | 67 | 66 | 66 | 66 |
| Electric Lines (miles) | 357 | 357 | 354 | 354 | 355 |
| Water Lines (miles) | 85 | 84 | 84 | 84 | 84 |

Source: City Records

| 2004 | 2003 | 2002 | 2001 | 2000 |
|-------|-------|-------|-------|-------|
| 1,932 | 1,932 | 1,932 | 1,932 | 1,932 |
| 1 | 1 | 1 | 1 | 1 |
| 1 | 1 | 1 | 1 | 1 |
| 6,468 | 6,468 | 6,468 | 6,468 | 6,468 |
| 9 | 9 | 9 | 9 | 9 |
| 1 | 1 | 1 | 1 | 1 |
| 6,900 | 6,900 | 6,900 | 6,900 | 6,900 |
| 566 | 562 | 555 | 543 | 533 |
| 13 | 13 | 11 | 11 | 11 |
| 2 | 2 | 2 | 2 | 2 |
| 2 | 2 | 2 | 2 | 2 |
| 8 | 8 | 8 | 8 | 8 |
| 8 | 8 | 8 | 8 | 8 |
| 69 | 68 | 68 | 67 | 66 |
| 2,318 | 2,314 | 2,307 | 2,270 | 2,197 |
| 32 | 32 | 32 | 31 | 30 |
| 65 | 64 | 63 | 63 | 62 |
| 331 | 339 | 369 | 351 | 352 |
| 82 | 82 | 81 | 80 | 79 |

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Mary Taylor, CPA
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 1, 2010