



Mary Taylor, CPA
Auditor of State

CITY OF DOVER
TUSCARAWAS COUNTY

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	1
Schedule of Findings.....	3

This page intentionally left blank.



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, 2007, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 18, 2008, wherein we noted that the City restated their net assets at January 1, 2007 for infrastructure and Water Fund capital assets. 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 expressing our opinion on the financial statements, but not to opine 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the City's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider the following deficiencies described in the accompanying Schedule of Findings to be significant deficiencies in internal control over financial reporting: Finding Numbers 2007-001 through 2007-005.

101 Central Plaza South / 700 Chase Tower / Canton, OH 44702-1509
Telephone: (330) 438-0617 (800) 443-9272 Fax: (330) 471-0001
www.auditor.state.oh.us

City of Dover
Tuscarawas County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the City's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. However, of the significant deficiencies described above, we believe Finding Number 2007-005 is also a material weakness.

We also noted certain internal control matters that we reported to the City's management in a separate letter dated June 18, 2008.

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 noncompliance or other matters that we reported to the City's management in a separate letter dated June 18, 2008.

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

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.



Mary Taylor, CPA
Auditor of State

June 18, 2008

**CITY OF DOVER
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007**

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

FINDING NUMBER 2007-001

Significant Deficiency

Council's Review of Reports

The City Auditor prints various financial reports on a monthly basis such as the Fund Cash Position Report, the Revenue Report and the Appropriation Expenditure Report which includes budget versus actual information. These reports are a vital tool in monitoring the City's financial performance, especially for comparing year-to-date expenditures and approved appropriations. City Council does not regularly receive the aforementioned reports. This significantly reduces City Council's ability to effectively monitor the City's financial performance.

City Council should review and formally approve financial reports on a monthly basis. This will help increase City Council's ability to effectively monitor the City's financial performance.

Official's Response: While it has been past practice to present City Council an Auditor/Treasurer Reconciliation Report, Fund Cash Position Report, Revenue Report and Appropriation Expenditure Report, on a monthly basis for review, these reports had not been presented to City Council for most of 2007 since the City's monthly bank reconciliations for certain months were not in balance with the City's Fund Cash Position Report. Going forward, City Council will be presented monthly the aforementioned reports for review and approval as evidenced in the minute records.

FINDING NUMBER 2007-002

Significant Deficiency

Cash Reconciliation

The City's deposit and investment accounts are reconciled to the City's book balances on a monthly basis by the Treasurer. While the Treasurer performed the reconciliations for each month during 2007, we were unable agree the book balances presented on the reconciliations to the book balances on the City's accounting system. We additionally noted the following deficiencies in the reconciliation process:

- The reconciliations did not appear to include all deposit and investment accounts held by the City.
- The reconciliations noted reconciling items that represented errors made while entering transactions into the accounting system. Some of these errors were not corrected in the City's accounting system until after fiscal year-end.
- The December 31, 2007 bank reconciliation had an unreconciled difference of \$5,216. The bank balances of the City's deposits were higher than the amount reported on the City's books.
- The bank reconciliations were not presented to City Council for review and approval.

FINDING NUMBER 2007-002 (Continued)

The Treasurer should perform an all inclusive bank reconciliation each month. This reconciliation should clearly present the bank balances and each reconciling item that reduces or increases the bank balances to the City's balance presented on the Fund Cash Position Report. All errors affecting the City's accounting system identified during the reconciliation process should be timely presented to the City Auditor so that the accounting system may be appropriately updated. In addition, the reconciliation should be presented to City Council for review and approval. This will help strengthen the City's internal controls over the reconciliation process and ensure errors or omissions are detected timely.

Official's Response: All deposits were made on a timely basis, and the change made by the State of Ohio not to send any paper documentation for deposits made to our account, caused some items to be missed and not entered into the books timely. This situation has been rectified and is no longer an issue in 2008.

FINDING NUMBER 2007-003

Significant Deficiency

Credit Cards

During testing procedures of certain 2007 credit card transactions, the following issues were noted:

- The City's current credit card policy was developed in May, 1994 by the Mayor; however, the credit card policy has not been formally approved by City Council.
- Credit card transactions totaling roughly \$45,000 were incurred throughout the year. While it is not uncommon for governmental entities to utilize credit cards for certain purchases, it appears that the City has used credit cards for purchases that are normally handled through the standard purchasing process (approved purchase requisition, approved/certified purchase order, City issued check).
- Meal purchases totaling roughly \$993 were not accompanied by an itemized receipt. Due to the City's current Employee Travel Policy not requiring itemized receipts, the propriety of meal purchases can not be determined.
- The Employee Travel Policy states that the maximum amount of daily food allowance is \$35 plus fifteen percent tip. We noted five of the nineteen daily meal charges tested exceeded the daily allowance by a total of roughly \$82.
- The City's Auditor's Office pays the monthly credit card bill; however, a payment is made only for those credit card purchases that are supported by a receipt from the employee making the purchase. Consequently, certain credit card expenditures may go unpaid for several weeks, and in some cases more than a month, until receipts are submitted to the City Auditor's Office by the employees making purchases. This resulted in monthly 2007 credit card balances ranging between \$1,000 and \$14,000. In addition, the credit card limit of \$12,000 had been exceeded in one month. Lastly, the City incurred finance charges totaling \$936 during 2007 due to not paying each monthly balance in full.
- The City currently has issued a Chase credit card to each department to use at their own discretion (12 total). As a result of the large number of credit cards, there is an increased risk that funds could be misappropriated.

FINDING NUMBER 2007-003 (Continued)

The aforementioned issues result in a heightened risk of misappropriation of City funds through credit cards. To improve accountability over credit cards:

- City Council should adopt a credit card policy that addresses, at a minimum: authorization for credit cards to be maintained and used by City Officials; procedures to safeguard credit cards when not in use; guidelines for allowable use and purchases and specific unallowable uses; method of reimbursement, if personal use is allowed; reporting requirements to ensure propriety of credit card purchases (itemized receipts/sales slips); monitoring requirements by appropriate levels of management.
- The City's management should consider a travel reimbursement policy whereby the City's employees pay for travel expenses out of pocket and are reimbursed by the City upon submission of itemized receipts. The travel reimbursement policy should explicitly outline the situations where meal reimbursements will be permitted (i.e. overnight stay, travel more than 60 miles from the City, etc.). The City should additionally consider utilizing a travel reimbursement form that details each reimbursement request associated with a particular conference, training session, etc.

Implementing the suggestions indicated above will help reduce the risk of City funds being misappropriated through inappropriate credit card use.

Official's Response: The Mayor has addressed credit card usage in an updated travel policy. The updated travel policy requires a detailed receipt be submitted to the City Auditor's Office within 10 days of incurring the charge. Failure to comply will result in the City Auditor's Office invoicing each affected employee for all related charges, including interest for reimbursement.

FINDING NUMBER 2007-004

Significant Deficiency

EMS Billing and Collection

The following errors were noted during testing of EMS receipts:

- The fire department is responsible for generating EMS runs information and subsequently submitting the runs to the Mayor's Executive Secretary for billing. During July 2007, the City attempted to link the fire department EMS run system and the billing system to help streamline the billing process. However, the update was not completed in 2007 and EMS runs dated after July 8, 2007 were not presented to the Mayor's Executive Secretary for billing. As a result, there were 415 runs (totaling over \$116,000) which occurred after July 8, 2007 that were not billed until 2008.
- Typically, the Mayor's Executive Secretary runs a Billing Receivables Report once or twice a year. The Billing Receivables Report shows all accounts with an unpaid balance. A bill is sent to each account holder in an attempt to collect the receivable. However, during 2007, the Mayor's Executive Secretary did not perform this process. In addition, the Billing Receivables Report is only printed to show accounts with service dates within the previous year. The accounts older than one year are not attempted to be collected, nor are they written off, resulting in EMS receivables dating back to 1996 totaling \$401,065.

FINDING NUMBER 2007-004 (Continued)

The City should implement procedures to ensure that EMS runs are being billed in a timely manner and that all outstanding EMS receivables are being collected. The City should also consider contracting with an EMS billing agency and a collection agency to help with the billing and receipts process. In addition, the City should also consider developing a policy regarding delinquent EMS receivables that details the collection procedures to be followed and the process by which accounts will be written off. This will help ensure that the City collects the EMS revenue due.

Official's Response: During 2007, the City attempted to integrate the fire department's and Mayor's Executive Assistant's computer system into one system that would allow the fire department to enter the ambulance runs and the Mayor's Executive Assistant to bill the ambulance runs. However, the integration of the computer system was unsuccessful and resulted in several months of ambulance runs to not be billed. These ambulance runs are in the process of being billed in 2008. Additionally, no delinquent collection policy currently exists; however, the City is currently considering development of a delinquent collection policy as well as considering the use of a collection agency.

FINDING NUMBER 2007-005

Material Weakness

Financial Reporting

As a result of the audit procedures performed, errors were noted in the financial statements that required audit adjustments and reclassifications the financial statements have been adjusted for the following errors:

- A grant received from private donors was initially classified as Miscellaneous Revenue rather than as a Donation in the Major Master Capital Fund totaling \$78,600;
- As a result of the City's "use it or lose it" vacation policy, the unused vacation leave liability was initially classified as Long-Term Liabilities Due within a Year rather than as Vacation Payable totaling \$53,352, \$46,598, \$139,834 and \$247,560 in the Major Water Fund, Major Sewer Fund, Major Electric Fund and Governmental Activities, respectively;
- A certain Major Water Fund project was recognized as Construction in Progress during 2007 and completed in 2007 totaling \$137,278; however, the asset was not initially reclassified to the depreciable infrastructure classification;
- The Major Sewer Fund incurred \$8,248,331 in Ohio Water Development Authority (OWDA) loan and had subsequently spent all of the proceeds during 2007. The outstanding loan balance was initially not deducted from the Invested in Capital Assets, Net of Related Debt equity classification;
- The Major Electric Fund's depreciation expense was initially understated \$243,691 as a result of a transition of depreciation expense from underlying documentation to the City's financial statements;
- Fire Hydrants totaling \$362,300 were initially not recognized as infrastructure in the financial statements.

FINDING NUMBER 2007-005 (Continued)

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

To ensure the City's financial statements and notes to the financial statements are complete and accurate, the City should adopt policies and procedures, including a final review of the statements and notes by the City Auditor and City Council, to identify and correct errors and omissions.

Official's Response: The above adjustments were found throughout the audit and GAAP conversion. The adjustments were made to the financial statements therefore, eliminating any material misstatements to the report.

CITY OF DOVER, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE YEAR ENDED DECEMBER 31, 2007



The Bicentennial Collage Mural was the brainchild of local artist Nancy McDonald. A Dover native and a member of the Bicentennial committee Nancy wanted to make a contribution to the City's Bicentennial in her own unique and artistic way.

Nancy rounded up friends and fellow artists to lend their talent. In total 14 artists donated months of their time to the project. Mayor Homrighausen donated his effort to the directory of the pieces, and the mural started taking shape.

The mural pieces were unveiled two or three pieces at time throughout the first half of the year, with the final unveiling on July 1st.

CITY OF DOVER

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE YEAR ENDED DECEMBER 31, 2007



PREPARED

BY THE

CITY of DOVER AUDITOR'S OFFICE

Mary J. Fox – Dover City Auditor

Debra L. Edwards – Assistant Auditor

Kelly L. Elliott – Office Assistant

CITY OF DOVER

COMPREHENSIVE ANNUAL FINANCIAL REPORT



The Bicentennial Logo was designed by our own Mayor Homrighausen. The logo was used throughout the bicentennial year for the centerpiece of all of the memorabilia of the City's bicentennial. The logo features the flag of today and the historically correct flag of 1807.

INTRODUCTORY SECTION



Tuscarawas River played a very large part in the development of Dover, the river along with the canal carried a great deal of trade in the day. The scene painted by New Philadelphia resident Bill Boose, is one of quiet tranquility.



In 2006, Union Hospital, Dover's largest employer celebrated 100 years of providing care to the residents. The hospital throughout the years continues to grow, adding beds and a multitude of new services. Linda Nye, now an Akron, Ohio resident, painted Union Hospital as it looks today.

INTRODUCTORY SECTION



Jody Nicklaus, a Dover native, lent her talent by painting the likeness of one of Dover's most famous and colorful former residents, Master Carver, Mooney Warther. The Warther family still operates the museum that showcases Mooney's impressive carvings and specialty knives. The museum is a favorite for all of the area schools and many tourists per year.

City of Dover, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2007
Table of Contents

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

Statement of Changes in Fiduciary Net Assets - Fiduciary Funds	27
Notes to the Basic Financial Statements	28

Combining Statements and Individual Fund Schedules:

Combining Statements - Nonmajor Governmental Funds:

Fund Descriptions.....	56
Combining Balance Sheet - Nonmajor Governmental Funds	58
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	59
Combining Balance Sheet - Nonmajor Special Revenue Funds	60
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds.....	64

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

Major Funds:

General Fund	66
Master Capital Fund	71
Sewer Fund.....	72
Electric Fund	74
Water Fund	76

Nonmajor Funds:

Street Maintenance and Repair Fund	78
State Highway Fund	79
Police and Fire Pension Fund.....	80
Ambulance Fund	81
Cemetery Fund	82
Revolving Loan Fund.....	83
Drug Law Enforcement Fund.....	84
Law Enforcement Block Grant Fund	85
Enforcement and Education Fund	86
Shade Tree Fund.....	87
Small Cities Block Grant Fund	88
CHIP Fund.....	89
Employee Health Insurance Fund	90
Cemetery Interment Fund.....	91

III. Statistical Section

Statistical Section Table of Contents.....	S1
Net Assets by Component - Last Seven Years.....	S2
Changes in Net Assets - Last Seven Years.....	S4
Fund Balances, Governmental Funds - Last Ten Years	S10
Changes in Fund Balances, Governmental Funds - Last Ten Years	S12
Income Tax Rate, Revenue Base and Collections – Last Ten Years.....	S14
Electric Sales (in MWH) and Number of Customers by Type – Last Ten Years.....	S16
Electric Rates (per Month) – Last Ten Years	S18
Principal Electric Customers – 2007 and 2004	S20
Ratios and Outstanding Debt by Type – Last Ten Years	S21
Computation of Direct and Overlapping Debt Attributable to Governmental Activities - Current Year	S22
Legal Debt Margin Information – Last Ten Years	S24
Pledged Revenue Coverage Mortgage Revenue Bonds – Water – Last Ten Years	S26
Pledged Revenue Coverage Mortgage Revenue Bonds – Electric – Last Ten Years.....	S27
Demographic and Economic Statistics – Last Ten Years.....	S28
Principal Employers – 2007 and 1998.....	S29
Full-Time Equivalent City Government Employees by Function/Program – Last Eight Years	S30
Operating Indicators by Function/Program – Last Ten Years.....	S32
Capital Asset Statistics by Function/Program – Last Ten Years.....	S36



City Of Dover

Auditor's Office

122 EAST THIRD STREET • DOVER, OHIO 44622

(330) 343-6385

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

Fax (330) 343-2775

June 18, 2008

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, 2007, 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 unaudited 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, 2007. 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 referred to by its original name of Dover.



TREE CITY USA

Operating under the Mayor/Council form of government, the citizens of Dover elect a mayor, auditor, law director, treasurer and eight members of the council, including the president, three 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; seven of our ten principal employers had 200 or more 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 \$174,061,000 on December 31, 2007.

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.

In 2000 the Tuscarawas County Port Authority (TCPA) was created by the County Commissioners. TCPA is located in the former Reeves Steel site. The organization operates two business parks, the Reeves Mill Business Park in Dover and the Southern Gateway Business Park at Gnadenhutten along with another property in Midvale. The creation of TCPA has become quite important to the County and is regularly used as a tool for economic development assistance and small business support. The Business Factory, the small business incubator is occupied by several companies, such as Electronic Data Payment Systems, McKeever decorating, and MPS manufacturing. The incubator is also home to several “virtual clients”.

One of the largest of the businesses located at TCPA is Rolite Plastics, Inc., a chair mat manufacturing firm that has exclusively manufactured chair mats since 1978. The company was founded by a chemical engineer with the goal of creating a more durable attractive chair mat than what was available at the time. Compounding done on site allows the company complete control over the input of raw materials. Using only the finest materials and giving special attention to production runs produces a more appealing color and clarity to the mat, eliminating the yellowing and haziness caused by material degradation. A variety of shapes, colors and custom mats are produced locally and shipped worldwide.

Two notable businesses in Dover are always striving to reach new goals. Allied Machine & Engineering Corporation (AMEC), a family owned business in Dover since 1941, is continuing to show growth into 2008. AMEC provides metal cutting solutions by manufacturing precision drilling systems. In 2007, the company was awarded two Governor’s Excellence Awards, one for its strong commitment to a safe work environment. This award was presented to only six Ohio companies in 2007. Because of its commitment and proactive policies, AMEC has exceeded 1.6 million hours, more than two years, without a lost time injury. The second of the two awards was for Exporting. AMEC was one 30 Ohio companies recognized for its outstanding performance in its export program. AMEC is continuing to be strong and is adding local jobs in skilled manufacturing, engineering, applications and sales.

Marlite, another long standing Dover business, is setting new standards and products will be going “green”. Marlite, a privately owned manufacturer and distributor of retail merchandising and commercial wall systems, has unveiled its newest lines of wood veneer wall panels comprised of the most rare and exotic wood species in the world. In addition to its beauty, the trees are selected adhering to the company’s stringent “green policy”. The policy is focused on selectivity and sustainability. The policy stipulates that trees are only removed from areas where sustained yield management is in force.

Union Hospital continues to be the City’s largest employer and a valuable asset to the community. Union celebrated 100 years in 2006 and is serving the community’s health care needs into its second century. The hospital is committed to maintaining low cost care, while providing local options and expanding the scope and quality of care.

Dover has been home for more than 30 years to M & M Market. The market is known for its fresh cut never packaged meats. Over the years the business has expanded to include fresh baked pies, cookies, cakes, breads and rolls which are baked on site throughout the day. M & M Market is a family oriented business that still offers home delivery. M & M Market employs four full time meat cutters who cut and process meat daily on site. A local favorite is the homemade potato salad, which on certain holidays is made by the ton. Remaining competitive along with its consistent quality is always a challenge for the company, but its customer base has remained loyal to this hometown market.

McDonald Niklaus Framing has celebrated its 15th year and showcases the work of many local artists. 2007 saw the opening of the Stone Mountain Studio which features original paintings, photographs, pottery, inlaid wooden bowls, clay sculptures, hand blown glass and hand-crafted wood furniture.

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.

Due to more Environmental Protection Agency regulations on stack emissions, the City of Dover embarked on a major boiler upgrade by installing a new, state of the art baghouse and induced draft fan. The baghouse was designed and installed to drastically remove smoke and particulate from the boiler stack. The baghouse is manufactured by Dustex and was installed by NBW, Incorporated from Cleveland. The baghouse has six modules in the system and each module has 304 bags, for a total of 1,824 bags for filtration. The smoke and particulate are drawn from the boiler through a series of ductwork to the baghouse. The smoke and particulate is then forced through each module, goes through the induced draft fan and lastly it exits out the stack. Dover is the only municipally owned power plant in the State of Ohio that has installed a baghouse for emission control and has set the standard for the other municipal generators to follow. The baghouse had an original cost estimate of \$5.5 million dollars, and was funded with bond anticipation notes.

The City is building a \$13 million dollar expansion to its Wastewater Treatment Plant. The expansion will nearly double the plant's existing capacity and change the waste processing process. 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. The engineering firm of Burgess & Niple, Incorporated from Akron, Ohio is the lead engineer of the project. The \$13 million dollars is being funded by sewer revenue and an approved loan from the Ohio Water Development Authority (OWDA). Completion of the project is slated for late 2008 or early 2009.

The Tuscarawas Avenue Bridge, which is one of two major bridges in Dover that cross the Tuscarawas River, is slated to be rebuilt. 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 approved from the State Infrastructure Bank for Dover's share. Design and engineering on the project is currently underway, with construction to begin early in 2009.

An improvement to our park road was made in 2007 and carried into 2008. The entrance road to the park was redesigned, with new storm sewers installed. The road was then paved. The project is estimated to be completed in the spring of 2008 at a cost of \$340,000.

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 2007 the first snow salting began on November 11, 2006 and we had periodic salting until April 5th 2007. The entire salting season required 1,361 tons of salt.

Maintenance of limestone alleys again was done this year as in past years. Maintenance includes grading, stoning and patching. A total of 28 alleys were graded and stoned, while an additional 58 were stoned. Many more were just patched when weather or other conditions prohibited the use of the grader. Also, our 1985 Galion Road Grader caught fire late in the year and prohibited us from doing more alleys. This required 1,255 tons of #57 limestones at a cost of \$22,030.

The leaf season started on the 6th of November, lasting 34 working days and finished on the 31st of December. Leaves were picked up using our leaf machine and two truck mounted collection boxes. For the entire process we used 856 gallons of diesel fuel and 1,328 man-hours.

Our 2007 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 470 gallons of yellow paint, 105 gallons of white paint, and 3,750 lbs. of glass reflective beads.

The City of Dover operates and maintains three cemeteries. In 2007, 91 ground spaces, 4 mausoleum crypts and 4 cremation niches were sold. 83 ground burials, 28 cremations, and 3 mausoleum entombments were conducted throughout 2007. To provide additional space a 48 niche Columbarium was purchased.

In 2007, the Dover Fire Department responded to 1,828 calls; 1,165 were E.M.S. calls and the remainder were fire and miscellaneous responses. 1,387 of the calls were in Dover corporation limits, 320 were in Dover Township, 70 were in New Philadelphia and the remainder were in our surrounding villages and townships. In 2007, two additional firefighters were added to fulfill a recommendation by the Safety committee several years ago to increase the shift strength in response to back to back calls.

As always, all departments have kept a progressive approach to management and are continually upgrading their education and licenses as well as implementing new ideas to make the City services they provide to its citizens the best they can be.

For the Future

2007 marked Dover's Bicentennial Year of Founding. Throughout the entire year Dover celebrated with various events on historically significant dates.

With the commencement of Dover's 3rd century of existence our future continues to provide us with hope and encouragement of great things to come. We will be paving both the lower park road off North Wooster Avenue and the upper park road off North Crater Avenue, to better serve the needs of the public using these facilities. We have assumed the operations of the concessions at the Dover Pool and have hired a new Activities Director for the Pool who will incorporate new programs in this area.

Dover's Disc Golf Course, less than a year old, has been ranked as the Number One Disc Golf Course in the State of Ohio out of more than 80 courses. This is quite an accomplishment, to say the least.

Replacement of the Tuscarawas Avenue Bridge is scheduled to begin construction later this year. It will include a new access to the Ohio and Erie Canal Corridor to be developed along the banks of the Tuscarawas River.

The final piece of the puzzle that will allow the construction of the new Interchange at Ohio Avenue and Interstate 77 has been solved with the Court of Common Pleas granting an at-grade railroad crossing to provide access to Progress Street via a new connecting street to be named Guy Smith Way. Design of the interchange will be completed toward the end of 2008, with bidding of the project in the first quarter of 2009 and construction slated to begin in April 2009. This project will open the entire north end of Dover and west side of I-77 to development for many years to come.

Several industrial and commercial projects are in the final stages of moving forward. These projects will provide new jobs and an increased tax base for the City, and when combined with the improvements mentioned above, make for an encouraging outlook for 2008.

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 OWDA; this will be the first time this source of funding will be used in over twenty 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.

In 2006, the City proposed and the electorate approved an increase in the income tax rate from 1 percent to 1.5 percent. This additional ½ percent has increased income tax collections and has allowed the City to move forward with projects that were on hold due to financial constraints. One project which is in the preliminary stages of construction is 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 of the City before embarking on such a project, 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 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 the electric fund based on need. Yearly it is decided 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 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 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, 2006.

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.

The City of Dover has also been the recipient of the Auditor of State's Award by then Auditor Betty Montgomery for the years ending 2003 and 2004. In 2007, Mary Taylor, Auditor of State, awarded the City of Dover with the "Making Your Tax Dollars Count Award". The City administration continues to strive to this level of achievement each and every year.

Tree City USA The City received its twenty-sixth Tree City USA Award for the year ended December 31, 2007. These prestigious awards recognize the City for its annual program of planting new trees and maintaining and removing old trees. The City of Dover has been the second longest recipient of this award.

Acknowledgments

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

We are happy to report that the City's financial policies and management, combined with a strong local economy, have enabled Dover to continue to provide a sound financial condition. In addition, the prospects for continuing this pattern are encouraging. Each year we renew our commitment to implement responsible and progressive changes in order to improve our responsiveness to the citizenry and to insure the financial stability of the community. We extend our appreciation to City Council for its support and commitment to responsible fiscal reporting.

Respectfully submitted,



Richard P. Homrighausen,
Mayor



Mary J. Fox
Auditor

This Page Intentionally Left Blank.

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, 2006

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.



Oliver S. Cox

President

Jeffrey R. Emmer

Executive Director

City of Dover, Ohio
Principal Officials
December 31, 2007

Mayor..... Richard P. Homrighausen
President of Council.....Roy G. Crawford
Councilman – Ward I.....Gregory M. Bair
Councilman – Ward II James W. Schumacher
Councilman – Ward III Sandra K. Moss
Councilman – Ward IV Robert A. Mueller
Council-at-Large..... J. Marc Cappell
Council-at-Large..... Timothy W. Tarulli
Council-at-Large..... Donald H. Maurer
Clerk of Council..... Lois A. Linard
Law Director..... Douglas J. O’Meara
Building Inspector..... Jeffrey C. Beitzel
Civil Service.....Jeffrey C. Border

Finance Department

Auditor Mary J. Fox
Treasurer Joseph C. Maybaugh
Income Tax Administrator.....Cheryl J. Saylor

Safety Department

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

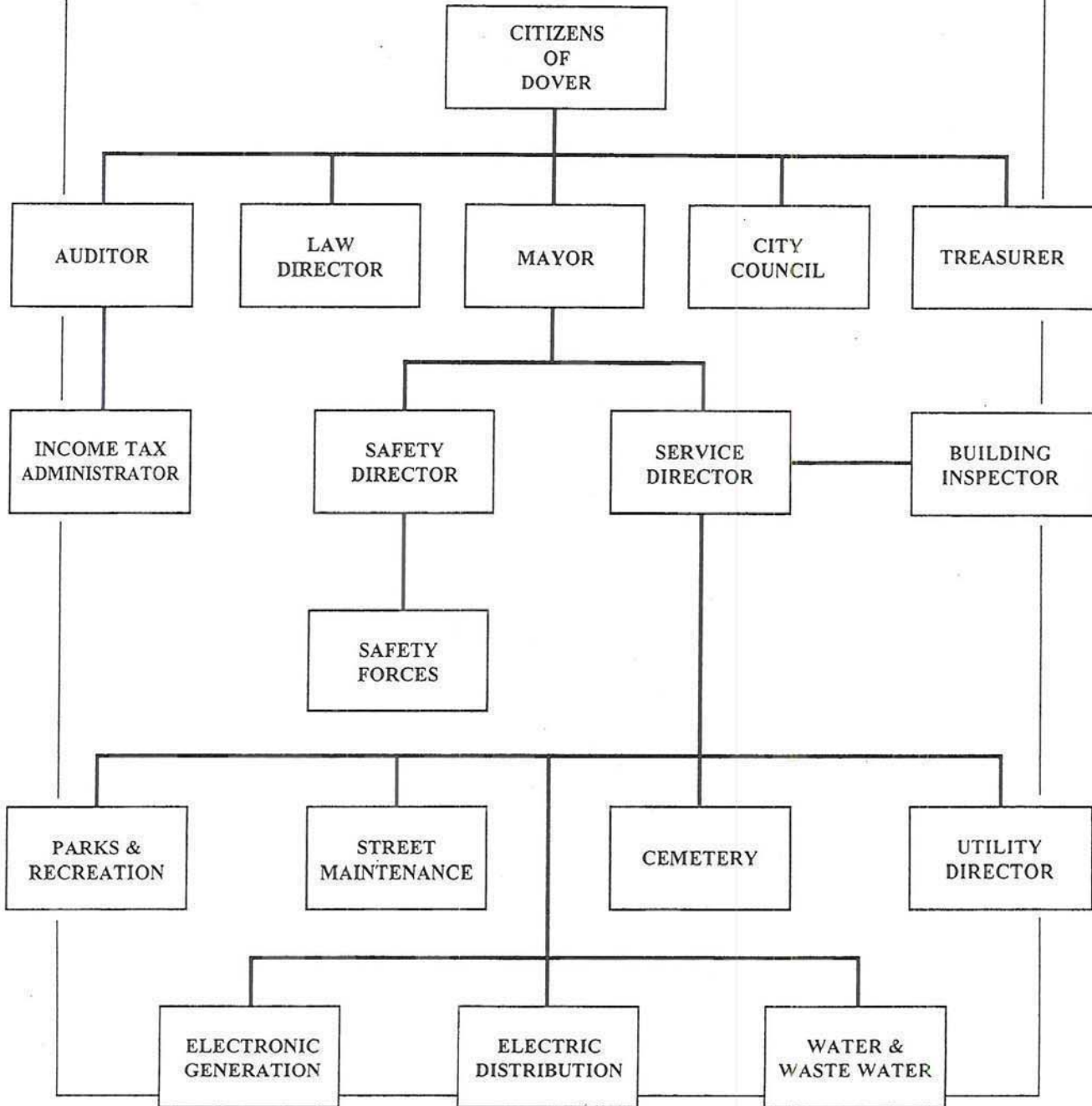
Service Department

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



CITY OF DOVER, OHIO

Organization Chart



FINANCIAL SECTION



R
E
E
V
E
S

The Reeves Steel mill was a very important part of Dover history, providing jobs for many years. The Reeves family still operates the Reeves Foundation and provides the community funding for many worthwhile projects. The smokestack of the Reeves Steel mill was painted by Teresa Prince of New Philadelphia, Ohio. Teresa paints professionally, and recently completed a mural at the Dennison Depot in Dennison, Ohio. The Reeves Home was painted by Don Weisgarber of Beach City, Ohio. Don, traditionally a watercolor artist, paints full time, and has his work sold locally, applied his talent and attention to detail to the Reeves Home. The home was donated by the Reeves family, and houses the Dover Historical Society who operates the home as a museum open year round to the public.

FINANCIAL SECTION



Dover High School was painted by Anita Rice. Anita, a former student of Nancy McDonald and a resident of Carrollton, Ohio has painted for several years. Dover High School is home to the mighty Tornadoes.



Bill Shyrock of New Philadelphia, Ohio painted Crater Stadium. Crater Stadium built in 1936, in the shape of a block D was a WPA project. In 2005, a major community fund drive was successful, and the stadium received a major renovation in time for its 70th anniversary. Bill has provided the community art for many projects such as, Rotary Christmas cards, and the Canal Dover Festival plates.



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, 2007, 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, 2007, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As more fully discussed in Note 3 to the basic financial statements, the City has reported its infrastructure capital assets acquired prior to 2001. Additionally, we noted the Water Fund capital assets were restated for errors. Net assets at January 1, 2007 have been restated accordingly.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2008, 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.

101 Central Plaza South / 700 Chase Tower / Canton, OH 44702-1509
Telephone: (330) 438-0617 (800) 443-9272 Fax: (330) 471-0001
www.auditor.state.oh.us

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

June 18, 2008

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2007
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, 2007. 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 2007 are as follows:

- Total net assets increased \$1,087,917. Net Assets of governmental activities increased \$1,602,601 which represents a 10.1 percent increase from 2006. This is primarily due to the income tax rate increasing from one percent to one and a half percent. Net assets of business-type activities decreased \$514,684 or 1.49 percent from 2006.
- Total assets increased \$9,126,390 or 10.8 percent above the 2006 level due primarily to an increase in capital assets as a result of the construction of the wastewater treatment plant.
- Total liabilities increased \$8,038,473 or 23.6 percent from 2006. This is also due to the construction of the wastewater treatment plant, which is being funded by a loan from the Ohio Water Development Authority (OWDA).
- Total capital assets increased \$10,334,558, which represents an 18.0 percent increase.
- Total outstanding debt increased \$6,355,875 or 22.9 percent during 2007 due to a loan from OWDA, partially offset by decreases in other types of debt due to annual principal payments.

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 2007 and how they affected the operations of the City as a whole.

Reporting the City of Dover as a Whole

Statement of Net Assets and Statement of Activities

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

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited

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

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

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

Reporting on the Most Significant Funds of the City of Dover

Fund Financial Statements

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

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

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

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

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited

The City of Dover as a Whole

The Statement of Net Assets provides an overall view of the City. Table 1 shows a summary of the City's net assets for 2007 as they compare to 2006.

Table 1
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2007	Restated 2006	2007	Restated 2006	2007	Restated 2006
Assets						
Current and Other Assets	\$7,621,488	\$5,919,389	\$18,201,709	\$21,111,976	\$25,823,197	\$27,031,365
Capital Assets, Net	16,082,076	16,287,089	51,803,154	41,263,583	67,885,230	57,550,672
<i>Total Assets</i>	<i>23,703,564</i>	<i>22,206,478</i>	<i>70,004,863</i>	<i>62,375,559</i>	<i>93,708,427</i>	<i>84,582,037</i>
Liabilities						
Current Liabilities	2,729,119	2,461,436	4,526,557	2,876,563	7,255,676	5,337,999
Long-Term Liabilities:						
Due Within One Year	214,504	374,632	1,279,449	1,750,363	1,493,953	2,124,995
Due in More Than One Year	3,220,620	3,433,690	30,062,162	23,097,254	33,282,782	26,530,944
<i>Total Liabilities</i>	<i>6,164,243</i>	<i>6,269,758</i>	<i>35,868,168</i>	<i>27,724,180</i>	<i>42,032,411</i>	<i>33,993,938</i>
Net Assets						
Invested in Capital Assets, Net of Related Debt	13,312,076	13,612,852	21,145,608	23,207,592	34,457,684	36,820,444
Restricted for:						
Cemetery	662,182	630,347	0	0	662,182	630,347
Street Maintenance and Repair	440,453	442,933	0	0	440,453	442,933
Ambulance	132,788	118,692	0	0	132,788	118,692
Police and Fire Pension	0	0	0	0	0	0
Revolving Loan	497,354	510,806	0	0	497,354	510,806
Shade Tree	2,737	2,737	0	0	2,737	2,737
Law Enforcement and Education	36,707	34,172	0	0	36,707	34,172
Debt Service	0	0	1,613,143	1,376,277	1,613,143	1,376,277
Capital Projects	2,173,835	571,812	0	0	2,173,835	571,812
Replacement and Improvement	0	0	2,575,814	2,591,239	2,575,814	2,591,239
Unrestricted	281,189	12,369	8,802,130	7,476,271	9,083,319	7,488,640
<i>Total Net Assets</i>	<i>\$17,539,321</i>	<i>\$15,936,720</i>	<i>\$34,136,695</i>	<i>\$34,651,379</i>	<i>\$51,676,016</i>	<i>\$50,588,099</i>

Total assets increased in 2007 by \$9,126,390. The majority of the increase was in the business-type activities. The increase of \$7,629,304 for business-type activities is attributable to both the construction of a bag house emissions system at the electric generating plant and the construction of the wastewater treatment plant.

Total liabilities increased by \$8,038,473. This increase is also concentrated in the business-type activities and reflects the debt related to the wastewater treatment plant construction discussed above.

Total net assets increased by \$1,087,917, which consists primarily of an increase in governmental activities.

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited

The City also works hard to increase net assets through our investment program. Investment earnings for governmental and business-type activities were \$810,272 in 2007. This is an increase of \$193,353 or 31.3 percent from 2006. This increase is a result of higher interest rates.

Table 2 shows the changes in net assets for the fiscal year 2007 for both our Governmental activities and our Business-Type activities.

Table 2
Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues						
Program Revenues:						
Charges for Services and Sales	\$1,036,183	\$1,044,532	\$24,979,096	\$22,974,322	\$26,015,279	\$24,018,854
Operating Grants and Contributions	715,192	817,722	0	0	715,192	817,722
Capital Grants and Contributions	336,435	404,216	0	0	336,435	404,216
Total Program Revenues	2,087,810	2,266,470	24,979,096	22,974,322	27,066,906	25,240,792
General Revenues:						
Property Taxes	1,159,059	1,197,300	0	0	1,159,059	1,197,300
Income Taxes	6,086,203	3,651,952	0	0	6,086,203	3,651,952
Grants and Entitlements	1,708,557	1,785,908	0	0	1,708,557	1,785,908
Investments	319,702	174,285	490,570	442,634	810,272	616,919
Miscellaneous	245,804	126,142	246,623	496,979	492,427	623,121
Total General Revenues	9,519,325	6,935,587	737,193	939,613	10,256,518	7,875,200
Total Revenues	11,607,135	9,202,057	25,716,289	23,913,935	37,323,424	33,115,992
Program Expenses						
General Government	1,421,425	1,098,324	0	0	1,421,425	1,098,324
Security of Persons and Property	4,114,123	3,845,604	0	0	4,114,123	3,845,604
Transportation	1,886,315	1,355,383	0	0	1,886,315	1,355,383
Public Health Services	734,164	616,158	0	0	734,164	616,158
Community Environment	406,736	355,616	0	0	406,736	355,616
Basic Utility Services	578,515	433,167	0	0	578,515	433,167
Leisure Time Activities	861,788	666,868	0	0	861,788	666,868
Interest and Fiscal Charges	1,468	164,594	0	0	1,468	164,594
Enterprise Operations:						
Sewer	0	0	2,321,173	2,112,304	2,321,173	2,112,304
Electric	0	0	21,582,963	18,228,596	21,582,963	18,228,596
Water	0	0	2,326,837	1,517,568	2,326,837	1,517,568
Total Program Expenses	10,004,534	8,535,714	26,230,973	21,858,468	36,235,507	30,394,182
Increase in Net Assets						
Before Transfers	1,602,601	666,343	(514,684)	2,055,467	1,087,917	2,721,810
Transfers	0	(650,000)	0	650,000	0	0
Increase (Decrease) in Net Assets	1,602,601	16,343	(514,684)	2,705,467	1,087,917	2,721,810
Net Assets Beginning of Year						
- Restated - See Note 3	15,936,720	15,920,377	34,651,379	31,945,912	50,588,099	47,866,289
Net Assets End of Year	\$17,539,321	\$15,936,720	\$34,136,695	\$34,651,379	\$51,676,016	\$50,588,099

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited

Governmental Activities

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

The City's income tax was established by ordinance to be effective January 1, 1970 at a rate of 1 percent. In the November election of 2006, the voters voted to increase the income tax rate by ½ percent. There is no restriction on how the additional ½ percent is to be used. The income tax accounted for revenues of \$6,086,203 in 2007. 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 2007, the City returned to 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 due to expenses outpacing revenue in the operating funds. It is the plan to continue to fund the master capital fund with 40 percent of income tax revenue which allows the City to go forward with long-awaited capital improvements.

Security of Persons and Property represent the largest expense of the Governmental Activities and includes Police and Fire. The yearly expense of \$4,114,123 represents a 6.9 percent increase over 2006. This increase is the result of the hiring of additional firefighters. These two departments operate 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 and a full time Chief.

Our Street Maintenance and Repair and Traffic Department employs 16 full time employees who provide the City and its citizens many services that include public road salting, leaf and debris pickup, paint striping and alley profiling. Transportation expenses were increased by \$530,932 from 2007. This increase is a result of street repaving, storm sewer maintenance and improvements that were done in 2007, and were not done in 2006 as a result of a lack of funding.

The City also maintains three cemeteries (public health services) and two parks (leisure time activities) within the City. These areas had expenses of \$1,595,952 in 2007, which represents a 24.4 percent increase over 2006. This increase of expense is a result of additional maintenance projects.

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited

Business-Type Activities

The City also operates a Utility Department that consists of three utilities. The largest from an asset and revenue standpoint is the electric utility. This utility consists of a coal fired generation plant and distribution system that serves the City and surrounding area with reliable and competitively priced power. In 2007, the electric utility generated \$20,145,313 in charges for services revenue. In 2001, the City entered into a joint venture project with other municipalities and American Municipal Power of Ohio (AMP Ohio) to ensure the availability and consistent pricing when purchasing peak power. The City is considering other partnering options with AMP Ohio and in the fall of 2007 passed legislation to participate in the AMPGS project, along with the Prairie State project and the hydroelectric project. These investments help to ensure the City's goal of reliable, affordable power and give the City the opportunity of selling any excess City owned power to others.

The water utility serviced 5,791 consumers with a minimum monthly pumpage of 1.15 million gallons and a maximum monthly pumpage of 3.08 million gallons in 2007. The water plant is the newest of the utility facilities. It was put into service in 1998. The raw water is supplied through four wells currently in service into the plant where 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 1,453,000 gallons per day during 2007. This facility is near its peak capacity and a sludge press was added in 2001 to increase the efficiency of the plant. The City is moving forward with a sewer plant expansion. This \$13 million expansion broke ground in 2006. The City is paying for the engineering and design through the Sewer operating fund and is funding the remainder by a loan through Ohio Water Development Authority for the construction of the project. A major portion of the plant was completed in 2007. The plant is slated for completion and for use in 2009.

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 2007, charges for services of \$24,979,096 accounted for approximately 97.1 percent of the revenues. The total expenses for the utilities were \$26,230,973. The City had a decrease in net assets of \$514,684 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 \$6,445,682 and expenditures of \$5,943,180, resulting in an excess of revenues over expenditures of \$502,502. The Master Capital fund had revenues of \$2,416,283 and expenditures of \$1,442,390, leaving an excess of revenues over expenditures of \$973,893. The Master Capital fund issued \$2,370,000 in notes, resulting in a net increase in fund balance of \$973,893. The funds are monitored consistently with adjustments made throughout the year in budgets to accommodate yearly revenues.

The one fund that consistently exceeds our expense expectations is our Employee Health Insurance fund. Our medical 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.

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited

Information about the Proprietary Funds starts on page 21. These funds are accounted for on an accrual basis. The Sewer fund had operating revenues of \$3,174,142, which exceeded operating expenses of \$2,274,227. The Electric fund had operating revenues of \$20,344,518 and operating expenses of \$20,676,921 and the Water fund had operating revenues of \$1,707,059 and operating expenses of \$2,097,486. The City consistently monitors these funds and takes the required actions to ensure strength in our enterprise funds. In October of 2006, a 15 percent across the board increase in electric rates was passed by City Council. This increase allowed for increased debt payments and funding for capital improvement projects throughout the City. This increase has set the course for the City to maintain the City's electric system, while staying fiscally sound in this major fund.

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 2007, general fund appropriations were modified by Council four times. None of these changes to the budget were significant. Final budgeted revenues and final appropriations were both slightly lower than their respective original amounts. Actual revenues were \$187,961 higher than the final budgeted revenues and actual expenditures were \$363,710 lower than the final appropriations.

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, Electric, Sewer, and Water funds. Council also receives a monthly report showing beginning fund balance for all funds at the beginning of the year, the change in the balance thus far year to date, and the current fund balance.

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

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited

Capital Assets

Table 3
Capital Assets at December 31

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$887,679	\$860,689	\$435,066	\$435,066	\$1,322,745	\$1,295,755
Buildings	1,551,901	1,585,301	14,353,198	14,785,496	15,905,099	16,370,797
Improvements Other than Buildings	447,135	388,796	0	0	447,135	388,796
Equipment and Machinery	728,792	893,376	2,328,885	2,768,028	3,057,677	3,661,404
Furniture and Fixtures	13,281	15,118	39,415	44,942	52,696	60,060
Vehicles	387,859	527,587	246,689	163,887	634,548	691,474
Infrastructure	11,115,809	11,447,418	18,034,642	18,274,748	29,150,451	29,722,166
Construction-In-Progress	949,620	568,804	16,365,259	4,791,416	17,314,879	5,360,220
<i>Total Capital Assets</i>	<u>\$16,082,076</u>	<u>\$16,287,089</u>	<u>\$51,803,154</u>	<u>\$41,263,583</u>	<u>\$67,885,230</u>	<u>\$57,550,672</u>

Total Capital Assets for the City of Dover for the year ended December 31, 2007 were \$67,885,230 which reflects a \$10,334,558 increase over the 2006 figure of \$57,550,672. This increase is primarily due to an increase in construction-in-progress from the construction of the wastewater treatment plant. In 2001, the City reported its current year infrastructure with plans to phase in the beginning balance in future years. In 2007, the City added this historical infrastructure. Capital asset activity for 2007 is provided in Note 8.

Debt

The outstanding debt for the City of Dover as of December 31, 2007 was \$34,103,928. This balance reflected an increase of \$6,355,875 from the previous year's balance of \$27,748,053, an increase of approximately 22.9 percent.

Table 4
Outstanding Debt at Year End

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Police and Fire Pension	\$291,066	\$296,577	\$0	\$0	\$291,066	\$296,577
Revenue Bonds	0	0	14,434,531	15,276,476	14,434,531	15,276,476
General Obligations Bonds	0	0	260,000	455,000	260,000	455,000
OWDA Loan	0	0	8,248,331	0	8,248,331	0
Notes Payable	2,770,000	2,970,000	8,100,000	8,750,000	10,870,000	11,720,000
<i>Total</i>	<u>\$3,061,066</u>	<u>\$3,266,577</u>	<u>\$31,042,862</u>	<u>\$24,481,476</u>	<u>\$34,103,928</u>	<u>\$27,748,053</u>

The Utility Department carries the vast majority of the debt, the largest debt being that of the electric utility. Most of this debt is a revenue bond, OWDA loan and various purpose notes that were issued for major upgrades to the power plant.

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited

The water utility issued a revenue bond in 2003 for improvements to the waterworks system. It is scheduled to be paid off in 2022. In 2004, the water utility refunded their 1994 waterworks system revenue bond. The new issue is scheduled to be paid off in 2022. In 2007, the City received a loan from the Ohio Water Development Authority for the construction of the wastewater treatment plant. The sewer utility has a general obligation bond. It will be paid off in 2009.

Debt service payments for the sewer utility, electric utility and water utility in 2007 were \$618,215, \$12,560,758, and \$501,016 respectively.

Additional information on the City's long-term debt can be found in Note 14 of this report. Information regarding bond anticipation notes is in Note 15.

Current Financial Issues

In order to comply with regulations concerning the containment of particulate matter into the air, it is necessary to construct a baghouse to accommodate the disposal of this matter in a manner that meets industry regulations. In addition to the containment, the baghouse will reduce the mercury emissions by 30 percent. In June of 2007, the City issued \$5,500,000 in bond anticipation notes for that construction. The project is underway, slightly behind schedule and will be completed in 2008.

The construction of the wastewater treatment plant using a new MBR treatment process, which is a process that uses a porous media (sheet or tubing) to separate solids from treated effluent, is a major expansion of the existing plant. The decision to use the MBR technology was made for several reasons, such as the extremely high quality effluent, therefore, minimizing future issues with EPA permits. The system can be easily expanded and operated with the existing workforce. The technology although, somewhat new, has been proven effective and eliminates both the primary settling and anaerobic digester functions.

The collection of the additional ½ percent income tax was a major financial issue in 2007. The City, like many other cities, was not collecting sufficient revenues to continue the level of City services and personnel, and meet the demands and growth of our infrastructure while maintaining financial security. The issue was taken successfully to the voters for the first time in the fall of 2006. The additional ½ percent is currently being withheld by Dover employers as of January 1, 2007. It is the City's intention to cautiously return our workforce to staffing levels prior to the years of revenue shortfalls. Every effort will be made to continue to fund the master capital fund with 40 percent of tax collected in the future. In 2007, and budgeted for 2008, that goal was met, however, the City will continue to monitor the funds and make adjustments as necessary to the distribution of the income tax collections, based on need.

The City of Dover continues to offer tax incremental financing as one tool to aid businesses in their relocation, or establishment. This economic development tool will aid businesses in expediting the extension of utilities to the area. Tax abatements and the use of Economic Development Revolving Loan fund monies are also offered and reviewed on a case by case basis.

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. We feel this technology is an effective economic development tool and deserves to be considered and developed and for all existing and future endeavors by Dover businesses.

City of Dover, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited

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. In 2007, City Council passed an economic development electric rate as a tool to attract new business to the City. This rate will allow the business to acclimate itself financially and will be conditionally offered to any business looking to locate within the City. The City is also exploring 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 Tuscarawas Port Authority continues to grow and provide Dover with economic development. The Port Authority was formed in 2000 by the Tuscarawas County Commissioners to promote, retain, expand or acquire businesses in the Tuscarawas Valley. The Port Authority has managed to give life to the otherwise idle industrial site formerly known as the AK Steel Building. The City of Dover has partnered with the Port Authority whenever possible to aid in the common purpose of economic growth. The City of Dover provided Rolite Plastics a low interest \$500,000 loan through the City of Dover's Economic Revolving Loan Fund. Rolite Plastics has exceeded their original projections and is repaying the loan to the City of Dover. The loan money is available to any eligible business and applications are reviewed by the City's Revolving Loan Fund committee and then, if deemed eligible, are submitted to the State of Ohio's Department of Development.

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 920 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 2007. Our goal remains to grow and meet the needs of the future while maintaining fiscal soundness. The City of Dover shows its strength of a diversified tax base by consistently keeping pace with prior years collections of income tax. City departments are 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. City Council has again provided funding for a sidewalk replacement program and an alley paving program.

The Council and the Administration work very hard to keep the City 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, telephone 330-343-6395 or website at www.doverohio.com.

City of Dover, Ohio
Statement of Net Assets
December 31, 2007

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$3,502,266	\$9,039,866	\$12,542,132
Cash and Cash Equivalents:			
Held by Trustee	0	1,662,823	1,662,823
With Fiscal Agents	23,914	206,505	230,419
Materials and Supplies Inventory	116,280	1,023,605	1,139,885
Accounts Receivable	148,782	3,571,146	3,719,928
Internal Balances	47,279	(47,279)	0
Intergovernmental Receivable	659,934	3,525	663,459
Prepaid Items	28,804	301,833	330,637
Income Tax Receivable	1,636,000	0	1,636,000
Property Taxes Receivable	1,093,795	0	1,093,795
Loans Receivable	364,434	0	364,434
Deferred Charges	0	385,316	385,316
Investment in Joint Venture	0	2,054,369	2,054,369
Nondepreciable Capital Assets	1,837,299	16,800,325	18,637,624
Depreciable Capital Assets, Net	14,244,777	35,002,829	49,247,606
<i>Total Assets</i>	<u>23,703,564</u>	<u>70,004,863</u>	<u>93,708,427</u>
Liabilities			
Accounts Payable	93,436	186,090	279,526
Accrued Wages	165,634	137,476	303,110
Contracts Payable	79,288	2,818,564	2,897,852
Intergovernmental Payable	465,309	306,587	771,896
Matured Interest Payable	1,735	3,204	4,939
Accrued Interest Payable	85,811	251,126	336,937
Vacation Benefits Payable	247,560	239,784	487,344
Retainage Payable	22,179	203,301	225,480
Customer Deposits	0	80,425	80,425
Claims Payable	112,668	0	112,668
Deferred Revenue	1,055,499	0	1,055,499
Notes Payable	400,000	300,000	700,000
Long-Term Liabilities:			
Due Within One Year	214,504	1,279,449	1,493,953
Due In More Than One Year	3,220,620	30,062,162	33,282,782
<i>Total Liabilities</i>	<u>6,164,243</u>	<u>35,868,168</u>	<u>42,032,411</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	13,312,076	21,145,608	34,457,684
Restricted for:			
Cemetery	662,182	0	662,182
Street Maintenance and Repair	440,453	0	440,453
Ambulance	132,788	0	132,788
Revolving Loan Program	497,354	0	497,354
Shade Tree	2,737	0	2,737
Law Enforcement and Education	36,707	0	36,707
Debt Service	0	1,613,143	1,613,143
Capital Projects	2,173,835	0	2,173,835
Electric Replacement and Improvement	0	2,196,016	2,196,016
Water Replacement and Improvement	0	379,798	379,798
Unrestricted	281,189	8,802,130	9,083,319
<i>Total Net Assets</i>	<u>\$17,539,321</u>	<u>\$34,136,695</u>	<u>\$51,676,016</u>

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Activities
For the Year Ended December 31, 2007

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$1,421,425	\$0	\$0	\$0
Security of Persons and Property	4,114,123	55,318	0	0
Transportation	1,886,315	0	715,192	0
Public Health Services	734,164	339,393	0	0
Community Environment	406,736	0	0	257,835
Basic Utility Services	578,515	496,765	0	0
Leisure Time Activities	861,788	144,707	0	78,600
Interest and Fiscal Charges	1,468	0	0	0
<i>Total Governmental Activities</i>	<u>10,004,534</u>	<u>1,036,183</u>	<u>715,192</u>	<u>336,435</u>
Business-Type Activities:				
Sewer	2,321,173	3,132,570	0	0
Electric	21,582,963	20,145,313	0	0
Water	2,326,837	1,701,213	0	0
<i>Total Business-Type Activities</i>	<u>26,230,973</u>	<u>24,979,096</u>	<u>0</u>	<u>0</u>
<i>Total - Primary Government</i>	<u>\$36,235,507</u>	<u>\$26,015,279</u>	<u>\$715,192</u>	<u>\$336,435</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 - Restated (See Note 3)

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
(\$1,421,425)	\$0	(\$1,421,425)
(4,058,805)	0	(4,058,805)
(1,171,123)	0	(1,171,123)
(394,771)	0	(394,771)
(148,901)	0	(148,901)
(81,750)	0	(81,750)
(638,481)	0	(638,481)
(1,468)	0	(1,468)
<u>(7,916,724)</u>	<u>0</u>	<u>(7,916,724)</u>
0	811,397	811,397
0	(1,437,650)	(1,437,650)
<u>0</u>	<u>(625,624)</u>	<u>(625,624)</u>
0	(1,251,877)	(1,251,877)
<u>(7,916,724)</u>	<u>(1,251,877)</u>	<u>(9,168,601)</u>
1,032,747	0	1,032,747
126,312	0	126,312
2,507,749	0	2,507,749
312,374	0	312,374
341,515	0	341,515
347,105	0	347,105
2,577,460	0	2,577,460
1,708,557	0	1,708,557
319,702	490,570	810,272
245,804	246,623	492,427
<u>9,519,325</u>	<u>737,193</u>	<u>10,256,518</u>
1,602,601	(514,684)	1,087,917
<u>15,936,720</u>	<u>34,651,379</u>	<u>50,588,099</u>
<u>\$17,539,321</u>	<u>\$34,136,695</u>	<u>\$51,676,016</u>

City of Dover, Ohio

Balance Sheet

Governmental Funds

December 31, 2007

	<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	\$814,471	\$1,548,358	\$1,133,365	\$3,496,194
Cash and Cash Equivalents				
With Fiscal Agents	0	19,635	4,279	23,914
Materials and Supplies Inventory	34,052	0	82,228	116,280
Accounts Receivable	77,397	0	67,434	144,831
Intergovernmental Receivable	319,005	0	340,929	659,934
Prepaid Items	22,411	0	6,393	28,804
Income Taxes Receivable	713,001	637,448	285,551	1,636,000
Property Taxes Receivable	943,462	0	150,333	1,093,795
Loans Receivable	0	0	364,434	364,434
<i>Total Assets</i>	<u>\$2,923,799</u>	<u>\$2,205,441</u>	<u>\$2,434,946</u>	<u>\$7,564,186</u>
Liabilities				
Accounts Payable	\$61,426	\$0	\$32,010	\$93,436
Accrued Wages	131,667	0	33,967	165,634
Contracts Payable	49,162	14,383	15,743	79,288
Intergovernmental Payable	238,937	0	226,372	465,309
Matured Interest Payable	0	0	1,735	1,735
Accrued Interest Payable	0	3,589	0	3,589
Retainage Payable	0	19,635	2,544	22,179
Deferred Revenue	1,640,600	385,396	680,863	2,706,859
Notes Payable	0	400,000	0	400,000
<i>Total Liabilities</i>	<u>2,121,792</u>	<u>823,003</u>	<u>993,234</u>	<u>3,938,029</u>
Fund Balances				
Reserved for Encumbrances	42,249	365,011	9,615	416,875
Reserved for Loans Receivable	0	0	313,956	313,956
Unreserved:				
Undesignated, Reported in:				
General Fund	759,758	0	0	759,758
Special Revenue Funds	0	0	1,112,140	1,112,140
Capital Projects Funds	0	1,017,427	6,001	1,023,428
<i>Total Fund Balances</i>	<u>802,007</u>	<u>1,382,438</u>	<u>1,441,712</u>	<u>3,626,157</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,923,799</u>	<u>\$2,205,441</u>	<u>\$2,434,946</u>	<u>\$7,564,186</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, 2007*

Total Governmental Fund Balances	\$3,626,157
---	--------------------

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	16,082,076
--	------------

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

Property Taxes	38,296
Income Tax	990,869
Grants	554,761
Charges for Services	<u>67,434</u>

Total	1,651,360
-------	-----------

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.	(102,645)
---	-----------

An internal balance is recorded in governmental activities to reflect underpayments to the internal service fund by the business-type activities.	47,279
---	--------

Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.	(82,222)
---	----------

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.	(247,560)
--	-----------

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

Police and Fire Pension	(291,066)
Notes Payable	(2,370,000)
Compensated Absences	<u>(774,058)</u>

Total	<u>(3,435,124)</u>
-------	--------------------

<i>Net Assets of Governmental Activities</i>	<u><u>\$17,539,321</u></u>
--	----------------------------

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2007

	General	Master Capital	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$1,031,244	\$0	\$125,396	\$1,156,640
Income Taxes	2,428,013	2,219,847	1,045,000	5,692,860
Intergovernmental	1,946,297	0	1,012,038	2,958,335
Interest	255,612	0	64,090	319,702
Fines, Licenses and Permits	52,453	0	2,865	55,318
Charges for Services	641,472	0	320,903	962,375
Contributions and Donations	0	78,600	0	78,600
Other	90,591	117,836	37,377	245,804
<i>Total Revenues</i>	<u>6,445,682</u>	<u>2,416,283</u>	<u>2,607,669</u>	<u>11,469,634</u>
Expenditures				
Current:				
General Government	1,237,668	0	0	1,237,668
Security of Persons and Property	3,323,214	0	463,874	3,787,088
Transportation	0	0	1,067,923	1,067,923
Public Health Services	12,250	0	673,178	685,428
Community Environment	80,843	0	27,050	107,893
Basic Utility Services	578,515	0	0	578,515
Leisure Time Activities	710,690	0	0	710,690
Capital Outlay	0	1,239,303	283,081	1,522,384
Debt Service:				
Principal Retirement	0	200,000	5,511	205,511
Interest and Fiscal Charges	0	3,087	12,534	15,621
<i>Total Expenditures</i>	<u>5,943,180</u>	<u>1,442,390</u>	<u>2,533,151</u>	<u>9,918,721</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>502,502</u>	<u>973,893</u>	<u>74,518</u>	<u>1,550,913</u>
Other Financing Sources (Uses)				
Notes Issued	0	2,370,000	0	2,370,000
Current Refunding	0	(2,370,000)	0	(2,370,000)
<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>	502,502	973,893	74,518	1,550,913
<i>Fund Balances Beginning of Year</i>	<u>299,505</u>	<u>408,545</u>	<u>1,367,194</u>	<u>2,075,244</u>
<i>Fund Balances End of Year</i>	<u><u>\$802,007</u></u>	<u><u>\$1,382,438</u></u>	<u><u>\$1,441,712</u></u>	<u><u>\$3,626,157</u></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, 2007*

Net Change in Fund Balances - Total Governmental Funds \$1,550,913

*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 outlays in the current period.

Capital Asset Additions	774,947
Current Year Depreciation	<u>(979,960)</u>

Total	(205,013)
-------	-----------

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

Property Taxes	2,419
Income Tax	393,343
Charges for Services	18,490
Grants	<u>(276,751)</u>

Total	137,501
-------	---------

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

2,575,511

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

14,153

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

(2,370,000)

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	167,687
Vacation Benefits Payable	<u>(247,560)</u>

Total	(79,873)
-------	----------

The internal service funds used by management to charge the cost of insurance to individual funds is not reported in the entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated.

The change for governmental funds is reported for the year. (20,591)

Change in Net Assets of Governmental Activities \$1,602,601

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, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$945,800	\$960,000	\$1,031,244	\$71,244
Income Taxes	2,440,822	2,430,862	2,397,053	(33,809)
Intergovernmental	1,728,255	1,721,202	1,942,737	221,535
Interest	200,819	200,000	255,612	55,612
Fines, Licenses and Permits	50,406	50,200	53,686	3,486
Charges for Services	779,933	776,750	644,649	(132,101)
Other	89,236	88,872	90,866	1,994
<i>Total Revenues</i>	<u>6,235,271</u>	<u>6,227,886</u>	<u>6,415,847</u>	<u>187,961</u>
Expenditures				
Current:				
General Government	1,449,796	1,339,261	1,187,270	151,991
Security of Persons and Property	3,507,624	3,512,385	3,334,344	178,041
Public Health Services	0	13,500	12,250	1,250
Community Environment	75,113	85,613	80,082	5,531
Basic Utility Services	579,833	579,833	578,515	1,318
Leisure Time Activities	708,097	734,597	709,018	25,579
<i>Total Expenditures</i>	<u>6,320,463</u>	<u>6,265,189</u>	<u>5,901,479</u>	<u>363,710</u>
<i>Net Change in Fund Balance</i>	(85,192)	(37,303)	514,368	551,671
<i>Fund Balance Beginning of Year</i>	164,406	164,406	164,406	0
Prior Year Encumbrances Appropriated	76,362	76,362	76,362	0
<i>Fund Balance End of Year</i>	<u>\$155,576</u>	<u>\$203,465</u>	<u>\$755,136</u>	<u>\$551,671</u>

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2007

	Business-Type Activities				Governmental Activities - Internal Service Fund
	Sewer	Electric	Water	Total	
Assets					
<i>Current Assets:</i>					
Equity in Pooled Cash and Cash Equivalents	\$2,681,882	\$994,384	\$324,480	\$4,000,746	\$6,072
Cash and Cash Equivalents					
With Fiscal Agents	23,178	171,660	11,667	206,505	0
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	0	671,860	303,245	975,105	0
Receivables:					
Accounts	438,288	2,885,487	247,371	3,571,146	3,951
Intergovernmental	3,525	0	0	3,525	0
Materials and Supplies Inventory	3,688	908,564	111,353	1,023,605	0
Prepaid Items	55,706	213,148	32,979	301,833	0
Total Current Assets	3,206,267	5,845,103	1,031,095	10,082,465	10,023
<i>Non-Current Assets:</i>					
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	0	3,955,519	108,496	4,064,015	0
Cash Equivalents Held by Trustee	0	1,079,522	583,301	1,662,823	0
Deferred Charges	2,760	243,316	139,240	385,316	0
Investment in Joint Venture	0	2,054,369	0	2,054,369	0
Land and Construction in Progress	9,204,912	7,548,872	46,541	16,800,325	0
Depreciable Capital Assets, Net	9,688,032	14,969,143	10,345,654	35,002,829	0
Total Non-Current Assets	18,895,704	29,850,741	11,223,232	59,969,677	0
Total Assets	22,101,971	35,695,844	12,254,327	70,052,142	10,023
Liabilities					
<i>Current Liabilities:</i>					
Accounts Payable	\$16,030	\$147,591	\$22,469	\$186,090	\$0
Accrued Wages	26,987	84,942	25,547	137,476	0
Contracts Payable	50,995	2,753,441	14,128	2,818,564	0
Intergovernmental Payable	63,374	190,891	52,322	306,587	0
Vacation Benefits Payable	46,598	139,834	53,352	239,784	0
Compensated Absences Payable	24,372	202,804	82,273	309,449	0
Matured Interest Payable	0	927	2,277	3,204	0
Accrued Interest Payable	1,590	231,291	18,245	251,126	0
Retainage Payable	23,178	170,733	9,390	203,301	0
Customer Deposits	0	80,425	0	80,425	0
Notes Payable	0	300,000	0	300,000	0
General Obligation Bonds Payable	125,000	0	0	125,000	0
Revenue Bonds Payable	0	560,000	285,000	845,000	0
Claims Payable	0	0	0	0	112,668
Total Current Liabilities	378,124	4,862,879	565,003	5,806,006	112,668
<i>Long-Term Liabilities:</i>					
Compensated Absences Payable (net of current portion)	120,791	79,613	88,896	289,300	0
Notes Payable (net of current portion)	0	7,800,000	0	7,800,000	0
General Obligation Payable (net of current portion)	135,000	0	0	135,000	0
Revenue Bonds Payable (net of current portion)	0	8,323,518	5,266,013	13,589,531	0
OWDA Loans Payable (net of current portion)	8,248,331	0	0	8,248,331	0
Total Long-Term Liabilities	8,504,122	16,203,131	5,354,909	30,062,162	0
Total Liabilities	8,882,246	21,066,010	5,919,912	35,868,168	112,668
Net Assets					
Invested in Capital Assets, Net of Related Debt	10,387,373	5,777,813	4,980,422	21,145,608	0
Restricted for:					
Debt Service	0	1,048,087	565,056	1,613,143	0
Replacement and Improvement	0	2,196,016	379,798	2,575,814	0
Unrestricted (Deficit)	2,832,352	5,607,918	409,139	8,849,409	(102,645)
Total Net Assets (Deficit)	\$13,219,725	\$14,629,834	\$6,334,415	34,183,974	(\$102,645)

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.

	(47,279)
Net assets of business-type activities	<u>\$34,136,695</u>

See accompanying notes to the basic financial statements

City of Dover, Ohio
*Statement of Revenues,
Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2007*

	Business-Type	
	Sewer	Electric
Operating Revenues		
Charges for Services	\$3,132,570	\$20,145,313
Other	41,572	199,205
<i>Total Operating Revenues</i>	<u>3,174,142</u>	<u>20,344,518</u>
Operating Expenses		
Salaries and Wages	712,954	2,217,329
Fringe Benefits	409,808	1,078,535
Purchased Services	656,302	3,583,419
Materials and Supplies	115,232	2,759,345
Purchased Power	0	10,122,518
Depreciation	379,931	915,775
Claims	0	0
<i>Total Operating Expenses</i>	<u>2,274,227</u>	<u>20,676,921</u>
<i>Operating Income (Loss)</i>	<u>899,915</u>	<u>(332,403)</u>
Non-Operating Revenues (Expenses)		
Interest	6,428	429,876
Loss on Investment in Joint Venture	0	(132,896)
Interest and Fiscal Charges	(42,514)	(762,646)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(36,086)</u>	<u>(465,666)</u>
<i>Change in Net Assets</i>	863,829	(798,069)
<i>Net Assets (Deficit) Beginning of Year - Restated (See Note 3)</i>	<u>12,355,896</u>	<u>15,427,903</u>
<i>Net Assets (Deficit) End of Year</i>	<u>\$13,219,725</u>	<u>\$14,629,834</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	
\$1,701,213	\$24,979,096	\$1,597,564
5,846	246,623	110,487
<u>1,707,059</u>	<u>25,225,719</u>	<u>1,708,051</u>
688,410	3,618,693	0
342,699	1,831,042	0
291,445	4,531,166	0
271,977	3,146,554	0
0	10,122,518	0
502,955	1,798,661	0
<u>0</u>	<u>0</u>	<u>1,746,914</u>
<u>2,097,486</u>	<u>25,048,634</u>	<u>1,746,914</u>
<u>(390,427)</u>	<u>177,085</u>	<u>(38,863)</u>
54,266	490,570	0
0	(132,896)	0
<u>(226,011)</u>	<u>(1,031,171)</u>	<u>0</u>
<u>(171,745)</u>	<u>(673,497)</u>	<u>0</u>
(562,172)	(496,412)	(38,863)
<u>6,896,587</u>		<u>(63,782)</u>
<u>\$6,334,415</u>		<u>(\$102,645)</u>
	<u>(18,272)</u>	
	<u>(\$514,684)</u>	

City of Dover, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2007

	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	\$3,051,722	\$20,052,282	\$1,759,960	\$24,863,964	\$0
Cash Received from Transactions with Other Funds	0	0	0	0	1,597,564
Other Cash Receipts	45,340	199,205	5,846	250,391	109,109
Electric Deposits Received	0	30,102	0	30,102	0
Cash Payments to Employees for Services	(1,118,402)	(3,235,883)	(1,012,471)	(5,366,756)	0
Cash Payments for Goods and Services	(782,212)	(15,944,147)	(568,990)	(17,295,349)	0
Electric Deposits Returned	0	(24,353)	0	(24,353)	0
Cash Payments for Claims	0	0	0	0	(1,726,053)
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>1,196,448</u>	<u>1,077,206</u>	<u>184,345</u>	<u>2,457,999</u>	<u>(19,380)</u>
Cash Flows from Capital and Related Financing Activities					
Proceeds from Sale of Notes	0	10,900,000	0	10,900,000	0
Proceeds from OWDA Loans	8,248,331	0	0	8,248,331	0
Principal Paid on Bonds	(120,000)	(610,000)	(280,000)	(1,010,000)	0
Interest Paid on Bonds	(48,215)	(431,448)	(221,016)	(700,679)	0
Principal Paid on Notes	(450,000)	(11,100,000)	0	(11,550,000)	0
Interest Paid on Notes	0	(419,310)	0	(419,310)	0
Payments for Capital Acquisitions	(8,329,746)	(2,929,618)	(132,593)	(11,391,957)	0
<i>Net Cash Used in Capital and Related Financing Activities</i>	<u>(699,630)</u>	<u>(4,590,376)</u>	<u>(633,609)</u>	<u>(5,923,615)</u>	<u>0</u>
Cash Flows from Investing Activities					
Interest on Investments	6,428	429,876	54,266	490,570	0
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	503,246	(3,083,294)	(394,998)	(2,975,046)	(19,380)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>2,201,814</u>	<u>9,956,239</u>	<u>1,726,187</u>	<u>13,884,240</u>	<u>25,452</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$2,705,060</u>	<u>\$6,872,945</u>	<u>\$1,331,189</u>	<u>\$10,909,194</u>	<u>\$6,072</u>

(continued)

City of Dover, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2007

	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)	\$899,915	(\$332,403)	(\$390,427)	\$177,085	(\$38,863)
Adjustments:					
Depreciation	379,931	915,775	502,955	1,798,661	0
(Increase) Decrease in Assets:					
Accounts Receivable	(76,235)	(93,031)	58,747	(110,519)	(1,378)
Intergovernmental Receivable	(845)	0	0	(845)	0
Prepaid Items	(17,047)	19,752	2,098	4,803	0
Materials and Supplies Inventory	3,447	(142,047)	(2,185)	(140,785)	0
Increase (Decrease) in Liabilities:					
Accounts Payable	(28,082)	(1,248,410)	(23,154)	(1,299,646)	0
Contracts Payable	31,869	1,903,000	16,824	1,951,693	0
Accrued Wages	1,142	(677)	464	929	0
Compensated Absences Payable	(10,237)	24,017	8,612	22,392	0
Intergovernmental Payable	12,590	25,481	10,411	48,482	0
Customer Deposits	0	5,749	0	5,749	0
Claims Payable	0	0	0	0	20,861
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>\$1,196,448</u>	<u>\$1,077,206</u>	<u>\$184,345</u>	<u>\$2,457,999</u>	<u>(\$19,380)</u>

See accompanying notes to the basic financial statements

City of Dover, Ohio
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2007

	Private Purpose Trust
Assets	
Equity in Pooled Cash and Cash Equivalents	\$219,127
Net Assets	
Held in Trust for Cemetery	\$219,127

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, 2007

	Private-Purpose Trust
Additions	
Deposits for Burial Expenses	\$19,070
Interest	10,310
	29,380
<i>Total Additions</i>	29,380
Deductions	
Burial Expense	17,839
	11,541
<i>Change in Net Assets</i>	11,541
<i>Net Assets Beginning of Year</i>	207,586
	219,127
<i>Net Assets End of Year</i>	\$219,127

See accompanying notes to the basic financial statements

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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 (S.E.N.T.) and Ohio Mid-Eastern Governments Association (OMEGA) as jointly governed organizations and the Ohio Municipal Electric Generation Agency (JV2) joint venture. These organizations are presented in Notes 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 most significant of the City's accounting policies are described below.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

A. Basis of Presentation

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

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

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

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

B. Fund Accounting

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

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

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

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.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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

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

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

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

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

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

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

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

C. Measurement Focus

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

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

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.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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

D. Basis of Accounting

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

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 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 and forfeitures, interest, grants and rentals.

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

Property taxes for which there is an enforceable legal claim as of December 31, 2007, but which were levied to finance year 2008 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.

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.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

E. Cash and Cash Equivalents

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

During 2007, investments were limited to STAROhio, US Treasury Bills, First American Funds Government Obligations Mutual Fund and Huntington Treasury Money Market II 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, 2007, 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 2007. 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, 2007.

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 2007 amounted to \$255,612 which includes \$210,490 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, Deposits and Investments.

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

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2007, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expenditure/expense in the year in which the services are consumed.

G. Inventory

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

H. Restricted Assets

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

I. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. 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, 2007

J. Interfund Balances

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

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service. 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.

L. Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences 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.

M. Fund Balance Reserves

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

N. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The government-wide statement of net assets reports \$8,135,013 of restricted net assets, none of which is restricted by enabling legislation.

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

O. Operating Revenues and Expenses

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

P. Contributions of Capital

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

Q. Interfund Activity

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

R. Extraordinary and Special Items

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

S. Estimates

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

T. Budgetary Process

All funds are legally required to be budgeted and appropriated. There was no budget adopted for the nonmajor debt service fund in 2007 as there was no budgetary activity for 2007. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the object level within each department. Any budgetary modifications at this level may only be made by resolution of City Council.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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 budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by Council.

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

Note 3 – Change in Accounting Principles and Restatement of Net Assets

A. Change in Accounting Principles

For 2007, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 45, “Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions”, GASB Statement No. 48, “Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues”, and GASB Statement No. 50, “Pension Disclosures”.

GASB Statement No. 45 improves the relevance and usefulness of financial reporting by requiring systematic, accrual-basis measurement and recognition of OPEB costs over a period that approximates employees’ years of service and providing information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. An OPEB liability at transition was determined in accordance with this Statement for both the OPERS and the OP&F post-employment healthcare plans in the amount of \$60,296 and \$45,822, respectively, which are the same as the previously reported liabilities.

GASB Statement No. 48 addresses how to account for the exchange of an interest in expected cash flows from collecting specific receivables or specific future revenues for immediate cash payments. The statement established criteria used to determine whether the transaction should be recorded as revenue or as a liability (a sale or a collateralized borrowing). The implementation of this statement did not result in any change to the financial statements.

GASB Statement No. 50 requires employers contributing to defined benefit pension plans to include the legal or contractual maximum contribution rates in the notes to the financial statements. The implementation of this statement did not result in any change to the financial statements.

B. Restatement of Net Assets

For 2007, the City has restated capital assets for the inclusion of \$7,807,114 of infrastructure acquired prior to 2001. The restatement increased net assets of governmental activities at December 31, 2006 from \$8,129,606 to \$15,936,720. For 2007, the City has corrected \$572,592 of errors made in prior year capital asset balances which increased net assets of business-type activities at December 31, 2006 from \$34,078,787 to \$34,651,379. This had the following effect on the net assets of the enterprise funds of the City as they were previously reported at December 31, 2006:

	Sewer	Electric	Water
Net Assets, December 31, 2006	\$12,425,972	\$15,351,518	\$6,330,304
Capital Assets	(70,076)	76,385	566,283
Adjusted Net Assets, December 31, 2006	<u>\$12,355,896</u>	<u>\$15,427,903</u>	<u>\$6,896,587</u>

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 4 – Accountability and Compliance

A. Accountability

At December 31, 2007, the police and fire pension special revenue fund had a deficit fund balance of \$96,853. 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, 2007, the employee health insurance internal service fund had deficit net assets in the amount of \$102,645. Management is currently analyzing the operations of this fund to determine appropriate action to alleviate the deficit.

B. Compliance

Contrary to Ohio Revised Code Section 5705.39, the master capital and CHIP capital projects funds had original appropriations in excess of certified available resources at December 31, 2007 in the amounts of \$110,834 and \$2445,551, respectively. Also, contrary to Ohio Revised Code Section 5705.39, the ambulance special revenue fund and CHIP capital projects fund had final appropriations in excess of certified available resources at December 31, 2007 in the amounts of \$2,621 and \$214,304, respectively. Management has indicated that appropriations will be closely monitored to ensure no future violations.

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).

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	\$502,502
Net Adjustment for Revenue Accruals	(29,835)
Net Adjustment for Expenditure Accruals	100,338
Encumbrances	(58,637)
Budget Basis	<u>\$514,368</u>

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 6 - Deposits and Investments

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

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

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

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

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

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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.

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 \$4,699,084 and the bank balance was \$4,875,448. Of the bank balance \$300,000 was covered by Federal depository insurance and \$4,575,448 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institutions' trust department or agent.

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, 2007, the City had the following investments:

	<u>Fair Value</u>	<u>Maturity</u>
Investment in State		
Treasurer's Investment Pool	\$8,292,594	41 day average
Huntington Treasury Money		
Market II Mutual Fund	1,394	23 day average
US Treasury Bills	581,907	5/31/08
First American Funds Government		
Obligations Mutual Fund	1,079,522	28 day average
Total Investments	<u>\$9,955,417</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 would further limit its investment choices.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Concentration of Credit Risk The City places no limit on the amount it may invest in any one issuer. The following is the City's allocation as of December 31, 2007:

	Percentage of Investments
STAROhio	83.30 %
Huntington Treasury Money Market II Mutual Fund	0.01
US Treasury Bills	5.85
First American Funds Government Obligations Mutual Fund	10.84

Note 7 - Receivables

Receivables at December 31, 2007, 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). 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	\$148,782	\$0	\$148,782
Business Type Activities	3,771,350	200,204	3,571,146

The community development block grant monies loaned to local businesses are reported as loans receivable and are also considered collectible in full. \$313,956 of the \$364,434 loans receivable are not scheduled to be collected within one year.

A. Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2007 for real and public utility property taxes represents collections of the 2006 taxes. Property tax payments received during 2007 for tangible personal property (other than public utility property) are for 2007 taxes.

2007 real property taxes are levied after October 1, 2007, on the assessed value as of January 1, 2007, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2007 real property taxes are collected in and intended to finance 2008.

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. 2007 public utility property taxes which became a lien December 31, 2006, are levied after October 1, 2007, and are collected in 2008 with real property taxes.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

2007 tangible personal property taxes are levied after October 1, 2006, on the value as of December 31, 2006. Collections are made in 2007. Tangible personal property assessments are being phased out. The assessment percentages for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent for 2008 and zero for 2009. 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, 2007, was \$6.60 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2007 property tax receipts were based are as follows:

Real Property	\$248,331,420
Tangible Personal Property	23,543,530
Public Utility Property	587,580
Total	<u><u>\$272,462,530</u></u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Dover. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2007 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 2007 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.

B. Income Taxes

In November 2006, the voters approved an increase in the income tax rate from 1 percent to 1.5 percent effective January 1, 2007. For 2007, 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 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.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

C. Intergovernmental Receivables

A summary of intergovernmental receivables follows:

	Amount
Governmental Activities	
Local Government and Local Government	
Revenue Assistance	\$279,596
Gasoline Tax	193,513
Motor Vehicle Tax	139,278
Homestead and Rollback	45,400
Miscellaneous	1,147
Municipal Court Fines	828
Hotel/Motel Tax	172
<i>Total Governmental Activities</i>	\$659,934
Business-Type Activities	
Sewer	\$3,525

Note 8 - Capital Assets

Capital asset activity for the year ended December 31, 2007, was as follows:

	Restated Balance 12/31/06	Additions	Deductions	Balance 12/31/07
Governmental Activities				
Capital Assets, not being depreciated:				
Land	\$860,689	\$26,990	\$0	\$887,679
Construction in Progress	568,804	380,816	0	949,620
Total Capital Assets, not being Depreciated	1,429,493	407,806	0	1,837,299
Capital Assets, being Depreciated				
Buildings	2,292,294	72,936	(58,635)	2,306,595
Improvements Other Than Buildings	931,805	15,999	0	947,804
Equipment and Machinery	2,294,485	87,504	(72,336)	2,309,653
Furniture and Fixtures	59,412	0	0	59,412
Vehicles	2,178,389	113,665	(53,253)	2,238,801
Infrastructure	21,393,792	77,037	0	21,470,829
Total Capital Assets, being Depreciated	29,150,177	367,141	(184,224)	29,333,094
Less Accumulated Depreciation:				
Buildings	(706,993)	(106,336)	58,635	(754,694)
Improvements Other Than Buildings	(543,009)	(29,996)	72,336	(500,669)
Equipment and Machinery	(1,401,109)	(179,752)	0	(1,580,861)
Furniture and Fixtures	(44,294)	(1,837)	0	(46,131)
Vehicles	(1,650,802)	(253,393)	53,253	(1,850,942)
Infrastructure	(9,946,374)	(408,646)	0	(10,355,020)
Total Accumulated Depreciation	(14,292,581)	(979,960) *	184,224	(15,088,317)
Total Capital Assets, being Depreciated, net	14,857,596	(612,819)	0	14,244,777
Governmental Activities Capital Assets, Net	\$16,287,089	(\$205,013)	\$0	\$16,082,076

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

	Restated Balance 12/31/06	Additions	Deductions	Balance 12/31/07
Business-Type Activities				
Capital Assets, not being depreciated:				
Land	\$435,066	\$0	\$0	\$435,066
Construction in Progress	4,791,416	11,729,329	(155,486)	16,365,259
Total Capital Assets, not being Depreciated	<u>5,226,482</u>	<u>11,729,329</u>	<u>(155,486)</u>	<u>16,800,325</u>
Capital Assets, being Depreciated				
Buildings	19,899,736	0	0	19,899,736
Equipment and Machinery	20,343,590	133,640	(2,985)	20,474,245
Furniture and Fixtures	114,533	0	0	114,533
Vehicles	1,396,614	176,999	(34,770)	1,538,843
Infrastructure	30,206,872	453,750	(22,201)	30,638,421
Total Capital Assets, being Depreciated	<u>71,961,345</u>	<u>764,389</u>	<u>(59,956)</u>	<u>72,665,778</u>
Less Accumulated Depreciation:				
Buildings	(5,114,240)	(432,298)	0	(5,546,538)
Equipment and Machinery	(17,575,562)	(572,783)	2,985	(18,145,360)
Furniture and Fixtures	(69,591)	(5,527)	0	(75,118)
Vehicles	(1,232,727)	(94,197)	34,770	(1,292,154)
Infrastructure	(11,932,124)	(693,856)	22,201	(12,603,779)
Total Accumulated Depreciation	<u>(35,924,244)</u>	<u>(1,798,661)</u>	<u>59,956</u>	<u>(37,662,949)</u>
Total Capital Assets, being Depreciated, net	<u>36,037,101</u>	<u>(1,034,272)</u>	<u>0</u>	<u>35,002,829</u>
Business-Type Activities Capital Assets, Net	<u>\$41,263,583</u>	<u>\$10,695,057</u>	<u>(\$155,486)</u>	<u>\$51,803,154</u>

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

General Government	\$91,717
Security of Persons and Property	262,852
Transportation	488,274
Public Health Services	39,736
Leisure Time Activities	81,826
Community Environment	15,555
Total Governmental Depreciation Expense	<u>\$979,960</u>

Note 9 - 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 2007, the City contracted with The Travelers Company for boiler and machinery insurance. EMC covers the general liability and property insurance. Ohio Casualty covers electronic data processing, while police and professional liability are protected by the Scottsdale/National Casualty with a \$1,000,000 limit and a \$5,000 deductible. An umbrella policy with Clarendon America covers a \$5,000,000 excess law enforcement liability.

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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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

The City has elected to provide employee medical/surgical benefits through a self-insured program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. A third-party administrator, Aultcare, Inc. located in Canton, Ohio, reviews all claims which are then paid by the City. An excess coverage insurance policy covers claims in excess of \$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 2007, a resolution was adopted which allows an additional \$100 premium to be paid for each employee monthly on an as needed basis.

The claims liability of \$112,668 reported in the fund at December 31, 2007, 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 2006 and 2007 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2006	\$74,265	\$1,393,976	\$1,376,434	\$91,807
2007	91,807	1,746,914	1,726,053	112,668

Note 10 - Contingent Liabilities

A. Litigation

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

B. Federal and State Grants

The City participates in several federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. As of December 31, 2007, the audits of certain of these programs have not been completed. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

Note 11 – Other Employee Benefits

A. Compensated Absences

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

B. Life Insurance

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

Note 12 – Defined Benefit Pension Plans

A. 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 plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that 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 Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2007, members in state and local classifications contributed 9.5 percent of covered payroll, public safety members contributed 9.75 percent, and law enforcement members contributed 10.1 percent.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

The City's contribution rate for 2007 was 13.85 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.17 percent of covered payroll. For the period January 1 through June 30, a portion of the City's contribution equal to 5 percent of covered payroll was allocated to fund the post-employment health care plan; for the period July 1 through December 31, 2007 this amount was increased to 6 percent. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the City of 14 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 and combined plans for the years ended December 31, 2007, 2006, and 2005 were \$466,492, \$494,672 and \$506,473 respectively; 81.3 percent has been contributed for 2007 and 100 percent for 2006 and 2005. There were no contributions to the member-directed plan for 2007.

B. 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.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations. The City's contribution was 19.5 percent for police officers and 24 percent for firefighters. Contribution rates are established by State statute. For 2007, a portion of the City's contribution equal to 6.75 percent of covered payroll was allocated to fund the post-employment health care plan. The City's pension contributions to OP&F for police and firefighters were \$144,995 and \$172,471 for the year ended December 31, 2007, \$128,843 and \$157,547 for the year ended December 31, 2006, and \$123,321 and \$156,515 for the year ended December 31, 2005. The full amount has been contributed for 2006 and 2005. 70.7 percent has been contributed for police and 72.9 percent has been contributed for firefighters for 2007.

Note 13 – Postemployment Benefits

A. Ohio Public Employees Retirement System

Plan Description – OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the traditional and combined pension 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.

To qualify for post-employment health care coverage, age and service retirees under the traditional and combined plans must have ten 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.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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 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 the traditional or combined plans 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 employees. In 2007, local government employers contributed 13.85 percent of covered payroll (17.17 percent for public safety and law enforcement). 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 the employer contributions which was allocated to fund post-employment health care was 5.00 percent of covered payroll from January 1 through June 30, 2007, and 6.00 percent from July 1 to December 31, 2007.

The retirement board is also authorized to establish rules for the payment of a portion of the health care benefits by the retiree or the retiree's 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, 2007, 2006, and 2005 were \$307,270, \$241,959 and \$212,135 respectively; 81.3 percent has been contributed for 2007 and 100 percent for 2006 and 2005.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan which was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

B. Police and Firemen's Disability and Pension Fund

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing multiple-employer defined post-employment healthcare plan administered by OP&F. OP&F provides healthcare 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 Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&B Board of Trustees to provide healthcare 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.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Funding policy – OP&F’s post-employment healthcare plan was established and is administered as an Internal Revenue Code 401(h) account within the defined benefit pension plan, under the authority granted by the Ohio Revised code to the OP&F Board of Trustees. The Ohio Revised Code sets the contribution rates for participating employers and for plan members to the OP&F. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50 percent and 24.00 percent of covered payroll for police and fire employers, respectively.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made to the pension plan to the 401(h) account as the employer contribution for retiree healthcare benefits. For the year ended December 31, 2007, the employer contribution allocated to the healthcare plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the healthcare plan each year is subject to the trustees’ primary responsibility to ensure that pension benefits are adequately funded and also is limited by the provisions of Section 401(h).

The OP&F Board of Trustees is also authorized to establish requirements for contributions to the healthcare 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. Active members do not make contributions to the OPEB Plan.

The City’s contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$76,762 and \$67,489 for the year ended December 31, 2007, \$84,982 and \$75,138 for the year ended December 31, 2006, and \$81,339 and \$74,646 for the year ended December 31, 2005. The full amount has been contributed for 2006 and 2005. 70.7 percent has been contributed for police and 72.9 percent has been contributed for firefighters for 2007.

Note 14 - Long-Term Debt

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
Governmental Activities			
Various Purpose Bond Anticipation Note	5.00%	\$2,570,000	April 3, 2008
Business-Type Activities			
Waterworks System Refunding Revenue Bonds - 2004	2.0-4.5	5,785,000	December 1, 2022
Waterworks System Improvement Revenue Bonds - 2003	2.0-4.5	805,000	December 1, 2022
Municipal Electric System Revenue Bonds - 1995	4.4-6.0	10,075,000	December 1, 2019
Municipal Electric System Refunding Revenue Bonds - 2005	3.7-5.0	9,670,000	December 1, 2019
Municipal Electric Bond Anticipation Note Series 2006	4.5	2,800,000	January 11, 2007
Municipal Electric Bond Anticipation Note Series 2006A	5	5,500,000	June 6, 2007
Municipal Electric Bond Anticipation Note Series 2007A	4.25	7,800,000	June 5, 2008
Electric North Substation General Obligation Bonds - 1987	6	1,500,000	December 1, 2007
Sewer System Improvement General Obligation Bonds - 1989	7.02	1,500,000	December 1, 2009

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

A schedule of changes in bonds and other long-term obligations of the City during 2007 follows:

	Amount Outstanding 12/31/06	Additions	Deletions	Amount Outstanding 12/31/07	Amounts Due in One Year
Governmental Activities					
Police and Fire Pension	\$296,577	\$0	\$5,511	\$291,066	\$5,747
Various Purpose Bond Anticipation Note	2,570,000	2,370,000	2,570,000	2,370,000	0
Compensated Absences	941,745	101,040	268,727	774,058	208,757
Total Governmental Activities	\$3,808,322	\$2,471,040	\$2,844,238	\$3,435,124	\$214,504
Business-Type Activities					
<u>Revenue Bonds</u>					
Waterworks System Refunding	\$5,069,557	\$0	\$245,797	\$4,823,760	\$250,186
Discount	(28,084)	0	(1,755)	(26,329)	0
Accounting Loss	87,832	0	5,490	82,342	0
Municipal Electric System Refunding	9,140,000	0	535,000	8,605,000	560,000
Premium	239,733	0	18,441	221,292	0
Accounting Loss	61,995	0	4,769	57,226	0
Waterworks System Improvement	705,443	0	34,203	671,240	34,814
Total Revenue Bonds	15,276,476	0	841,945	14,434,531	845,000
<u>Bond Anticipation Notes</u>					
Municipal Electric Series 2006	2,800,000	0	2,800,000	0	0
Municipal Electric Series 2006A	5,500,000	0	5,500,000	0	0
Municipal Electric Series 2007A	0	7,800,000	0	7,800,000	0
Total Bond Anticipation Notes	8,300,000	7,800,000	8,300,000	7,800,000	0
<u>General Obligation Bonds</u>					
Electric North Substation	75,000	0	75,000	0	0
Sewer System Improvement	380,000	0	120,000	260,000	125,000
Total General Obligation Bonds	455,000	0	195,000	260,000	125,000
OWDA Loan Payable	0	8,248,331	0	8,248,331	0
Compensated Absences	816,141	28,555	245,947	598,749	309,449
Total Business-Type Activities	\$24,847,617	\$16,076,886	\$9,582,892	\$31,341,611	\$1,279,449

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 projects fund.

The revenue bonds, bond anticipation notes, and the general obligation bonds will be paid from charges for services revenue in the enterprise funds. The municipal electric note series 2006 was used to build a substation and various electric improvements and for the investment in the JV2 joint venture. The municipal electric note series 2006-A was issued to construct, install and equip pollution control facilities. The municipal electric note series 2007-A was issued to retire the 2006 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.

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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, 2007, were as follows:

Restricted Assets Held by City	
Replacement and Improvement	\$379,798
Restricted Assets Held by the Trustee	
Revenue Bond Current Debt Service	\$583,301

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 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 100 percent of net revenues in future years; however, in 2007, principal and interest payments exceeded net revenues. The total principal and interest remaining to be paid on the bonds is \$7,450,220. Principal and interest paid for the current year were \$501,016, net revenues were \$166,794 and total revenues were \$1,761,325.

In 2005, 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

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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, 2007, were as follows:

Restricted Assets Held by City	
Replacement and Improvement	\$2,196,016
Restricted Assets Held by the Trustee	
Revenue Bond Current Debt Service	\$1,079,522

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 100 percent of net revenues in future years; however, in 2007, principal and interest payments on the bonds exceeded net revenues. The total principal and interest remaining to be paid on the bonds is \$11,145,150. Principal and interest paid for the current year were \$1,041,448, net revenues were \$1,013,248 and total revenues were \$20,774,394.

The City has entered into a contractual agreement for a loan from the Ohio Water Development Authority for improvements to the wastewater treatment plant. Since the loan repayment schedule has not yet been finalized, a repayment schedule is not included in the schedule of debt service requirements.

As of December 31, 2007, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$25,838,566 and the unvoted legal debt margin was \$12,215,439. Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2007 are as follows:

Year Ending December 31	Waterworks System Revenue Bonds		Municipal Electric System Revenue Bonds	
	Principal	Interest	Principal	Interest
2008	\$285,000	\$211,877	\$560,000	\$365,047
2009	290,000	204,609	590,000	342,648
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
2013-2017	1,805,000	688,294	3,805,000	845,174
2018-2022	2,185,000	289,658	1,760,000	103,740
Total	\$5,495,000	\$1,955,220	\$8,605,000	\$2,540,150

City of Dover, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Year Ending December 31	Sewer General Obligation Bonds		Police and Fire Pension	
	Principal	Interest	Principal	Interest
2008	\$125,000	\$18,460	\$5,747	\$12,298
2009	135,000	9,586	5,995	12,050
2010	0	0	6,252	11,793
2011	0	0	6,521	11,524
2012	0	0	6,801	11,244
2013-2017	0	0	38,645	51,580
2018-2022	0	0	47,688	42,537
2023-2027	0	0	58,849	31,376
2028-2032	0	0	72,618	17,607
2033-2035	0	0	41,950	2,659
Total	\$260,000	\$28,046	\$291,066	\$204,668

Note 15 - Notes Payable

A summary of the note transactions for the year ended December 31, 2007, follows:

	Outstanding 12/31/06	Issued	Retired	Outstanding 12/31/07
Governmental Activities:				
5.00% Various Purpose - Master Capital 2006	\$50,000	\$0	\$50,000	\$0
5.00% Various Purpose - Master Capital 2007	0	200,000	0	200,000
4.25% Bridge Improvement, Series 2006	350,000	0	350,000	0
4.25% Bridge Improvement, Series 2007	0	200,000	0	200,000
<i>Total Governmental Activities</i>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>
Business Type Activities:				
4.25% Sanitary Sewer Improvement Note 2006	350,000	0	350,000	0
4.25 % Municipal Electric Series 2007A	0	300,000	0	300,000
4.25 % Municipal Electric Series 2007	0	2,800,000	2,800,000	0
5.00% Various Purpose - Sewer Portion 2006	100,000	0	100,000	0
<i>Total Business Type Activities</i>	<u>450,000</u>	<u>3,100,000</u>	<u>3,250,000</u>	<u>300,000</u>
Total	<u><u>\$850,000</u></u>	<u><u>\$3,500,000</u></u>	<u><u>\$3,650,000</u></u>	<u><u>\$700,000</u></u>

The governmental activities various purpose note outstanding at year end was used for storm sewer projects, and street and bridge construction. The bridge improvement note was issued for reconstructing and improving the Tuscarawas bridge. The business type activities notes were issued to improve the City's various 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 16 – Jointly Governed Organizations

A. Community Improvement Corporation of Tuscarawas County

The City is associated with the Community Improvement Corporation of Tuscarawas County as a Jointly Governed Organization. The Corporation 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 2007, no monies were contributed by the City.

B. Tuscarawas County Regional Planning Commission

The City is associated with the Tuscarawas County Regional Planning Commission as a Jointly Governed Organization. The Commission is a statutorily created political subdivision of the State. The commission is jointly governed among Tuscarawas County, municipalities and townships. Of the 61 members, the City appoints three. Each member's control over the operation of the Commission is limited to its representation on the board. The Commission makes studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economic and governmental characteristics, functions and services of the county. In 2007, the City contributed \$1,343 which represents 1.40 percent of total contributions.

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

The City is associated with the Southeastern Ohio Narcotics Team (S.E.N.T.) as a Jointly Governed Organization. S.E.N.T. is a multi-jurisdictional drug task force with the primary goal of combating major narcotics traffickers in Guernsey, Monroe and Tuscarawas Counties. It is jointly governed among the participating counties and cities. A grant is received from the State of Ohio of which the participating entities must match 25 percent. Of the 11 member governing board, the City appoints one. Each participant's control over the operation of S.E.N.T. is limited to its representation on the board. In 2007, no monies were contributed by the City.

D. Ohio Mid-Eastern Governments Association (OMEGA)

The City is associated with the Ohio Mid-Eastern Governments Association (OMEGA), which is a ten county regional council of governments comprised of Belmont, Carroll, Coshocton, Columbiana, Guernsey, Harrison, Holmes, Jefferson, Muskingum and Tuscarawas counties. OMEGA was formed to aid and assist the participating counties and political subdivisions within the counties in the application for Appalachian Regional Commission and Economic Development grant monies. OMEGA is governed by a seventeen member executive board comprised of members appointed from each participating county and cities within each county. City membership is voluntary. The mayor of the City of Dover serves as the City's representative on the board. The board has total control over budgeting, personnel and financial matters. Each member currently pays a per capita membership fee based on the most recent United States census. During 2007, 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 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 \$2,054,369 at December 31, 2007. 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, 2007, the open construction contracts awarded for the Fabric Filer Baghouse associated with improvements to the municipal electric system were \$1,195,596. Open construction contracts awarded for the expansion of the wastewater treatment plant were \$5,474,115.

Note 19 – Subsequent Events

On April 3, 2008, the City refinanced \$2,370,000 in various purpose bond anticipation notes. The new note has an interest rate of 2.75 percent and matures on April 2, 2009.

On June 5, 2008, the City refinanced \$7,800,000 in municipal electric system improvement bond anticipation notes. The new note has an interest rate of 2.50 percent and matures June 4, 2009.

Combining Statements and Individual Fund Schedules

Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

Street Maintenance and Repair Fund - Required by the Ohio Revised Code to account for State gasoline tax and motor vehicle registration fees 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.

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 2007.

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, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,127,364	\$0	\$6,001	\$1,133,365
Cash and Cash Equivalents				
With Fiscal Agents	2,544	1,735	0	4,279
Materials and Supplies Inventory	82,228	0	0	82,228
Accounts Receivable	67,434	0	0	67,434
Intergovernmental Receivable	340,929	0	0	340,929
Prepaid Items	6,393	0	0	6,393
Income Tax Receivable	285,551	0	0	285,551
Property Taxes Receivable	150,333	0	0	150,333
Loans Receivable	364,434	0	0	364,434
<i>Total Assets</i>	<u>\$2,427,210</u>	<u>\$1,735</u>	<u>\$6,001</u>	<u>\$2,434,946</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$32,010	\$0	\$0	\$32,010
Accrued Wages	33,967	0	0	33,967
Contracts Payable	15,743	0	0	15,743
Intergovernmental Payable	226,372	0	0	226,372
Matured Interest Payable	0	1,735	0	1,735
Retainage Payable	2,544	0	0	2,544
Deferred Revenue	680,863	0	0	680,863
<i>Total Liabilities</i>	<u>991,499</u>	<u>1,735</u>	<u>0</u>	<u>993,234</u>
Fund Balances				
Reserved for Encumbrances	9,615	0	0	9,615
Reserved for Loans Receivable	313,956	0	0	313,956
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,112,140	0	0	1,112,140
Capital Projects Funds	0	0	6,001	6,001
<i>Total Fund Balances</i>	<u>1,435,711</u>	<u>0</u>	<u>6,001</u>	<u>1,441,712</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,427,210</u>	<u>\$1,735</u>	<u>\$6,001</u>	<u>\$2,434,946</u>

City of Dover, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2007

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Property and Other Local Taxes	\$125,396	\$0	\$125,396
Income Taxes	1,045,000	0	1,045,000
Intergovernmental	754,203	257,835	1,012,038
Interest	64,090	0	64,090
Fines, Licenses and Permits	2,865	0	2,865
Charges for Services	320,903	0	320,903
Other	37,377	0	37,377
<i>Total Revenues</i>	<u>2,349,834</u>	<u>257,835</u>	<u>2,607,669</u>
Expenditures			
Current:			
Security of Persons and Property	463,874	0	463,874
Transportation	1,067,923	0	1,067,923
Public Health Services	673,178	0	673,178
Community Environment	27,050	0	27,050
Capital Outlay	0	283,081	283,081
Debt Service:			
Principal Retirement	5,511	0	5,511
Interest and Fiscal Charges	12,534	0	12,534
<i>Total Expenditures</i>	<u>2,250,070</u>	<u>283,081</u>	<u>2,533,151</u>
<i>Net Change in Fund Balances</i>	99,764	(25,246)	74,518
<i>Fund Balances Beginning of Year</i>	<u>1,335,947</u>	<u>31,247</u>	<u>1,367,194</u>
<i>Fund Balances End of Year</i>	<u><u>\$1,435,711</u></u>	<u><u>\$6,001</u></u>	<u><u>\$1,441,712</u></u>

City of Dover, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2007

	Street Maintenance and Repair	State Highway	Police and Fire Pension	Ambulance	Cemetery
Assets					
Equity in Pooled Cash and Cash Equivalents	\$149,347	\$52,233	\$10,836	\$77,226	\$665,358
Cash and Cash Equivalents					
With Fiscal Agents	2,544	0	0	0	0
Materials and Supplies Inventory	81,220	0	0	1,008	0
Accounts Receivable	0	0	0	67,434	0
Intergovernmental Receivable	308,978	24,960	6,991	0	0
Prepaid Items	4,239	0	0	1,098	1,056
Income Tax Receivable	89,235	0	98,158	0	98,158
Property Taxes Receivable	0	0	150,333	0	0
Loans Receivable	0	0	0	0	0
<i>Total Assets</i>	<u>\$635,563</u>	<u>\$77,193</u>	<u>\$266,318</u>	<u>\$146,766</u>	<u>\$764,572</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$14,183	\$0	\$0	\$13,593	\$4,234
Accrued Wages	19,531	0	0	0	14,436
Contracts Payable	15,743	0	0	0	0
Intergovernmental Payable	55,163	0	147,689	385	23,135
Retainage Payable	2,544	0	0	0	0
Deferred Revenue	298,747	21,042	215,482	67,434	78,158
<i>Total Liabilities</i>	<u>405,911</u>	<u>21,042</u>	<u>363,171</u>	<u>81,412</u>	<u>119,963</u>
Fund Balances					
Reserved for Encumbrances	3,843	4,217	0	1,555	0
Reserved for Loans Receivable	0	0	0	0	0
Unreserved (Deficit)	225,809	51,934	(96,853)	63,799	644,609
<i>Total Fund Balances (Deficit)</i>	<u>229,652</u>	<u>56,151</u>	<u>(96,853)</u>	<u>65,354</u>	<u>644,609</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$635,563</u>	<u>\$77,193</u>	<u>\$266,318</u>	<u>\$146,766</u>	<u>\$764,572</u>

Revolving Loan	Drug Law Enforcement	Law Enforcement Block Grant	Enforcement and Education	Shade Tree	Total Nonmajor Special Revenue Funds
\$132,920	\$12,485	\$427	\$23,795	\$2,737	\$1,127,364
0	0	0	0	0	2,544
0	0	0	0	0	82,228
0	0	0	0	0	67,434
0	0	0	0	0	340,929
0	0	0	0	0	6,393
0	0	0	0	0	285,551
0	0	0	0	0	150,333
364,434	0	0	0	0	364,434
<u>\$497,354</u>	<u>\$12,485</u>	<u>\$427</u>	<u>\$23,795</u>	<u>\$2,737</u>	<u>\$2,427,210</u>
\$0	\$0	\$0	\$0	\$0	\$32,010
0	0	0	0	0	33,967
0	0	0	0	0	15,743
0	0	0	0	0	226,372
0	0	0	0	0	2,544
0	0	0	0	0	680,863
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>991,499</u>
0	0	0	0	0	9,615
313,956	0	0	0	0	313,956
183,398	12,485	427	23,795	2,737	1,112,140
<u>497,354</u>	<u>12,485</u>	<u>427</u>	<u>23,795</u>	<u>2,737</u>	<u>1,435,711</u>
<u>\$497,354</u>	<u>\$12,485</u>	<u>\$427</u>	<u>\$23,795</u>	<u>\$2,737</u>	<u>\$2,427,210</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, 2007

	Street Maintenance and Repair	State Highway	Police and Fire Pension	Ambulance	Cemetery
Revenues					
Property and Other Local Taxes	\$0	\$0	\$125,396	\$0	\$0
Income Taxes	350,000	0	370,000	0	325,000
Intergovernmental	670,723	53,007	30,473	0	0
Interest	4,927	0	0	0	45,565
Fines, Licenses and Permits	0	0	0	0	0
Charges for Services	0	0	0	159,764	161,139
Other	35,452	1,925	0	0	0
<i>Total Revenues</i>	<u>1,061,102</u>	<u>54,932</u>	<u>525,869</u>	<u>159,764</u>	<u>531,704</u>
Expenditures					
Current:					
Security of Persons and Property	0	0	463,544	0	0
Transportation	1,020,854	47,069	0	0	0
Public Health Services	0	0	0	164,158	509,020
Community Environment	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	5,511	0	0
Interest and Fiscal Charges	0	0	12,534	0	0
<i>Total Expenditures</i>	<u>1,020,854</u>	<u>47,069</u>	<u>481,589</u>	<u>164,158</u>	<u>509,020</u>
<i>Net Change in Fund Balances</i>	40,248	7,863	44,280	(4,394)	22,684
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>189,404</u>	<u>48,288</u>	<u>(141,133)</u>	<u>69,748</u>	<u>621,925</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$229,652</u></u>	<u><u>\$56,151</u></u>	<u><u>(\$96,853)</u></u>	<u><u>\$65,354</u></u>	<u><u>\$644,609</u></u>

Revolving Loan	Drug Law Enforcement	Law Enforcement Block Grant	Enforcement and Education	Shade Tree	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$125,396
0	0	0	0	0	1,045,000
0	0	0	0	0	754,203
13,598	0	0	0	0	64,090
0	0	0	2,865	0	2,865
0	0	0	0	0	320,903
0	0	0	0	0	37,377
13,598	0	0	2,865	0	2,349,834
0	0	0	330	0	463,874
0	0	0	0	0	1,067,923
0	0	0	0	0	673,178
27,050	0	0	0	0	27,050
0	0	0	0	0	5,511
0	0	0	0	0	12,534
27,050	0	0	330	0	2,250,070
(13,452)	0	0	2,535	0	99,764
510,806	12,485	427	21,260	2,737	1,335,947
\$497,354	\$12,485	\$427	\$23,795	\$2,737	\$1,435,711

City of Dover, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2007

	Small Cities Block Grant	CHIP	Total Nonmajor Capital Projects Funds
Revenues			
Intergovernmental	\$53,000	\$204,835	\$257,835
Expenditures			
Capital Outlay	53,000	230,081	283,081
<i>Net Change in Fund Balances</i>	0	(25,246)	(25,246)
<i>Fund Balances Beginning of Year</i>	0	31,247	31,247
<i>Fund Balances End of Year</i>	\$0	\$6,001	\$6,001

**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, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$945,800	\$960,000	\$1,031,244	\$71,244
Income Taxes	2,440,822	2,430,862	2,397,053	(33,809)
Intergovernmental	1,728,255	1,721,202	1,942,737	221,535
Interest	200,819	200,000	255,612	55,612
Fines, Licenses and Permits	50,406	50,200	53,686	3,486
Charges for Services	779,933	776,750	644,649	(132,101)
Other	89,236	88,872	90,866	1,994
<i>Total Revenues</i>	<u>6,235,271</u>	<u>6,227,886</u>	<u>6,415,847</u>	<u>187,961</u>
Expenditures				
Current:				
General Government:				
Mayor:				
Salaries and Wages	110,539	110,889	110,767	122
Fringe Benefits	57,749	57,399	55,522	1,877
Purchased Services	11,025	13,675	12,960	715
Materials and Supplies	5,750	10,250	8,660	1,590
Total Mayor	<u>185,063</u>	<u>192,213</u>	<u>187,909</u>	<u>4,304</u>
Auditor:				
Salaries and Wages	129,604	97,172	97,150	22
Fringe Benefits	69,575	73,275	69,983	3,292
Purchased Services	14,250	26,641	25,720	921
Materials and Supplies	5,000	5,000	5,000	0
Total Auditor	<u>218,429</u>	<u>202,088</u>	<u>197,853</u>	<u>4,235</u>
Treasurer:				
Salaries and Wages	12,360	12,360	12,360	0
Fringe Benefits	3,600	3,600	3,525	75
Purchased Services	1,800	1,700	979	721
Materials and Supplies	0	100	18	82
Total Treasurer	<u>\$17,760</u>	<u>\$17,760</u>	<u>\$16,882</u>	<u>\$878</u>

(continued)

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Law Director:				
Salaries and Wages	\$63,057	\$63,057	\$63,057	\$0
Fringe Benefits	26,600	27,600	26,422	1,178
Purchased Services	90,560	89,560	83,395	6,165
Materials and Supplies	7,000	7,000	6,810	190
Total Law Director	<u>187,217</u>	<u>187,217</u>	<u>179,684</u>	<u>7,533</u>
Civil Service Commission:				
Salaries and Wages	3,000	3,000	3,000	0
Fringe Benefits	550	550	455	95
Purchased Services	8,600	8,600	5,350	3,250
Materials and Supplies	600	600	0	600
Total Civil Service Commission	<u>12,750</u>	<u>12,750</u>	<u>8,805</u>	<u>3,945</u>
Income Tax Department:				
Salaries and Wages	78,834	78,834	78,832	2
Fringe Benefits	44,843	46,543	43,763	2,780
Purchased Services	72,226	35,718	14,449	21,269
Materials and Supplies	6,000	6,000	5,433	567
Total Income Tax Department	<u>201,903</u>	<u>167,095</u>	<u>142,477</u>	<u>24,618</u>
Council:				
Salaries and Wages	42,092	42,092	41,655	437
Fringe Benefits	12,700	15,100	14,905	195
Purchased Services	21,250	18,850	18,199	651
Materials and Supplies	1,600	1,600	730	870
Total Council	<u>77,642</u>	<u>77,642</u>	<u>75,489</u>	<u>2,153</u>
Clerk of Council:				
Salaries and Wages	5,439	5,439	5,289	150
Fringe Benefits	2,130	2,130	2,056	74
Purchased Services	1,450	1,450	1,205	245
Materials and Supplies	750	750	360	390
Total Clerk of Council	<u>\$9,769</u>	<u>\$9,769</u>	<u>\$8,910</u>	<u>\$859</u>

(continued)

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Service Director:				
Salaries and Wages	\$97,493	\$16,748	\$15,891	\$857
Fringe Benefits	55,267	55,267	52,633	2,634
Purchased Services	9,750	9,750	6,132	3,618
Materials and Supplies	5,250	5,250	2,485	2,765
Total Service Director	<u>167,760</u>	<u>87,015</u>	<u>77,141</u>	<u>9,874</u>
Rubbish-Janitor-City Hall:				
Salaries and Wages	33,945	33,945	32,184	1,761
Fringe Benefits	21,428	31,428	22,066	9,362
Purchased Services	7,747	47,747	35,704	12,043
Materials and Supplies	1,200	1,200	829	371
Total Rubbish-Janitor-City Hall	<u>64,320</u>	<u>114,320</u>	<u>90,783</u>	<u>23,537</u>
Other:				
Purchased Services	247,895	214,104	195,561	18,543
Materials and Supplies	10,288	10,288	4,486	5,802
Capital Outlay	45,000	45,000	1,290	43,710
Other	4,000	2,000	0	2,000
Total Other	<u>307,183</u>	<u>271,392</u>	<u>201,337</u>	<u>70,055</u>
Total General Government	<u>1,449,796</u>	<u>1,339,261</u>	<u>1,187,270</u>	<u>151,991</u>
Security of Persons and Property:				
Police:				
Salaries and Wages	1,285,264	1,245,264	1,222,145	23,119
Fringe Benefits	347,434	378,160	352,152	26,008
Purchased Services	96,464	90,935	75,328	15,607
Materials and Supplies	60,475	71,040	67,978	3,062
Total Police	<u>1,789,637</u>	<u>1,785,399</u>	<u>1,717,603</u>	<u>67,796</u>
Traffic Safety:				
Salaries and Wages	129,482	129,482	122,653	6,829
Fringe Benefits	72,277	72,276	69,975	2,301
Purchased Services	33,284	32,784	27,386	5,398
Materials and Supplies	46,021	46,021	37,966	8,055
Total Traffic Safety	<u>\$281,064</u>	<u>\$280,563</u>	<u>\$257,980</u>	<u>\$22,583</u>

(continued)

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fire Prevention:				
Salaries and Wages	\$991,464	\$957,464	\$907,650	\$49,814
Fringe Benefits	277,542	319,042	289,416	29,626
Purchased Services	82,964	78,464	71,033	7,431
Materials and Supplies	46,871	53,371	53,163	208
Total Fire Prevention	<u>1,398,841</u>	<u>1,408,341</u>	<u>1,321,262</u>	<u>87,079</u>
Director of Public Safety:				
Salaries and Wages	29,182	29,182	29,182	0
Fringe Benefits	7,250	7,250	7,176	74
Purchased Services	1,550	1,550	1,047	503
Materials and Supplies	100	100	94	6
Total Director of Public Safety	<u>38,082</u>	<u>38,082</u>	<u>37,499</u>	<u>583</u>
Total Security of Persons and Property	<u>3,507,624</u>	<u>3,512,385</u>	<u>3,334,344</u>	<u>178,041</u>
Public Health Services:				
County Health Services:				
Purchased Services	<u>0</u>	<u>13,500</u>	<u>12,250</u>	<u>1,250</u>
Community Environment:				
Demolition and Mowing:				
Purchased Services	<u>0</u>	<u>10,500</u>	<u>9,919</u>	<u>581</u>
Building Inspector				
Salaries and Wages	40,643	40,643	39,867	776
Fringe Benefits	27,700	27,700	26,081	1,619
Purchased Services	3,020	3,020	2,730	290
Materials and Supplies	3,750	3,750	1,485	2,265
Total Building Inspector	<u>75,113</u>	<u>75,113</u>	<u>70,163</u>	<u>4,950</u>
Total Community Environment	<u>\$75,113</u>	<u>\$85,613</u>	<u>\$80,082</u>	<u>\$5,531</u>

(continued)

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2007

	<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	\$579,833	\$579,833	\$578,515	\$1,318
Leisure Time Activities:				
Parks and Recreation:				
Personal Services	366,513	385,013	384,697	316
Fringe Benefits	189,000	197,000	187,198	9,802
Purchased Services	90,864	90,864	84,799	6,065
Materials and Supplies	61,720	61,720	52,324	9,396
Total Leisure Time Activities	708,097	734,597	709,018	25,579
<i>Total Expenditures</i>	6,320,463	6,265,189	5,901,479	363,710
<i>Net Change in Fund Balance</i>	(85,192)	(37,303)	514,368	551,671
<i>Fund Balance Beginning of Year</i>	164,406	164,406	164,406	0
Prior Year Encumbrances Appropriated	76,362	76,362	76,362	0
<i>Fund Balance End of Year</i>	<u>\$155,576</u>	<u>\$203,465</u>	<u>\$755,136</u>	<u>\$551,671</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Income Taxes	\$1,965,522	\$2,109,330	\$2,143,050	\$33,720
Contributions and Donations	0	0	78,600	78,600
Other	191,783	197,975	117,836	(80,139)
<i>Total Revenues</i>	<u>2,157,305</u>	<u>2,307,305</u>	<u>2,339,486</u>	<u>32,181</u>
Expenditures				
Capital Outlay	2,792,499	2,792,499	1,740,551	1,051,948
Debt Service:				
Principal Retirement	2,970,000	2,970,000	2,970,000	0
Interest and Fiscal Charges	59,107	59,107	7,612	51,495
Total Debt Service	<u>3,029,107</u>	<u>3,029,107</u>	<u>2,977,612</u>	<u>51,495</u>
<i>Total Expenditures</i>	<u>5,821,606</u>	<u>5,821,606</u>	<u>4,718,163</u>	<u>1,103,443</u>
<i>Excess of Revenues Under Expenditures</i>	(3,664,301)	(3,514,301)	(2,378,677)	1,135,624
Other Financing Sources				
Notes Issued	2,770,000	2,770,000	2,770,000	0
<i>Net Change in Fund Balance</i>	(894,301)	(744,301)	391,323	1,135,624
<i>Fund Balance Beginning of Year</i>	379,346	379,346	379,346	0
Prior Year Encumbrances Appropriated	404,121	404,121	404,121	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$110,834)</u>	<u>\$39,166</u>	<u>\$1,174,790</u>	<u>\$1,135,624</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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest	\$100	\$100	\$6,428	\$6,328
Charges for Services	2,989,400	2,989,400	3,055,482	66,082
OWDA Loan Proceeds	0	13,000,000	8,248,331	(4,751,669)
Notes Issued	350,000	350,000	0	(350,000)
Other	160,500	160,500	45,340	(115,160)
<i>Total Revenues</i>	<u>3,500,000</u>	<u>16,500,000</u>	<u>11,355,581</u>	<u>(5,144,419)</u>
Expenses				
Salaries and Wages:				
Sewer Office	76,957	76,957	64,377	12,580
Sewer Disposal Plant	638,227	663,227	657,672	5,555
Total Salaries and Wages	<u>715,184</u>	<u>740,184</u>	<u>722,049</u>	<u>18,135</u>
Fringe Benefits:				
Sewer Office	42,025	42,025	34,112	7,913
Sewer Disposal Plant	367,521	377,521	362,621	14,900
Total Fringe Benefits	<u>409,546</u>	<u>419,546</u>	<u>396,733</u>	<u>22,813</u>
Purchased Services:				
Sewer Office	73,641	73,641	60,983	12,658
Sewer Disposal Plant	618,136	968,136	875,482	92,654
Total Purchased Services	<u>691,777</u>	<u>1,041,777</u>	<u>936,465</u>	<u>105,312</u>
Materials and Supplies:				
Sewer Office	8,150	8,150	5,386	2,764
Sewer Disposal Plant	123,800	123,800	89,277	34,523
Total Materials and Supplies	<u>131,950</u>	<u>131,950</u>	<u>94,663</u>	<u>37,287</u>
Capital Outlay:				
Sewer Office	21,400	21,400	11,321	10,079
Sewer Disposal Plant	176,000	176,000	93,226	82,774
Wastewater Reserve	1,011,380	1,011,380	1,819	1,009,561
Wastewater Construction	0	13,000,000	8,248,331	4,751,669
Total Capital Outlay	<u>1,208,780</u>	<u>14,208,780</u>	<u>8,354,697</u>	<u>5,854,083</u>
Debt Service:				
Principal Retirement	1,085,000	735,000	570,000	165,000
Interest and Fiscal Charges	120,000	85,000	48,215	36,785
Total Debt Service	<u>1,205,000</u>	<u>820,000</u>	<u>618,215</u>	<u>201,785</u>
<i>Total Expenses</i>	<u>\$4,362,237</u>	<u>\$17,362,237</u>	<u>\$11,122,822</u>	<u>\$6,239,415</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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Net Change in Fund Equity</i>	(\$862,237)	(\$862,237)	\$232,759	\$1,094,996
<i>Fund Equity Beginning of Year</i>	2,130,780	2,130,780	2,130,780	0
<i>Prior Year Encumbrances Appropriated</i>	39,113	39,113	39,113	0
<i>Fund Equity End of Year</i>	\$1,307,656	\$1,307,656	\$2,402,652	\$1,094,996

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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$135,500	\$135,500	\$365,180	\$229,680
Charges for Services	22,050,000	22,050,000	20,020,380	(2,029,620)
Electric Deposits Received	25,000	25,000	30,102	5,102
Notes Issued	2,800,000	10,900,000	10,900,000	0
Other	188,500	188,500	199,205	10,705
<i>Total Revenues</i>	<u>25,199,000</u>	<u>33,299,000</u>	<u>31,514,867</u>	<u>(1,784,133)</u>
Expenses				
Salaries and Wages:				
Electric Office	134,648	134,648	132,791	1,857
Electric Distribution	863,474	863,474	840,933	22,541
Electric Plant	1,298,150	1,298,150	1,220,265	77,885
Total Salaries and Wages	<u>2,296,272</u>	<u>2,296,272</u>	<u>2,193,989</u>	<u>102,283</u>
Fringe Benefits:				
Electric Office	61,227	61,227	59,053	2,174
Electric Distribution	473,000	441,000	405,608	35,392
Electric Plant	575,663	615,663	578,593	37,070
Total Fringe Benefits	<u>1,109,890</u>	<u>1,117,890</u>	<u>1,043,254</u>	<u>74,636</u>
Purchased Services:				
Electric Office	99,294	96,794	75,343	21,451
Electric Distribution	389,337	421,337	378,125	43,212
Electric Plant	1,968,181	3,118,181	2,660,608	457,573
Total Purchased Services	<u>2,456,812</u>	<u>3,636,312</u>	<u>3,114,076</u>	<u>522,236</u>
Materials and Supplies:				
Electric Office	4,000	6,500	5,008	1,492
Electric Distribution	86,412	86,412	74,375	12,037
Electric Plant	3,045,743	2,795,743	2,565,188	230,555
Total Materials and Supplies	<u>3,136,155</u>	<u>2,888,655</u>	<u>2,644,571</u>	<u>244,084</u>
Purchased Power:				
Electric Plant	<u>\$7,000,000</u>	<u>\$10,592,000</u>	<u>\$9,314,901</u>	<u>\$1,277,099</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Capital Outlay:				
Electric Construction	\$5,399,426	\$5,399,426	\$5,399,426	\$0
Electric Capital Reserve	105,580	105,580	30,059	75,521
Electric Surplus	150,000	150,000	0	150,000
Electric Replacement and Improvement	100,000	100,000	0	100,000
Electric Office	10,574	10,574	6,209	4,365
Municipal Electric Improvement	82,378	82,378	76,816	5,562
Electric Distribution	962,969	962,969	738,657	224,312
Electric Plant	82,400	320,400	57,482	262,918
Total Capital Outlay	<u>6,893,327</u>	<u>7,131,327</u>	<u>6,308,649</u>	<u>822,678</u>
Debt Service:				
Principal Retirement	3,610,000	11,710,000	11,710,000	0
Interest and Fiscal Charges	1,443,373	1,443,373	779,631	663,742
Total Debt Service	<u>5,053,373</u>	<u>13,153,373</u>	<u>12,489,631</u>	<u>663,742</u>
Electric Deposits Returned:				
Refunds	25,000	25,000	24,353	647
Total Expenses	<u>27,970,829</u>	<u>40,840,829</u>	<u>37,133,424</u>	<u>3,707,405</u>
<i>Excess of Revenues Under Expenses</i>	(2,771,829)	(7,541,829)	(5,618,557)	1,923,272
Transfers In	961,000	961,000	0	(961,000)
Net Change in Fund Equity	(1,810,829)	(6,580,829)	(5,618,557)	962,272
<i>Fund Equity Beginning of Year</i>	3,188,187	3,188,187	3,188,187	0
Prior Year Encumbrances Appropriated	5,613,917	5,613,917	5,613,917	0
Fund Equity End of Year	<u>\$6,991,275</u>	<u>\$2,221,275</u>	<u>\$3,183,547</u>	<u>\$962,272</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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest	\$750	\$750	\$19,111	\$18,361
Charges for Services	1,893,100	1,893,100	1,762,485	(130,615)
Other	6,850	6,850	5,846	(1,004)
<i>Total Revenues</i>	<u>1,900,700</u>	<u>1,900,700</u>	<u>1,787,442</u>	<u>(113,258)</u>
Expenses				
Salaries and Wages:				
Water Office	74,707	77,707	77,231	476
Water Plant	597,227	607,227	602,103	5,124
Total Salaries and Wages	<u>671,934</u>	<u>684,934</u>	<u>679,334</u>	<u>5,600</u>
Fringe Benefits:				
Water Office	32,143	32,643	30,978	1,665
Water Plant	298,191	323,191	302,421	20,770
Total Fringe Benefits	<u>330,334</u>	<u>355,834</u>	<u>333,399</u>	<u>22,435</u>
Purchased Services:				
Water Office	45,168	50,768	42,450	8,318
Water Plant	168,014	168,014	134,294	33,720
Total Purchased Services	<u>213,182</u>	<u>218,782</u>	<u>176,744</u>	<u>42,038</u>
Materials and Supplies:				
Water Office	5,550	5,550	5,197	353
Water Plant	154,322	194,322	162,226	32,096
Total Materials and Supplies	<u>159,872</u>	<u>199,872</u>	<u>167,423</u>	<u>32,449</u>
Capital Outlay:				
Water Office	10,600	5,000	4,900	100
Water Plant	268,807	193,807	163,601	30,206
Water Construction	270,415	270,415	239,207	31,208
Water Surplus	250,000	250,000	112,000	138,000
Total Capital Outlay	<u>\$799,822</u>	<u>\$719,222</u>	<u>\$519,708</u>	<u>\$199,514</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Debt Service:				
Principal Retirement	\$280,000	\$280,000	\$280,000	\$0
Interest and Fiscal Charges	228,177	228,177	187,715	40,462
Total Debt Service	<u>508,177</u>	<u>508,177</u>	<u>467,715</u>	<u>40,462</u>
<i>Total Expenses</i>	<u>2,683,321</u>	<u>2,686,821</u>	<u>2,344,323</u>	<u>342,498</u>
<i>Net Change in Fund Equity</i>	(782,621)	(786,121)	(556,881)	229,240
<i>Fund Equity Beginning of Year</i>	867,579	867,579	867,579	0
Prior Year Encumbrances Appropriated	<u>261,243</u>	<u>261,243</u>	<u>261,243</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$346,201</u>	<u>\$342,701</u>	<u>\$571,941</u>	<u>\$229,240</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Income Taxes	\$300,000	\$300,000	\$300,000	\$0
Intergovernmental	620,000	620,000	667,934	47,934
Interest	5,500	5,500	4,927	(573)
Fines, Licenses and Permits	50	50	0	(50)
Other	4,450	4,450	35,452	31,002
<i>Total Revenues</i>	<u>930,000</u>	<u>930,000</u>	<u>1,008,313</u>	<u>78,313</u>
Expenditures				
Current:				
Transportation:				
Street Construction and Reconstruction:				
Salaries and Wages	514,678	524,917	510,794	14,123
Fringe Benefits	288,438	302,438	287,234	15,204
Purchased Services	93,825	69,586	64,560	5,026
Materials and Supplies	117,250	117,250	107,686	9,564
Capital Outlay	10,177	10,177	5,415	4,762
<i>Total Expenditures</i>	<u>1,024,368</u>	<u>1,024,368</u>	<u>975,689</u>	<u>48,679</u>
<i>Net Change in Fund Balance</i>	(94,368)	(94,368)	32,624	126,992
<i>Fund Balance Beginning of Year</i>	96,406	96,406	96,406	0
Prior Year Encumbrances Appropriated	<u>14,452</u>	<u>14,452</u>	<u>14,452</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$16,490</u></u>	<u><u>\$16,490</u></u>	<u><u>\$143,482</u></u>	<u><u>\$126,992</u></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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$50,000	\$50,000	\$52,873	\$2,873
Other	<u>0</u>	<u>0</u>	<u>1,925</u>	<u>1,925</u>
<i>Total Revenues</i>	50,000	50,000	54,798	4,798
Expenditures				
Current:				
Transportation:				
Street Construction and Reconstruction:				
Materials and Supplies	<u>98,667</u>	<u>98,667</u>	<u>73,898</u>	<u>24,769</u>
<i>Net Change in Fund Balance</i>	(48,667)	(48,667)	(19,100)	29,567
<i>Fund Balance Beginning of Year</i>	41,474	41,474	41,474	0
Prior Year Encumbrances Appropriated	<u>8,667</u>	<u>8,667</u>	<u>8,667</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,474</u></u>	<u><u>\$1,474</u></u>	<u><u>\$31,041</u></u>	<u><u>\$29,567</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$149,400	\$120,000	\$125,396	\$5,396
Income Taxes	266,524	330,000	330,000	0
Intergovernmental	24,876	30,800	30,473	(327)
<i>Total Revenues</i>	<u>440,800</u>	<u>480,800</u>	<u>485,869</u>	<u>5,069</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police Disability and Pension:				
Fringe Benefits	210,000	230,000	228,813	1,187
Fire Disability and Pension:				
Fringe Benefits	<u>230,000</u>	<u>250,400</u>	<u>250,391</u>	<u>9</u>
<i>Total Expenditures</i>	<u>440,000</u>	<u>480,400</u>	<u>479,204</u>	<u>1,196</u>
<i>Net Change in Fund Balance</i>	800	400	6,665	6,265
<i>Fund Balance Beginning of Year</i>	<u>4,171</u>	<u>4,171</u>	<u>4,171</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,971</u></u>	<u><u>\$4,571</u></u>	<u><u>\$10,836</u></u>	<u><u>\$6,265</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	<u>\$175,000</u>	<u>\$175,000</u>	<u>\$159,764</u>	<u>(\$15,236)</u>
Expenditures				
Current:				
Public Health Services:				
Ambulance:				
Salaries and Wages	150,000	150,000	90,045	59,955
Purchased Services	0	4,000	3,985	15
Materials and Supplies	<u>102,044</u>	<u>102,048</u>	<u>76,883</u>	<u>25,165</u>
<i>Total Expenditures</i>	<u>252,044</u>	<u>256,048</u>	<u>170,913</u>	<u>85,135</u>
<i>Net Change in Fund Balance</i>	(77,044)	(81,048)	(11,149)	69,899
<i>Fund Balance Beginning of Year</i>	76,383	76,383	76,383	0
Prior Year Encumbrances Appropriated	<u>2,044</u>	<u>2,044</u>	<u>2,044</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$1,383</u></u>	<u><u>(\$2,621)</u></u>	<u><u>\$67,278</u></u>	<u><u>\$69,899</u></u>

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Cemetery Fund
For the Year Ended December 31, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Income Taxes	\$310,000	\$330,000	\$330,000	\$0
Interest	25,000	25,000	45,565	20,565
Charges for Services	105,000	105,000	161,139	56,139
<i>Total Revenues</i>	<u>440,000</u>	<u>460,000</u>	<u>536,704</u>	<u>76,704</u>
Expenditures				
Current:				
Public Health Services:				
Cemetery:				
Salaries and Wages	265,522	273,022	272,352	670
Fringe Benefits	157,177	166,177	159,889	6,288
Purchased Services	15,080	15,800	13,508	2,292
Materials and Supplies	25,874	25,874	23,243	2,631
Capital Outlay	2,000	3,000	2,075	925
Other	0	35,000	32,500	2,500
<i>Total Expenditures</i>	<u>465,653</u>	<u>518,873</u>	<u>503,567</u>	<u>15,306</u>
<i>Net Change in Fund Balance</i>	(25,653)	(58,873)	33,137	92,010
<i>Fund Balance Beginning of Year</i>	631,210	631,210	631,210	0
Prior Year Encumbrances Appropriated	<u>606</u>	<u>606</u>	<u>606</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$606,163</u></u>	<u><u>\$572,943</u></u>	<u><u>\$664,953</u></u>	<u><u>\$92,010</u></u>

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Revolving Loan Fund
For the Year Ended December 31, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$500	\$500	\$928	\$428
Other	<u>61,500</u>	<u>61,500</u>	<u>64,991</u>	<u>3,491</u>
<i>Total Revenues</i>	62,000	62,000	65,919	3,919
Expenditures				
Current:				
Community Environment:				
Other Community Environment:				
Purchased Services	<u>65,000</u>	<u>65,000</u>	<u>27,050</u>	<u>37,950</u>
<i>Net Change in Fund Balance</i>	(3,000)	(3,000)	38,869	41,869
<i>Fund Balance Beginning of Year</i>	<u>94,052</u>	<u>94,052</u>	<u>94,052</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$91,052</u></u>	<u><u>\$91,052</u></u>	<u><u>\$132,921</u></u>	<u><u>\$41,869</u></u>

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Law Enforcement Fund
For the Year Ended December 31, 2007

	<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:				
Security of Persons and Property:				
Drug Law Enforcement:				
Materials and Supplies	12,400	12,400	0	12,400
<i>Net Change in Fund Balance</i>	(12,400)	(12,400)	0	12,400
<i>Fund Balance Beginning of Year</i>	12,485	12,485	12,485	0
<i>Fund Balance End of Year</i>	<u>\$85</u>	<u>\$85</u>	<u>\$12,485</u>	<u>\$12,400</u>

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Block Grant Fund
For the Year Ended December 31, 2007

	<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	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>427</u>	<u>427</u>	<u>427</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$427</u></u>	<u><u>\$427</u></u>	<u><u>\$427</u></u>	<u><u>\$0</u></u>

City of Dover, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines, Licenses and Permits	\$1,500	\$1,500	\$3,336	\$1,836
Expenditures				
Current:				
Security of Persons and Property:				
Enforcement and Education:				
Materials and Supplies	<u>22,000</u>	<u>22,000</u>	<u>330</u>	<u>21,670</u>
<i>Net Change in Fund Balance</i>	(20,500)	(20,500)	3,006	23,506
<i>Fund Balance Beginning of Year</i>	<u>20,789</u>	<u>20,789</u>	<u>20,789</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$289</u></u>	<u><u>\$289</u></u>	<u><u>\$23,795</u></u>	<u><u>\$23,506</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, 2007

	<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>1,000</u>	<u>1,000</u>	<u>0</u>	<u>1,000</u>
<i>Net Change in Fund Balance</i>	(1,000)	(1,000)	0	1,000
<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>\$1,737</u></u>	<u><u>\$1,737</u></u>	<u><u>\$2,737</u></u>	<u><u>\$1,000</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$100,000	\$100,000	\$53,000	(\$47,000)
Expenditures				
Capital Outlay	<u>100,000</u>	<u>100,000</u>	<u>53,000</u>	<u>47,000</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$300,000	\$331,247	\$204,835	(\$126,412)
Expenditures				
Capital Outlay	<u>576,798</u>	<u>576,798</u>	<u>230,081</u>	<u>346,717</u>
<i>Net Change in Fund Balance</i>	(276,798)	(245,551)	(25,246)	220,305
<i>Fund Balance (Deficit) Beginning of Year</i>	(214,304)	(214,304)	(214,304)	0
Prior Year Encumbrances Appropriated	<u>245,551</u>	<u>245,551</u>	<u>245,551</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$245,551)</u></u>	<u><u>(\$214,304)</u></u>	<u><u>\$6,001</u></u>	<u><u>\$220,305</u></u>

City of Dover, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Employee Health Insurance Fund
For the Year Ended December 31, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$1,500,000	\$1,800,000	\$1,597,564	(\$202,436)
Other	<u>0</u>	<u>0</u>	<u>109,109</u>	<u>109,109</u>
<i>Total Revenues</i>	1,500,000	1,800,000	1,706,673	(93,327)
Expenses				
Claims	<u>1,500,000</u>	<u>1,800,000</u>	<u>1,726,053</u>	<u>73,947</u>
<i>Net Change in Fund Equity</i>	0	0	(19,380)	(19,380)
<i>Fund Equity Beginning of Year</i>	<u>25,452</u>	<u>25,452</u>	<u>25,452</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$25,452</u></u>	<u><u>\$25,452</u></u>	<u><u>\$6,072</u></u>	<u><u>(\$19,380)</u></u>

City of Dover, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Cemetery Interment Fund
For the Year Ended December 31, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Deposits for Burial Expenses	\$10,000	\$10,000	\$19,070	\$9,070
Interest	15,000	15,000	10,310	(4,690)
<i>Total Revenues</i>	25,000	25,000	29,380	4,380
Expenses				
Current:				
Public Health Services:				
Cemetery:				
Other	50,000	50,000	17,839	32,161
<i>Net Change in Fund Equity</i>	(25,000)	(25,000)	11,541	36,541
<i>Fund Equity Beginning of Year</i>	207,586	207,586	207,586	0
<i>Fund Equity End of Year</i>	<u>\$182,586</u>	<u>\$182,586</u>	<u>\$219,127</u>	<u>\$36,541</u>

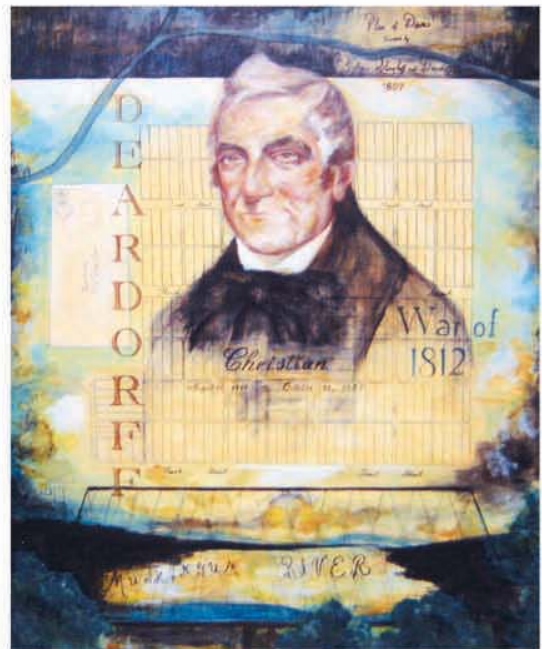
This Page Intentionally Left Blank.

STATISTICAL SECTION



The canal scene was painted by Harley Sefert of New Philadelphia, Ohio, a life long artist has studied under many nationally known artists. His capture of the canal marks a most productive time in Dover's history. Dover was home to the only canal tolling station. During the time of the canal's use was one of the growth of many mills which gave Dover the name of "The Iron City."

Peggy Sibila, a lifelong Dover resident, and a self taught artist was chosen to paint Christian Deardorff. Deardorff founded Dover in 1806 and platted the City in 1807. He served as the first postmaster of Dover and remained a resident for many years. Peggy has committed herself to promoting the arts of the area and has shown locally.



STATISTICAL SECTION



The Dover City Park system added the pond that is depicted by artist Joyce Wilson of New Philadelphia, Ohio in 2002. The pond is stocked with aquatic wildlife, and a walking path surrounds the pond, along with benches for relaxation.



Dover is home to the 1485th Transportation Group headquarters unit of the National Guard. The 1485th served its country in 2003. Over 2,000 people gathered in the streets to say goodbye and thank you to the 171 soldiers of unit who were called up for one year of service. Local artist Tom Armstrong of Dover depicted the logo to commemorate the unit.

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 Seven Years
(Accrual Basis of Accounting)

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Governmental Activities			
Invested in Capital Assets, Net of Related Debt	\$13,312,076	\$13,612,852	\$13,229,586
Restricted	3,946,056	2,311,499	2,689,957
Unrestricted	<u>281,189</u>	<u>12,369</u>	<u>199,864</u>
<i>Total Governmental Activities Net Assets</i>	<u>17,539,321</u>	<u>15,936,720</u>	<u>16,119,407</u>
Business Type - Activities			
Invested in Capital Assets, Net of Related Debt	21,145,608	23,207,592	18,955,375
Restricted	4,188,957	3,967,516	3,812,435
Unrestricted	<u>8,802,130</u>	<u>7,476,271</u>	<u>9,078,102</u>
<i>Total Business-Type Activities Net Assets</i>	<u>34,136,695</u>	<u>34,651,379</u>	<u>31,845,912</u>
Primary Government			
Invested in Capital Assets, Net of Related Debt	34,457,684	36,820,444	32,184,961
Restricted	8,135,013	6,279,015	6,502,392
Unrestricted	<u>9,083,319</u>	<u>7,488,640</u>	<u>9,277,966</u>
<i>Total Primary Government Net Assets</i>	<u>\$51,676,016</u>	<u>\$50,588,099</u>	<u>\$47,965,319</u>

2004	2003	2002	2001
\$13,232,374	\$12,462,498	\$11,704,571	\$10,878,439
2,290,983	3,074,163	1,729,383	1,783,836
227,630	352,507	3,010,884	3,059,539
15,750,987	15,889,168	16,444,838	15,721,814
17,905,575	20,041,144	18,665,629	19,776,491
4,137,860	4,718,108	4,269,181	4,690,504
8,818,043	6,473,109	8,228,061	7,083,777
30,861,478	31,232,361	31,162,871	31,550,772
31,137,949	32,503,642	30,370,200	30,654,930
6,428,843	7,792,271	5,998,564	6,474,340
9,045,673	6,825,616	11,238,945	10,143,316
\$46,612,465	\$47,121,529	\$47,607,709	\$47,272,586

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

	2007	2006	2005
Program Revenues			
Governmental Activities:			
Charges for Services:			
General Government	\$0	\$24,207	\$24,025
Security of Persons and Property	55,318	82,473	100,455
Transportation	0	0	6
Public Health Services	339,393	319,218	341,713
Community Environment	0	23,796	20,524
Basic Utility Services	496,765	515,941	426,042
Leisure Time Activities	144,707	78,897	84,998
Subtotal - Charges for Services	<u>1,036,183</u>	<u>1,044,532</u>	<u>997,763</u>
Operating Grants and Contributions:			
Security of Persons and Property	0	10,847	8,978
Transportation	715,192	806,875	780,801
Public Health Services	0	0	65,538
Subtotal - Operating Grants and Contributions	<u>715,192</u>	<u>817,722</u>	<u>855,317</u>
Capital Grants and Contributions:			
Security of Persons and Property	0	0	0
Transportation	0	0	0
Community Environment	257,835	404,216	640,088
Leisure Time Activities	78,600	0	0
	<u>336,435</u>	<u>404,216</u>	<u>640,088</u>
<i>Total Governmental Activities Program Revenues</i>	<u>2,087,810</u>	<u>2,266,470</u>	<u>2,493,168</u>
Business-Type Activities:			
Charges for Services:			
Sewer	3,132,570	2,889,367	2,720,284
Electric	20,145,313	18,299,853	15,559,521
Water	1,701,213	1,785,102	1,757,607
Subtotal - Charges for Services	<u>24,979,096</u>	<u>22,974,322</u>	<u>20,037,412</u>
Capital Grants and Contributions			
Sewer	0	0	132,955
Water	0	0	179,644
Subtotal - Capital Grants and Contributions	<u>0</u>	<u>0</u>	<u>312,599</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>24,979,096</u>	<u>22,974,322</u>	<u>20,350,011</u>
<i>Total Primary Government Program Revenues</i>	<u>\$27,066,906</u>	<u>\$25,240,792</u>	<u>\$22,843,179</u>

2004	2003	2002	2001
\$24,917	\$24,779	\$40,206	\$21,521
92,138	69,315	109,674	58,576
12	0	1,308	0
283,036	239,944	241,210	184,286
23,059	20,632	21,122	22,989
424,740	444,926	418,426	412,544
72,478	59,852	67,845	72,243
920,380	859,448	899,791	772,159
0	0	0	0
413,393	539,613	456,671	455,451
285,005	0	0	0
698,398	539,613	456,671	455,451
0	0	20,607	0
0	261,000	262,000	293,873
202,273	39,600	39,600	37,800
0	0	0	0
202,273	300,600	322,207	331,673
1,821,051	1,699,661	1,678,669	1,559,283
2,429,520	2,326,892	1,900,129	1,341,492
13,946,111	13,443,971	13,382,771	12,748,852
1,704,158	1,895,600	1,762,441	1,735,530
18,079,789	17,666,463	17,045,341	15,825,874
8,166	93,732	44,472	105,541
29,993	119,225	53,220	88,273
38,159	212,957	97,692	193,814
18,117,948	17,879,420	17,143,033	16,019,688
\$19,938,999	\$19,579,081	\$18,821,702	\$17,578,971

(continued)

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

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Expenses			
Governmental Activities:			
General Government	\$1,421,425	\$1,098,324	\$1,053,903
Security of Persons and Property	4,114,123	3,845,604	3,799,383
Transportation	1,886,315	1,355,383	1,539,960
Public Health Services	734,164	616,158	685,021
Community Environment	406,736	454,646	462,327
Basic Utility Services	578,515	433,167	423,012
Leisure Time Activities	861,788	666,868	647,646
Interest and Fiscal Charges	1,468	164,594	33,675
<i>Total Governmental Activities Expenses</i>	<u>10,004,534</u>	<u>8,634,744</u>	<u>8,644,927</u>
Business-Type Activities			
Sewer	2,321,173	2,112,304	2,005,511
Electric	21,582,963	18,228,596	17,121,282
Water	2,326,837	1,517,568	1,881,816
<i>Total Business-Type Activities Expenses</i>	<u>26,230,973</u>	<u>21,858,468</u>	<u>21,008,609</u>
<i>Total Primary Government Expenses</i>	<u>36,235,507</u>	<u>30,493,212</u>	<u>29,653,536</u>
Net (Expense)/Revenue			
Governmental Activities	(7,916,724)	(6,368,274)	(6,151,759)
Business-Type Activities	(1,251,877)	1,115,854	(658,598)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$9,168,601)</u>	<u>(\$5,252,420)</u>	<u>(\$6,810,357)</u>

2004	2003	2002	2001
\$1,030,940	\$1,210,455	\$969,886	\$843,700
3,492,242	3,687,742	3,104,690	2,961,926
1,323,868	1,056,544	1,296,099	421,984
645,274	547,149	483,663	459,964
590,541	91,624	82,789	72,811
459,082	360,112	361,789	441,833
602,131	658,363	540,740	599,834
51,326	62,513	119,045	94,682
<u>8,195,404</u>	<u>7,674,502</u>	<u>6,958,701</u>	<u>5,896,734</u>
1,857,449	1,826,540	1,732,960	1,786,036
14,883,421	14,672,954	13,961,954	13,217,704
<u>2,574,878</u>	<u>2,062,920</u>	<u>1,999,392</u>	<u>2,029,701</u>
<u>19,315,748</u>	<u>18,562,414</u>	<u>17,694,306</u>	<u>17,033,441</u>
<u>27,511,152</u>	<u>26,236,916</u>	<u>24,653,007</u>	<u>22,930,175</u>
(6,374,353)	(5,974,841)	(5,280,032)	(4,337,451)
<u>(1,197,800)</u>	<u>(682,994)</u>	<u>(551,273)</u>	<u>(1,013,753)</u>
<u>(\$7,572,153)</u>	<u>(\$6,657,835)</u>	<u>(\$5,831,305)</u>	<u>(\$5,351,204)</u>

(continued)

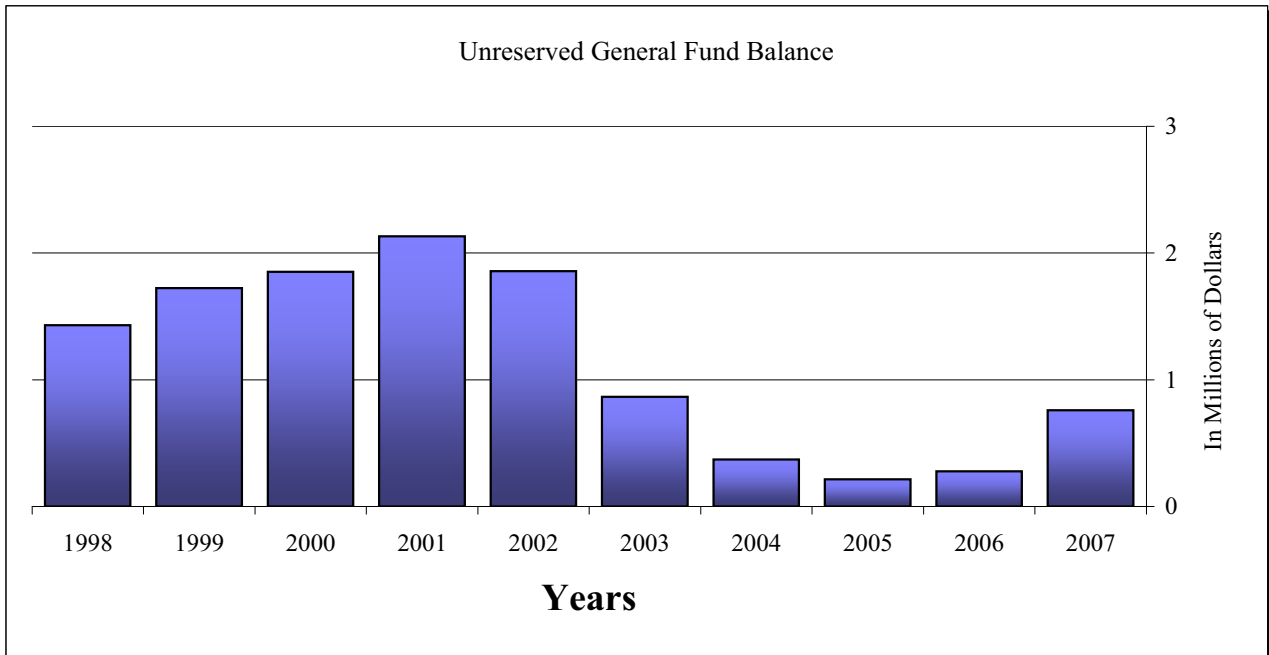
City of Dover, Ohio
Changes in Net Assets (continued)
Last Seven Years
(Accrual Basis of Accounting)

	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Revenues			
Governmental Activities			
Taxes:			
Property Taxes Levied For:			
General Purposes	\$1,032,747	\$1,041,905	\$1,013,703
Police and Fire Pension	126,312	155,395	147,803
Income Taxes levied for:			
General Purposes	2,507,749	2,119,470	2,204,050
Street Maintenance and Repair	312,374	243,398	362,831
Cemetery	341,515	305,224	311,280
Police and Fire Pension	347,105	278,085	313,730
Capital Outlay	2,577,460	705,775	749,608
Grants and Entitlements not Restricted to Specific Programs	1,708,557	1,785,908	1,711,617
Investment Income	319,702	174,285	186,319
Miscellaneous	245,804	126,142	119,238
<i>Total Governmental Activities</i>	<u>9,519,325</u>	<u>6,935,587</u>	<u>7,120,179</u>
Business-Type Activities			
Investment Income	490,570	442,634	122,992
Miscellaneous	246,623	496,979	920,040
<i>Total Business-Type Activities</i>	<u>737,193</u>	<u>939,613</u>	<u>1,043,032</u>
<i>Total Primary Government General Revenues</i>	<u>10,256,518</u>	<u>7,875,200</u>	<u>8,163,211</u>
Transfers			
Governmental Activities	0	(650,000)	(600,000)
Business-Type Activities	0	650,000	600,000
Change in Net Assets			
Governmental Activities	1,602,601	(82,687)	368,420
Business-Type Activities	(514,684)	2,705,467	984,434
<i>Total Primary Government Change in Net Assets</i>	<u>\$1,087,917</u>	<u>\$2,622,780</u>	<u>\$1,352,854</u>

2004	2003	2002	2001
\$926,655	\$922,657	\$960,839	\$954,208
139,826	136,848	109,480	96,874
1,955,294	1,481,810	1,035,582	1,341,848
355,425	371,883	316,752	343,511
290,001	232,810	198,297	215,048
301,522	278,556	237,261	257,304
641,075	1,088,144	1,192,437	1,355,768
1,865,282	1,136,833	1,545,024	1,807,058
106,991	171,851	313,767	361,563
133,753	118,164	86,492	168,593
6,715,824	5,939,556	5,995,931	6,901,775
68,639	37,128	85,604	312,792
278,626	194,971	84,893	67,787
347,265	232,099	170,497	380,579
7,063,089	6,171,655	6,166,428	7,282,354
(579,652)	(520,385)	7,125	11,325
579,652	520,385	(7,125)	(11,325)
(238,181)	(555,670)	723,024	2,575,649
(270,883)	69,490	(387,901)	(644,499)
(\$509,064)	(\$486,180)	\$335,123	\$1,931,150

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

	2007	2006	2005	2004
General Fund				
Reserved	\$42,249	\$22,292	\$29,998	\$19,265
Unreserved	759,758	277,213	213,625	371,280
Total General Fund	<u>802,007</u>	<u>299,505</u>	<u>243,623</u>	<u>390,545</u>
All Other Governmental Funds				
Reserved	688,582	967,528	562,989	201,187
Unreserved, Undesignated (Deficit), Reported in:				
Special Revenue Funds	1,112,140	955,905	836,398	1,238,929
Capital Projects Funds	1,023,428	(147,694)	807,721	616,736
Total All Other Governmental Funds	<u>2,824,150</u>	<u>1,775,739</u>	<u>2,207,108</u>	<u>2,056,852</u>
Total Governmental Funds	<u><u>\$3,626,157</u></u>	<u><u>\$2,075,244</u></u>	<u><u>\$2,450,731</u></u>	<u><u>\$2,447,397</u></u>



2003	2002	2001	2000	1999	1998
\$56,173	\$87,425	\$143,836	\$144,412	\$77,836	\$103,305
865,044	1,856,975	2,132,412	1,850,975	1,722,337	1,430,716
921,217	1,944,400	2,276,248	1,995,387	1,800,173	1,534,021
242,876	463,459	192,979	673,157	530,643	235,566
1,426,594	1,529,433	1,357,739	1,302,374	1,315,568	1,354,906
931,630	1,066,092	1,240,614	355,721	509,393	719,280
2,601,100	3,058,984	2,791,332	2,331,252	2,355,604	2,309,752
<u>\$3,522,317</u>	<u>\$5,003,384</u>	<u>\$5,067,580</u>	<u>\$4,326,639</u>	<u>\$4,155,777</u>	<u>\$3,843,773</u>

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

	2007	2006	2005	2004
Revenues				
Property Taxes	\$1,156,640	\$1,190,154	\$1,164,720	\$1,056,781
Income Taxes	5,692,860	3,855,822	3,759,707	3,461,933
Intergovernmental	2,958,335	2,946,020	3,041,171	2,796,069
Interest	319,702	174,285	186,319	106,991
Fines, Licenses and Permits	55,318	53,418	54,106	53,242
Charges for Services	962,375	989,636	943,280	866,364
Contributions and Donations	78,600	0	0	0
Other	245,804	126,142	115,022	132,767
<i>Total Revenues</i>	<u>11,469,634</u>	<u>9,335,477</u>	<u>9,264,325</u>	<u>8,474,147</u>
Expenditures				
Current:				
General Government	1,237,668	1,063,197	1,032,690	1,021,408
Security of Persons and Property	3,787,088	3,584,484	3,448,079	3,346,954
Transportation	1,067,923	934,808	998,710	914,163
Public Health Services	685,428	653,822	673,682	639,736
Community Environment	107,893	116,239	105,040	600,399
Basic Utilities Services	578,515	433,167	423,012	459,082
Leisure Time Activities	710,690	610,942	599,512	566,443
Capital Outlay	1,522,384	1,517,533	1,212,199	1,267,063
Debt Service:				
Principal Retirement	205,511	55,284	105,066	4,858
Interest and Fiscal Charges	15,621	121,795	63,001	51,378
<i>Total Expenditures</i>	<u>9,918,721</u>	<u>9,091,271</u>	<u>8,660,991</u>	<u>8,871,484</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,550,913</u>	<u>244,206</u>	<u>603,334</u>	<u>(397,337)</u>
Other Financing Sources (Uses)				
Notes Issued	2,370,000	2,570,000	2,520,000	0
Premium on Debt Issuance	0	30,307	0	0
Payment to Refund Notes	(2,370,000)	(2,570,000)	(2,520,000)	0
Sale of Capital Assets	0	0	0	0
Transfers In	0	0	0	0
Transfers Out	0	(650,000)	(600,000)	(677,583)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(619,693)</u>	<u>(600,000)</u>	<u>(677,583)</u>
<i>Net Change in Fund Balances</i>	<u>\$1,550,913</u>	<u>(\$375,487)</u>	<u>\$3,334</u>	<u>(\$1,074,920)</u>
Debt Service as a Percentage of Noncapital Expenditures	2.4%	2.2%	2.0%	0.7%

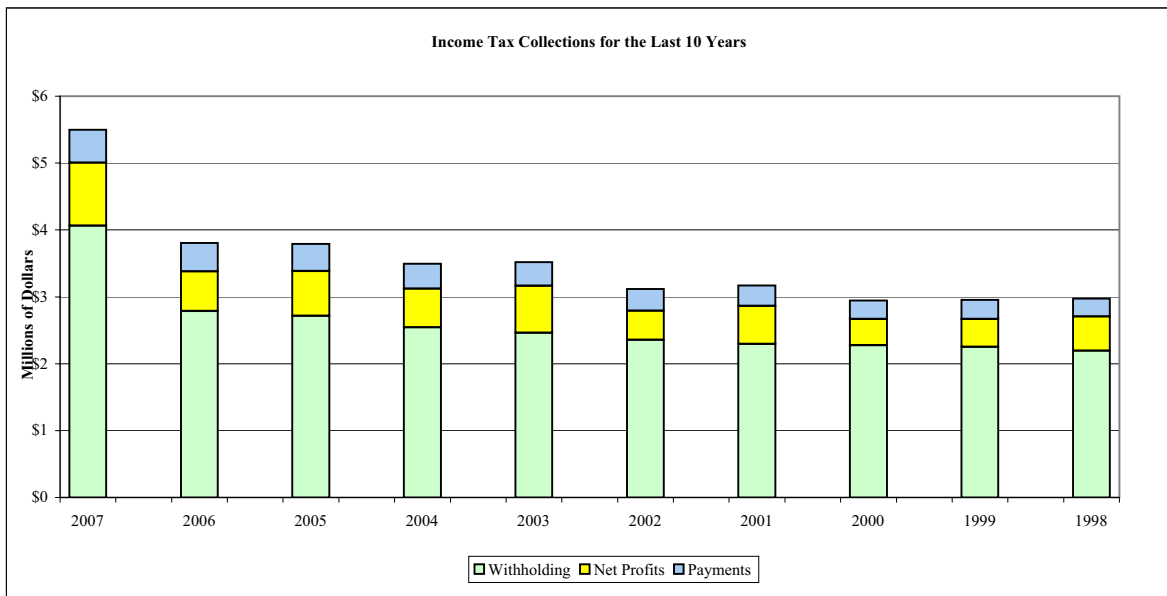
2003	2002	2001	2000	1999	1998
\$1,079,529	\$1,074,537	\$1,085,340	\$1,021,544	\$1,036,507	\$937,173
3,391,790	3,043,487	3,244,546	2,952,177	2,872,820	2,967,746
2,162,986	1,999,867	2,460,283	1,882,015	2,011,438	1,621,328
171,846	313,754	360,939	548,870	455,570	403,413
51,425	72,000	45,379	59,390	40,413	39,762
802,403	838,405	726,780	717,037	746,935	792,418
0	0	0	0	0	0
117,508	86,121	167,420	78,917	126,664	210,873
<u>7,777,487</u>	<u>7,428,171</u>	<u>8,090,687</u>	<u>7,259,950</u>	<u>7,290,347</u>	<u>6,972,713</u>
1,079,208	959,875	901,024	879,066	904,920	692,029
3,391,342	3,192,292	3,000,283	2,815,614	2,775,270	2,632,752
913,496	820,998	798,741	770,247	811,161	736,070
521,479	477,570	433,842	411,135	445,731	350,175
89,066	70,183	68,294	63,742	59,935	65,979
360,112	361,789	375,863	321,642	341,845	361,484
588,496	578,440	571,899	520,448	512,853	495,150
1,746,083	919,272	1,116,398	1,234,808	1,036,425	1,151,032
0	0	0	0	0	0
65,925	119,073	94,727	104,386	116,203	116,373
<u>8,755,207</u>	<u>7,499,492</u>	<u>7,361,071</u>	<u>7,121,088</u>	<u>7,004,343</u>	<u>6,601,044</u>
<u>(977,720)</u>	<u>(71,321)</u>	<u>729,616</u>	<u>138,862</u>	<u>286,004</u>	<u>371,669</u>
0	0	0	0	0	0
17,038	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
7,454	103,114	58,395	78,415	75,460	86,180
<u>(527,839)</u>	<u>(95,989)</u>	<u>(47,070)</u>	<u>(46,415)</u>	<u>(49,460)</u>	<u>(51,180)</u>
<u>(503,347)</u>	<u>7,125</u>	<u>11,325</u>	<u>32,000</u>	<u>26,000</u>	<u>35,000</u>
<u>(\$1,481,067)</u>	<u>(\$64,196)</u>	<u>\$740,941</u>	<u>\$170,862</u>	<u>\$312,004</u>	<u>\$406,669</u>
0.9%	1.9%	1.7%	1.5%	1.8%	1.9%

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

Tax Year	Tax Rate	Total Tax Collected (1)	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
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
1999	1.00	2,955,289	2,253,628	76.26	416,054	14.08	285,607	9.66
1998	1.00	2,973,888	2,195,822	73.84	509,873	17.14	268,193	9.02

Source: City Income Tax Department

(1) Gross Collections - Cash Basis of Accounting



This page intentionally left blank.

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

	2007	2006	2005	2004
Electric Sold (MWH) (000)				
Residential	58,317	55,846	57,161	53,935
Commercial	24,942	24,392	25,913	25,742
Industrial	139,024	134,977	129,454	123,696
Total	<u>222,283</u>	<u>215,215</u>	<u>212,528</u>	<u>203,373</u>
 Number of Customers				
Residential	5,741	5,714	5,692	5,704
Commercial	846	840	842	865
Industrial	119	117	115	112
Total	<u>6,706</u>	<u>6,671</u>	<u>6,649</u>	<u>6,681</u>

2003	2002	2001	2000	1999	1998
52,773	55,496	51,525	49,168	49,874	48,990
25,554	25,930	24,709	24,507	24,430	25,458
116,989	121,233	118,972	121,208	118,725	110,744
<u>195,316</u>	<u>202,659</u>	<u>195,206</u>	<u>194,883</u>	<u>193,029</u>	<u>185,192</u>
5,635	5,579	5,469	5,424	5,385	5,334
862	856	849	834	807	802
112	106	105	101	101	98
<u>6,609</u>	<u>6,541</u>	<u>6,423</u>	<u>6,359</u>	<u>6,293</u>	<u>6,234</u>

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

Type of Customer:	2007	2006	2005	2004
Residential:				
Customer Charge	\$5.97000	\$5.97000	\$5.97000	\$5.97000
First 800 KWH	0.06107	0.06107	0.05310	0.05310
Next 700 KWH - per KWH	0.05609	0.05609	0.04877	0.04877
All Over 1500 KWH - per KWH	0.04950	0.04950	0.04304	0.04304
Commercial:				
Customer Charge	5.97000	5.97000	5.97000	5.97000
First 50 KWH per KW of demand - per KWH	0.09900	0.09900	0.08609	0.08609
Next 150 KWH per KW of demnd - per KWH				
First 3,000 KWH per KWH	0.07997	0.07997	0.06954	0.06954
Over 3,000 KWH per KWH	0.05970	0.05970	0.05191	0.05191
For all remaining KWH per KWH	0.04701	0.04701	0.04088	0.04088
Industrial (per KVA):				
Minimum Charge - per KVA of demand	2.75000	2.75000	2.75000	2.75000
First 30 KWH, per KVA of demand - per KWH	0.12189	0.12189	0.10599	0.10599
Next 170 KWH per KVA of demand				
2,000 KWH - per KWH	0.08010	0.08010	0.06965	0.06965
8,000 KWH - per KWH	0.06765	0.06765	0.05883	0.05883
90,000 KWH - per KWH	0.05597	0.05597	0.04867	0.04867
Over 100,000 KWH - per KWH	0.04801	0.04801	0.04175	0.04175
Over 200 KWH per KVA of demand				
First 200,000 KWH - per KWH	0.03842	0.03842	0.03341	0.03341
All remaining KWH - per KWH	0.03283	0.03283	0.02855	0.02855

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

2003	2002	2001	2000	1999	1998
\$5.97000	\$5.97000	\$5.97000	\$5.97000	\$5.97000	\$5.97000
0.05310	0.05310	0.05310	0.05310	0.05310	0.05310
0.04877	0.04877	0.04877	0.04877	0.04877	0.04877
0.04304	0.04304	0.04304	0.04304	0.04304	0.04304
5.97000	5.97000	5.97000	5.97000	5.97000	5.97000
0.08609	0.08609	0.08609	0.08609	0.08609	0.08609
0.06954	0.06954	0.06954	0.06954	0.06954	0.06954
0.05191	0.05191	0.05191	0.05191	0.05191	0.05191
0.04088	0.04088	0.04088	0.04088	0.04088	0.04088
2.75000	2.75000	2.75000	2.75000	2.75000	2.75000
0.10599	0.10599	0.10599	0.10599	0.10599	0.10599
0.06965	0.06965	0.06965	0.06965	0.06965	0.06965
0.05883	0.05883	0.05883	0.05883	0.05883	0.05883
0.04867	0.04867	0.04867	0.04867	0.04867	0.04867
0.04175	0.04175	0.04175	0.04175	0.04175	0.04175
0.03341	0.03341	0.03341	0.03341	0.03341	0.03341
0.02855	0.02855	0.02855	0.02855	0.02855	0.02855

City of Dover, Ohio
Principal Electric Customers
2007 and 2004 (1)

Customer	2007	
	MWH Sold	
Arizona Chemical Corporation	23,438,400	10.54 %
Dover Chemical Corporation	21,226,700	9.55
Allied Machine and Engineering	8,919,500	4.01
Union Hospital	8,567,100	3.85
Meteor Sealing Systems	5,393,015	2.43
INCA Presswood Pallets Ltd	5,982,000	2.69
Zimmer Patient Care Division	5,106,990	2.30
Buehlers Food Market Incorporated	3,896,500	1.75
Giant Eagle	3,850,000	1.73
Rolite Plastics Inc	3,799,800	1.71
Totals	<u>90,180,005</u>	<u>40.57 %</u>
Total MWH Sold	<u>222,283,000</u>	

Customer	2004	
	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	3.95
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>	

(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	
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
1999	2,870,000	715,337,268	0.40	211		328,995
1998	2,695,000	708,244,977	0.38	199		332,931
Business-Type Activities						
Year	General Obligation Bonds	Revenue Bonds	Bond Anticipation Notes	Total Debt (2)	Percentage of Personal Income (1)	Per Capita (1)
2007	\$260,000	\$14,434,531	\$8,100,000	\$25,855,597	10.03 %	\$1,898
2006	455,000	15,276,476	8,750,000	27,748,053	10.79	2,043
2005	640,000	16,108,419	6,000,000	25,770,280	10.09	1,910
2004	815,000	13,907,216	6,500,000	24,349,143	9.65	1,827
2003	985,000	13,855,000	5,750,000	23,721,785	9.19	1,739
2002	1,205,000	13,530,000	6,250,000	23,851,142	9.26	1,754
2001	1,415,000	13,980,000	6,650,000	24,835,607	9.67	1,830
2000	1,620,000	14,415,000	4,950,000	23,979,889	9.43	1,785
1999	1,820,000	14,830,000	5,250,000	25,098,995	14.37	1,841
1998	2,015,000	15,220,000	0	20,262,931	11.65	1,493

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, 2007

	<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	\$2,770,000	100.00 %	\$2,770,000
Police and Fire Pension	<u>291,066</u>	100.00	<u>291,066</u>
Total Direct Debt	<u>3,061,066</u>		<u>3,061,066</u>
<u>Overlapping Debt:</u>			
Payable from Property Taxes			
Dover City School District Bonds	5,596,211	70.04	3,919,586
Tuscarawas County Bond Anticipation Notes	937,000	16.17	151,513
Payable from Other Sources			
Dover City School District Capital Leases	336,016	70.04	235,346
Tuscarawas County Capital Leases	<u>12,500</u>	16.17	<u>2,021</u>
Total Overlapping Debt	<u>6,881,727</u>		<u>4,308,466</u>
Total	<u><u>\$9,942,793</u></u>		<u><u>\$7,369,532</u></u>

Source: Tuscarawas County, Ohio; County Auditor

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

This page intentionally left blank.

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

	2007	2006	2005	2004
Overall Legal Debt Limit (10.5% of Assessed Valuation)	\$28,608,566	\$28,027,064	\$28,791,693	\$28,450,248
Net Debt Applicable to Debt Limit	<u>2,770,000</u>	<u>2,970,000</u>	<u>2,620,000</u>	<u>2,720,000</u>
Overall Legal Debt Margin (10.5% of Assessed Valuation)	<u>\$25,838,566</u>	<u>\$25,057,064</u>	<u>\$26,171,693</u>	<u>\$25,730,248</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>90.32%</u>	<u>89.40%</u>	<u>90.90%</u>	<u>90.44%</u>
Unvoted Legal Debt Limit (5.5% of Assessed Valuation)	\$14,985,439	\$14,680,843	\$15,081,363	\$14,902,511
Net Debt Applicable to Debt Limit	<u>2,770,000</u>	<u>2,970,000</u>	<u>2,620,000</u>	<u>2,720,000</u>
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	<u>\$12,215,439</u>	<u>\$11,710,843</u>	<u>\$12,461,363</u>	<u>\$12,182,511</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>81.52%</u>	<u>79.77%</u>	<u>82.63%</u>	<u>81.75%</u>

Legal Debt Margin Calculation for the Year Ended December 31, 2007

	Overall Margin Within 10.5%	Unvoted Margin Within 5.5%
Assessed property value	<u>\$272,462,530</u>	<u>\$272,462,530</u>
Debt Limitation (percentage of assessed property value)	\$28,608,566	\$14,985,439
Gross Indebtedness	34,103,928	34,103,928
Less: Bond Anticipation Notes - Enterprise Funds	(8,100,000)	(8,100,000)
General Obligation Bonds - Enterprise Funds	(260,000)	(260,000)
Revenue Bonds	(14,434,531)	(14,434,531)
OWDA Loan	(8,248,331)	(8,248,331)
Police and Fire Pension	<u>(291,066)</u>	<u>(291,066)</u>
Net Debt Applicable to Debt Limit	<u>2,770,000</u>	<u>2,770,000</u>
Legal Debt Margin Within Limitations	<u>\$25,838,566</u>	<u>\$12,215,439</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.

2003	2002	2001	2000	1999	1998
\$27,162,737	\$27,224,687	\$26,729,751	\$25,300,914	\$24,722,567	\$24,485,025
<u>2,820,000</u>	<u>2,550,000</u>	<u>2,470,000</u>	<u>2,670,000</u>	<u>2,870,000</u>	<u>2,695,000</u>
<u>\$24,342,737</u>	<u>\$24,674,687</u>	<u>\$24,259,751</u>	<u>\$22,630,914</u>	<u>\$21,852,567</u>	<u>\$21,790,025</u>
89.62%	90.63%	90.76%	89.45%	88.39%	88.99%
\$14,260,550	\$14,260,550	\$14,001,298	\$13,252,860	\$12,949,916	\$12,825,489
<u>2,820,000</u>	<u>2,550,000</u>	<u>2,470,000</u>	<u>2,670,000</u>	<u>2,870,000</u>	<u>2,695,000</u>
<u>\$11,440,550</u>	<u>\$11,710,550</u>	<u>\$11,531,298</u>	<u>\$10,582,860</u>	<u>\$10,079,916</u>	<u>\$10,130,489</u>
80.23%	82.12%	82.36%	79.85%	77.84%	78.99%

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
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
1999	1,757,478	916,615	840,863	497,861	1.69
1998	1,703,231	784,225	919,006	502,514	1.83

(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
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
1999	12,504,530	10,467,573	2,036,957	970,450	2.10
1998	11,082,539	9,096,135	1,986,404	986,637	2.01

(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>
2006	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
1999	13,630	174,709,340	12,818	27,688	4.4
1998	13,570	173,940,260	12,818	27,688	4.8

(1) Estimated by the City

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

(3) Source: U. S. Census

(a) Years 2000 through 2007 - 2000 Federal Census

(b) Years 1997 through 1999 - 1990 Federal Census

(4) Ohio Department of Job and Family Services

City of Dover, Ohio

Principal Employers

2007 and 1998

2007

<u>Employer</u>	<u>Employees</u>
Union Hospital	920
Allied Machine and Engineering Corporation	460
Zimmer Patient Care Division	301
Dover City Schools	282
Buehlers Food Market Incorporated	255
Meteor Sealing Systems	222
Marlite	200
Hennis Care Center	191
City of Dover	190
New Dawn Retirement Community	181
Total	<u><u>3,202</u></u>
Total Employment within the City	<u><u>n/a</u></u>

1998

<u>Employer</u>	<u>Employees</u>
Union Hospital	600
Allied Machine and Engineering Corporation	435
Zimmer Patient Care Division	332
Dover City Schools	289
Union Camp Corporation	235
Commercial And Architectural Products	230
Buehlers Food Market Incorporated	223
Greer Steel	179
Armco	151
Bag-N-Save Foods Incorporated	133
Total	<u><u>2,807</u></u>
Total Employment within the City	<u><u>n/a</u></u>

n/a - Information not available

City of Dover, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Eight Years (1)

Function/Program	2007	2006	2005	2004
General Government				
Mayor and Council	11.0	11.0	11.0	11.5
Auditor	3.0	3.0	3.0	3.0
Treasurer	0.5	0.5	0.5	0.5
Law	1.0	1.0	1.0	1.0
Civil Service Commission	3.0	3.0	3.0	3.0
Income Tax Department	2.0	2.0	2.0	2.0
Service Director	2.5	2.5	2.5	2.5
Janitor	1.0	1.0	1.0	1.0
Shade Tree	0.0	0.0	0.5	0.5
Security of Persons and Property				
Police	23.0	23.0	23.0	23.0
Fire	18.0	16.0	16.0	16.0
Safety Director	0.5	0.5	0.5	0.5
Traffic Safety	8.5	9.5	10.5	10.5
Transportation				
Service/Street M&R	16.0	14.5	14.5	14.5
Public Health Services				
Cemetery	7.5	8.5	7.5	7.0
Community Environment				
Building	1.0	1.0	1.0	1.0
Leisure Time Activities				
Parks and Recreation	21.5	21.0	20.0	20.0
Basic Utility Services				
Sewer	16.0	17.5	17.0	18.0
Electric	39.5	42.5	42.0	43.0
Water	14.5	14.0	14.5	15.0
Totals:	<u>190.0</u>	<u>192.0</u>	<u>191.0</u>	<u>193.5</u>

Source: City of Dover, Ohio Payroll Department

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

(1) Data prior to 2000 is not available.

2003	2002	2001	2000
12.0	11.0	11.0	11.0
3.0	3.0	3.0	3.0
0.5	0.5	0.5	0.5
1.0	1.0	1.0	1.0
3.0	3.0	3.0	3.0
2.0	2.0	3.0	3.0
2.5	2.5	2.5	3.0
1.0	1.0	1.0	1.0
0.0	0.5	0.0	0.0
22.0	22.0	22.0	22.0
17.0	17.0	16.0	15.0
0.5	0.5	0.5	0.5
10.5	11.0	11.0	11.0
14.5	14.5	14.5	13.5
7.5	8.0	7.5	7.0
1.0	1.0	1.0	1.0
21.5	19.0	20.0	23.5
17.0	17.5	19.0	17.5
43.0	44.0	41.5	39.0
15.5	17.0	15.5	13.5
<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 (1)

Function/Program	2007	2006	2005
General Government			
<i>Council and Clerk</i>			
Number of Ordinances Passed	76	57	59
Number of Resolutions Passed	17	22	29
<i>Planning Commission</i>			
Number of Planning Commission docket items	18	19	22
<i>Finance Department</i>			
Number of checks/ vouchers issued	3,806	3,852	3,769
Amount of checks written	\$61,851,209	\$43,454,567	\$43,182,203
Interest earnings for fiscal year (cash basis)	\$255,612	\$129,830	\$143,896
Number of Receipts issued	518	511	533
General Fund Receipts (cash basis)	\$6,415,847	\$6,081,615	\$5,721,478
General Fund Expenditures (cash basis)	\$5,901,479	\$6,163,730	\$5,851,883
<i>Income Tax Department</i>			
Number of Business net profit forms processed	1,219	1,179	1,018
Number of Individual forms processed	2,560	2,459	2,466
Amount of Penalties and Interest Collected	\$24,223	\$22,017	\$10,859
<i>Civil Service</i>			
Number of police entry tests administered	1	0	0
Number of fire entry tests administered	1	0	0
Number of police promotional tests administered	1	1	0
Number of fire promotional tests administered	0	0	0
Number of hires of Police Officers from certified lists	0	0	0
Number of hires of Fire/Medics from certified lists	1	0	0
Number of promotions from police certified lists	2	1	0
Number of promotions from fire certified lists	0	0	0
<i>Building and Zoning</i>			
Estimated Value of Construction	\$9,562,157	\$11,867,945	\$13,716,916
Number of permits issued (all types)	290	251	211
Amount of Revenue generated from permits	\$21,987	\$14,342	\$11,397
Number of contractor licenses	205	282	289
Zoning Board of Appeals hearings	37	38	6

(1) Information for some years is not available

2004	2003	2002	2001	2000	1999	1998
62	81	66	73	78	91	77
27	12	14	13	20	16	12
21	23	20	22	19	28	31
3,822	2,664	3,985	3,841	3,959	3,845	3,661
\$37,144,990	\$36,584,280	\$30,109,669	\$33,758,267	\$23,153,468	\$27,010,683	\$25,900,390
\$92,562	\$141,486	\$221,171	\$370,265	\$400,150	\$495,579	\$387,765
525	498	728	476	542	540	613
\$5,368,211	\$4,826,541	\$4,548,997	\$5,048,181	\$4,205,243	\$4,714,202	\$4,569,704
\$5,864,617	\$5,656,883	\$4,870,002	\$4,685,516	\$4,235,995	\$4,442,850	\$3,939,108
953	914	891	869	818	794	818
2,317	2,029	1,948	1,862	1,824	1,638	1,669
\$11,135	\$9,969	\$6,177	\$5,346	\$3,075	\$4,548	\$4,167
0	1	0	1	0	1	0
1	1	0	1	0	0	0
0	1	0	0	0	1	0
0	0	0	0	0	0	0
4	3	1	0	1	3	4
2	2	0	2	0	2	0
0	2	0	0	0	3	0
0	0	0	0	0	0	0
\$12,159,784	\$8,714,316	\$8,249,060	\$8,921,422	\$9,286,965	\$14,306,406	\$5,192,583
192	236	220	235	246	219	198
\$9,575	\$10,348	\$8,745	\$10,134	\$10,285	\$5,437	\$4,262
323	254	226	287	268	276	250
24	31	32	31	16	35	28

(continued)

City of Dover, Ohio
Operating Indicators by Function/Program (continued)
Last Ten Years (1)

Function/Program	2007	2006	2005
Security of Persons and Property			
<i>Police</i>			
Total Calls for Services	11,007	11,866	12,270
Number of traffic citations issued	929	1,243	1,270
Number of parking citations issued	293	389	267
Number of felony arrests	39	83	260
Number of misdemeanor arrests	427	540	372
Number of traffic accidents investigated	375	391	441
Number of injury accidents	94	84	112
Number of fatal accidents	1	1	1
Prisoners	44	56	63
Prisoner meal costs	\$2,600	\$3,645	\$5,130
Total miles driven	139,049	154,186	154,883
Total gasoline used	13,025	13,928	14,179
<i>Fire</i>			
EMS Calls	1,165	1,182	1,128
Fire Calls	118	119	101
Training hours	1,178	1,325	1,632
Leisure Time Activities			
<i>Recreation</i>			
Recreation League fees	\$11,915	\$6,044	\$10,280
Transportation			
Tons of asphalt	3,930	4,052	7,137
Tons of limestone	1,255	1,217	1,500
Paint Striping (gallons of paint)	575	445	710
Street sweeping (days)	123	111	134
Man hours of leaf pick-up	1,328	1,284	1,284
Tons of salt	1,361	976	n/a
Water Department			
Average residential gallons of water billed monthly	4,913	5,100	5,100
Wastewater Department			
Average residential gallons of sewer billed monthly	4,913	5,010	5,010

(1) Information for some years is not available

2004	2003	2002	2001	2000	1999	1998
12,586	12,148	12,473	11,687	12,428	10,829	10,792
1,111	1,481	1,260	1,261	1,620	1,432	1,229
185	188	136	245	479	302	278
78	86	109	76	185	94	41
473	581	696	519	593	569	556
410	480	502	470	473	559	569
83	94	99	100	85	96	95
1	0	1	0	1	0	0
118	116	14	2	4	5	11
\$5,715	\$6,570	\$3,600	\$495	\$450	\$90	\$945
144,860	153,797	149,881	163,353	157,091	167,103	171,800
13,411	14,107	13,696	14,437	14,256	14,871	14,209
1,160	n/a	1,110	1,006	988	1,020	958
134	n/a	177	143	134	141	198
1,505	n/a	2,384	1,736	1,881	2,740	2,152
\$12,486	\$11,527	\$11,695	\$13,755	\$14,052	\$12,867	\$13,982
5,965	7,500	7,664	6,772	7,137	9,180	8,181
n/a	1,500	n/a	1,094	1,500	1,120	1,321
585	760	695	595	695	635	535
n/a	155	n/a	164	165	147	159
1,352	1,192	1,608	1,152	1,296	940	1,148
n/a	2,135	n/a	1,886	1,426	1,589	200
5,040	5,490	5,460	11,700	8,790	8,460	8,700
4,950	4,950	4,950	4,950	5,070	5,130	4,770

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

Function/Program	2007	2006	2005	2004
General Government				
Square Footage Occupied	1,932	1,932	1,932	1,932
Vehicles	3	1	1	1
Security of Persons and Property				
Police				
Stations	1	1	1	1
Square Footage of Building	6,468	6,468	6,468	6,468
Vehicles	10	9	9	9
Fire				
Stations	1	1	1	1
Square Footage of Building	6,900	6,900	6,900	6,900
Fire Hydrants	614	582	582	566
Vehicles	12	15	15	13
Leisure Time Activities				
Recreation				
Number of Parks	2	2	2	2
Number of Swimming Pools	2	2	2	2
Number of Tennis Courts	8	8	8	8
Number of Baseball Diamonds	10	9	9	8
Transportation				
Service				
Streets (miles)	70	70	70	69
Street Lights	2,380	2,369	2,352	2,318
Storm Sewers (miles)	33	33	33	32
Utility Services				
Sanitary Sewers (miles)	66	66	66	65
Electric Lines (miles)	354	354	355	331
Water Lines (miles)	84	84	84	82

2003	2002	2001	2000	1999	1998
1,932	1,932	1,932	1,932	1,932	1,932
1	1	1	1	1	1
1	1	1	1	1	1
6,468	6,468	6,468	6,468	6,468	6,468
9	9	9	9	9	9
1	1 #	1	1	1	1
6,900	6,900	6,900	6,900	6,900	6,900
562	555	543	533	508	508
13	11	11	11	11	10
2	2	2	2	2	2
2	2	2	2	2	2
8	8	8	8	8	8
8	8	8	8	8	8
68	68	67	66	65	65
2,314	2,307	2,270	2,197	2,172	2,168
32	32	31	30	29	29
64	63	63	62	61	60
339	369	351	352	352	324
82	81	80	79	77	76

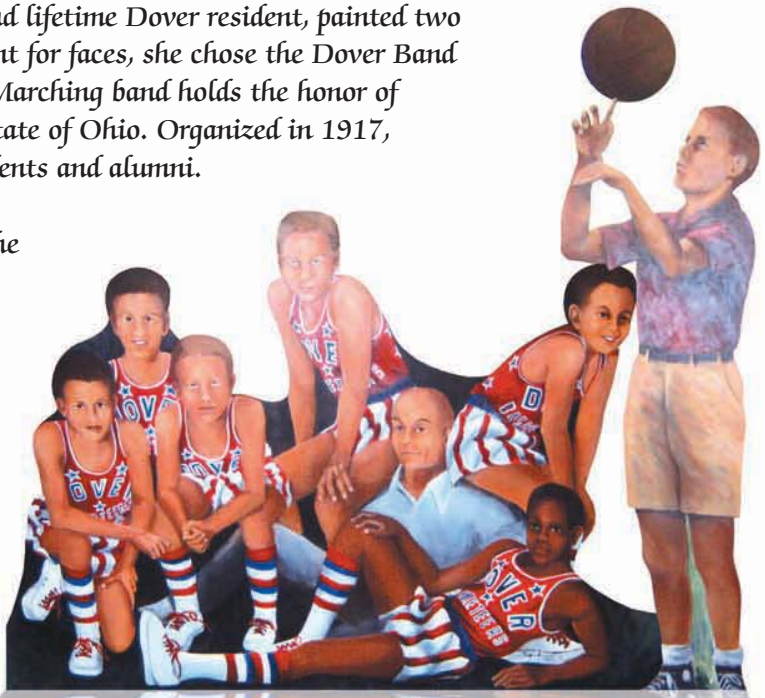
This page intentionally left blank.

CITY OF DOVER

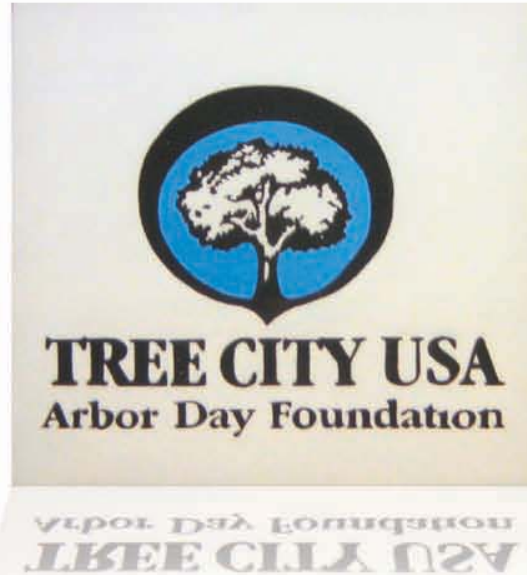


Nancy McDonald, our mural designer and lifetime Dover resident, painted two of the scenes herself, displaying her talent for faces, she chose the Dover Band and The Dover Basketeers. The Dover Marching band holds the honor of being the oldest marching band in the State of Ohio. Organized in 1917, the band continues to attract many students and alumni.

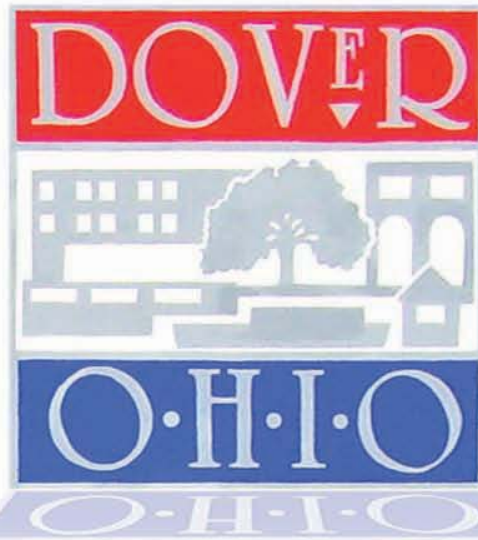
The Dover Basketeers was founded by the late George Elford of Dover in the late 1950's. The team was comprised of 7th and 8th grade boys who traveled the country performing a show of slick dribbling and ball-handling. In 1961, the Basketeers were featured in a Jerry Lewis film "The Errand Boy".



CITY OF DOVER



Karen Thornton, of Zoar, a retired art teacher painted the Tree City USA logo. Dover is proud to be the second-longest award winning City of the Tree City USA award, winning the award for 26 years.



Karen Pichetti, an art teacher at Indian Valley Local, and a resident of New Philadelphia, painted the Dover City Logo. The logo designed by Ginny Stocker of Dover has been used as the symbol for the City since 1991. The logo incorporates Dover by including a canal boat, a tree, a factory, and business and residential properties.



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
AUGUST 7, 2008