

City of Dover

New Hampshire

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2014

CITY OF DOVER, NEW HAMPSHIRE
Comprehensive Annual Financial Report
For the Year Ended June 30, 2014

Prepared by:
The Finance Department

Daniel R. Lynch
Finance Director

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INTRODUCTORY
SECTION

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City Manager

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City of Dover, New Hampshire
OFFICE OF THE CITY MANAGER

January 28, 2015

To the Honorable Mayor and members of the City Council:

City Charter Section C6-12, Independent Audit, requires an annual independent audit of all City accounts at least annually. This Comprehensive Annual Financial Report (CAFR), including the opinion of the independent auditor, is published to fulfill that requirement for the fiscal year ending June 30, 2014.

The CAFR covers all funds of the City of Dover that by law, City Charter, or other fiduciary obligation, the City has become obligated to administer in connection with its responsibility for providing services.

This report consists of management's representations concerning the finances of the City of Dover. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making the representations, management has established comprehensive internal control framework that is designed to both protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, the framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The City's financial statements have been audited by Macpage, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements for fiscal year ended June 30, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based on their audit, that there was reasonable basis for rendering an unqualified opinion that the financial

statements for the fiscal year ended June 30, 2014, are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of the federal grantor agencies. The standards governing Single Audit engagements require the independent auditors to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with federal funding requirements, with special emphasis on internal controls and requirements involving the administration of federal awards. These reports are available in a separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). Users of this CAFR are encouraged to read this Letter of Transmittal in conjunction with the City's MD&A section found immediately following the report of the independent auditors.

Profile of Government

Geography Dover, New Hampshire is located ten miles from the Atlantic Ocean in southern New Hampshire and is 48 miles south of Portland, Maine and 68 miles north of Boston, Massachusetts. Situated at the confluence of the Cochecho, Salmon Falls and Bellamy Rivers, Dover is a major New Hampshire industrial, employment, and distribution center for the seacoast. Dover provides a gateway to both the Maine coast and the White Mountains of New Hampshire. The City of Dover occupies an area of 29 square miles and serves a population of 29,987, based on the 2010 Census.

The City of Dover, settled in 1623, is the oldest continuous settlement in New Hampshire and the seventh oldest in the United States. It was incorporated on June 29, 1855. The City Charter adopted on March 9, 1977, remained in effect until a new charter was passed on November 8, 2005 and effective January 1, 2006. Only minor changes were made versus the old charter. On November 6, 2007, the charter was amended establishing a limitation on annual budget increases. On November 10, 2010 the New Hampshire Supreme Court ruled that the November 6, 2007 charter amendment is invalid since it is contrary to state law. In the 2011 session of the State legislature, authorization for municipalities to adopt charter amendments for budget or tax levy limitations was enacted. On November 8, 2011 the charter was amended to change the language establishing the limitation on annual budget increases to a limitation on annual property tax levy increases. Dover operates under the council-manager form of government. Dover is the seat of Strafford County.

Services The City of Dover provides a full range of services, including police and fire protection, the construction and maintenance of streets and other infrastructure, sanitation services such as solid waste disposal and recycling, water distribution, wastewater collection and treatment, recreational and cultural events and education from kindergarten through grade 12 with a regional vocational center and alternative high school opportunities.

Governing Boards The City Council, consisting of nine members, is the legislative body elected in non-partisan elections every two years, with one representative from each of six wards, two elected at-large and a Mayor. The City Council is responsible, among other things, for passing ordinances, adopting the annual budget, adopting a six year capital improvements program, adopting bond authorizations, appointing committees and boards, and hiring of the City Manager. The City of Dover is empowered by state statute to levy property taxes on real property located within its boundaries to fund operations.

The Dover School Department is a dependent school district. The City Council has bottom line appropriation authority for the School Department budget. The seven member Dover School Board is elected in non-partisan elections every two years and has authority to allocate and move appropriations within its budget.

Administration Administrative functions are carried out by the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the City Council, compliance with State and Federal laws, for overseeing the day-to-day operations of the government, for appointing the heads of the various departments, for negotiating with the various bargaining units of the City and making recommendations to the City Council on various issues.

Administrative functions of the dependent School district are carried out by the School Board. The Board is responsible for carrying out policies and procedures, compliance with State and Federal laws, overseeing the day to day operations of the dependent School district, negotiating with the various bargaining units, making appointments of school personnel, establishing curriculum and addressing various issues.

Fiscal Year and Budget The City's fiscal year begins on July 1st of each year and ends the following June 30th. The City's budget process commences in the fall of each year with the Capital Improvements Program budget. All capital spending of \$25,000 or more for items with useful lives of 3 years or longer are included in this budget. Based on City Council financing policy, items are identified for bonding, appropriation in the annual operating budget or other type of financing.

Items identified for the annual operating budget are included in the next City Manager's recommended annual budget. Departments are responsible for submitting their annual budget request to the City Manager. After reviews with the departments, the City Manager makes any final adjustments to his recommended budget. The City Manager's recommended annual budget for the next fiscal year,

which includes the School Board request, is due to the City Council by April 15th of each year.

The City Council may add to, or cut from, the Manager's recommended annual budget by majority vote; however, the City Council must pass the budget by June 15th after separate public hearings for the City and School budgets and the budget becomes effective July 1. If the City Council does not adopt the budget by June 15th, the City Manager's recommended budget takes effect July 1.

After the original budget is adopted, the City Manager may make appropriation transfers within a non-school department or transfer between non-school departments with City Council approval. After initial adoption, the City Council may amend the budget by two-thirds vote.

Factors Affecting Financial Condition

Local Economy The local economic environment has shown significant improvement in the past fiscal year. Advanced manufacturing clusters, computer and staffing services, multi-unit residential construction and healthcare related businesses have expanded and continue to be attracted to Dover. Retail businesses experienced mixed, but mostly positive results. New restaurants and brewpubs are doing well with some traditional restaurants experiencing the challenges of increased competition.

Economic development activity continues to support local business retention and expansion. Financing for small businesses and startups, though challenged with increased banking regulations and slightly higher interest rates has improved moderately in the last fiscal year.

Through consistent outreach efforts, supported by pro-business attitudes within city government, convenient services for businesses and developers, and Dover's enhanced quality of life, over 60 new or expanded businesses have been attracted to Dover with 500 employees during the past five years.

Factors such as the fortunate location of Dover halfway between Portland, ME and Boston, MA, thirty minutes from the ocean and an hour from the mountains, close to I-95 corridor and serviced by the AMTRAK Downeaster transit system, the proximity to UNH, Pease Tradeport, and the Portsmouth Shipyard have continued to add stability and diversity to the economic mix and has kept Dover as a viable business location.

Dover is the fastest growing city in New Hampshire and is among the youngest in median age of population. Dover continues to show a 10.4% growth rate in households with children under the age of eighteen. The labor force of Dover has continued to grow about 1% per year with slight variations above and below that trend line.

Dover's local current unemployment rate is 4.0% which is 0.1% lower than this time last year. The City's unemployment rate has consistently been lower than that of the United States as a whole, (7.0%) and the State of New Hampshire (5.1%).

In combination with the current economic environment and unemployment levels the median per capita income in Dover was \$32,038, median household income was \$57,083, and median family income was \$81,615.

Mixed use, manufacturing, residential, and public facility development has increased sharply during the fiscal year. This includes new manufacturing, office, and storage buildings on Sixth Street. The development of a new police station combined with a public parking garage on part of the city's Orchard Street parking lot will add to the vibrancy of the downtown area. A multi-unit residential development at the intersection of Silver Street and Central Avenue is nearing completion, the waterfront project (formerly the Dickenson Development project) is being evaluated for future marketing for development, and smaller rehabilitation projects along Central Avenue have continued. Three companies have established brewpubs in the downtown.

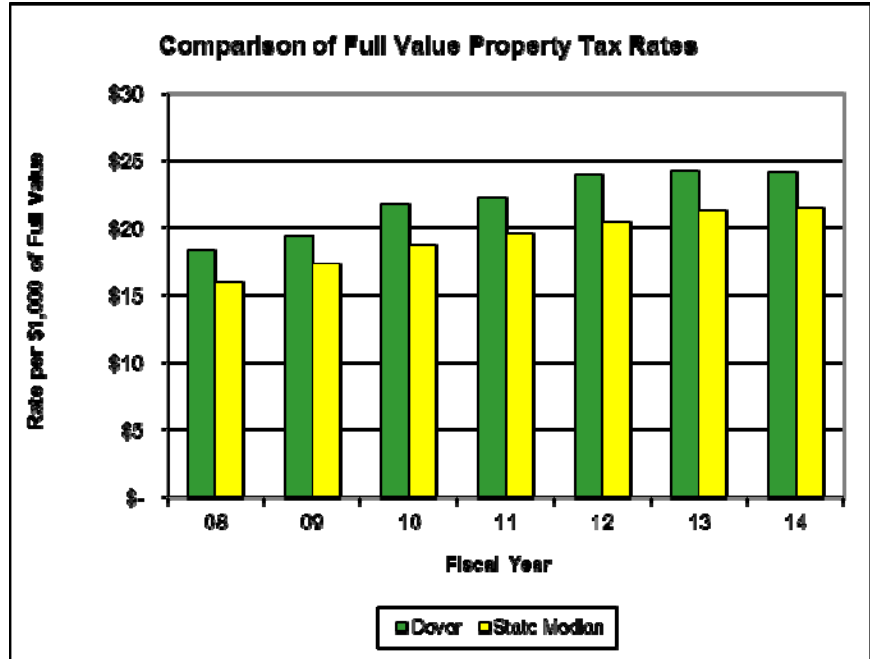
The First Street development, a \$12,250,000 mixed use development is underway and is expected to provide a minimum of \$275,000 annual property tax revenue guaranteed for at least 24 years. The City continues to review opportunities to convert three other City owned parking lots into sites for redevelopment. These downtown infill projects will continue to keep the City core vibrant.

The Dover Business and Industrial Development Authority continues to search for appropriate sites for a second business park development. The funding for this business park has been approved in the FY2015 CIP. A new park would add depth to Dover's non-residential market, and would allow for more diversity in footprints, so that Dover would continue to be an attractive location for businesses looking for development sites ranging from 25,000 square feet buildings to over 100,000 square feet. Currently, Dover has not fully taken advantage of this potential.

The Exit 9 corridor off the Spaulding Turnpike, in addition to the 100,000 square feet medical practice building in full occupancy, now has a large dental facility and a dialysis center in operation, both with significant business success and full employment. This corridor, anchored by Liberty Mutual, continues to attract larger commercial and industrial users to the City and continues to be a benchmark for economic development activities.

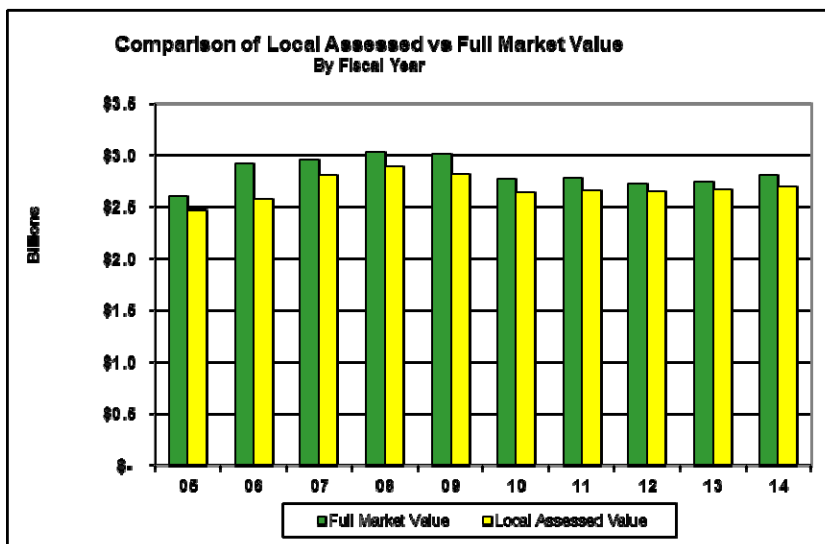
The number of motor vehicle registrations was consistent with 30,991 in FY14 as compared to 30,516 in FY 13. The number of building permits decreased from 436 in FY13 to 398 in FY14 and the average permit value decreased from \$114,858 to \$94,970.

The City's full value property tax rate remained stable in comparison to the NH State median. The median reflects the mid-point of all rates in the State. Because Dover remains approximately at the median, this means that about half of the tax rates in the State are higher than Dover's and about half are lower. This is a good measure of tax burden as all municipal assessed values are brought to full market value and tax rates equalized.

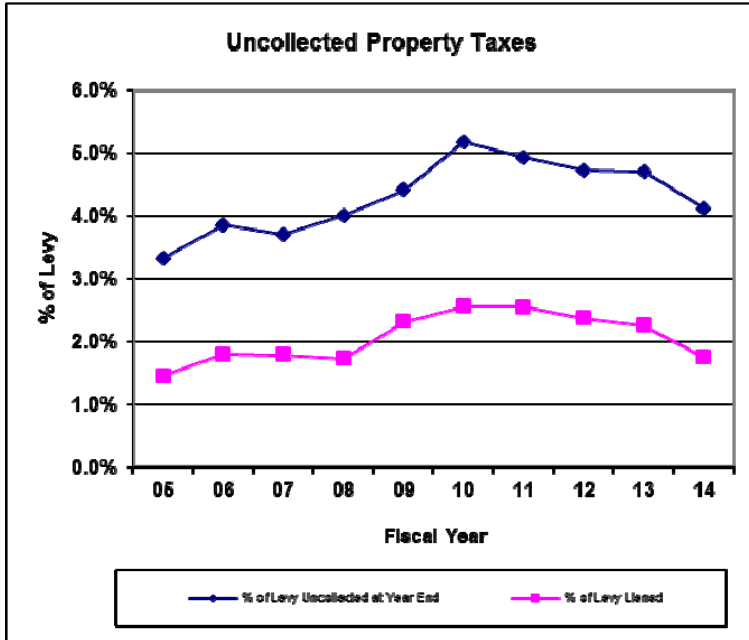


The level of real estate transactions in Dover during the past year has seen a strong increase, reaching pre-recession levels. The real estate sales activity in Dover for FY14 was 839 transactions versus 904 for FY13. This level of activity represents transfers of 8.4% of taxable parcels during FY14 slightly lower than the level of 9.1% in FY13. In conjunction with this activity, the number of taxable parcels increased from 9,950 in FY13 to 10,026 in FY14, a less than 1% increase. The volume of taxable parcels in combination with an increase of property values has resulted in the estimated equalized property value per capita changing from \$89,979 for FY13 to \$92,849 in FY14, an increase of 3.1% for the fiscal year.

Full market value as determined by the NH Department of Revenue Administration



increased 3.79% during the fiscal year. Assessed value as a ratio of full market value was 94.6%. In the second half of fiscal year 2014 the City's assessed property values appeared to have increased based on sales data. As of April 1, 2014 the City's overall assessed values demonstrated a 3.8% increase in value over the prior year.



The percentage of uncollected taxes for the current tax levy at the end of fiscal year 2014 was 4.1%, this is consistent with 4.7% in FY13 (actual amount changed from \$3.1 million to \$2.8 million). There were 280 parcels from the current tax levy with outstanding taxes that had a lien placed, down from 307 last year. The number of delinquent parcels decreased by 27 or 8.8%. The dollar amount of the liens decreased to 1.7% of the tax levy as compared to 2.3% for last year. The

actual amount of the executed lien decreased 2.3% from \$1,539,994 to \$1,187,151.

Financial Position The City's General Fund ended Fiscal Year 2014 with an increase to its Unassigned Fund Balance of \$4,540,198 to \$13.3 million. The General Fund unassigned fund balance at June 30, 2014 was 14.1% of the FY15 budget (8% is the minimum requirement of the City Financial Policies). The Water Fund saw an increase in unrestricted net assets of \$725,745, from \$1,274,824 to \$2,000,589. The Water Fund increase is primarily due operating activities resulting in income of \$1.6 million during FY2014. The Sewer Fund saw a decrease in unrestricted net assets of \$6.09 million, from \$1,826,942 to a deficit of \$4,259,083. A significant portion of the decrease in unrestricted net assets of the Sewer Fund is the result of investments in capital assets during FY2014. The City's Waste Water Treatment Facility is currently undergoing a \$12 million upgrade.

Unreserved Net Assets		
Fund	FY14	FY13
General	13,332,024	8,791,826
Water	2,000,569	1,274,824
Sewer	(4,259,083)	1,826,942
Total	11,073,510	11,893,592

In FY2009 the Arena Fund was dissolved into the City's General Fund. The City continues to be diligent to balance the fiscal operations of the Arena, including scheduled fee increases and expenditure control. The Arena operating results, inclusive of related debt obligations, were revenues in excess of expenditures of \$45,237 in FY2014, \$35,686 in FY2013, \$64,809 in FY2012 and \$32,503 in FY2011.

The liquidity of the General, Water and Sewer Funds is good and continues to show a favorable trend. This is based on the quick ratio which is a measure of current assets (excluding inventories) divided by current liabilities. The General Fund had a

quick ratio of 1.39 with Water and Sewer Funds of 5.27 and 2.63, respectively. A ratio of 1 is considered satisfactory.

The amount of debt incurred by the City remains below the State statutory limits as set forth in RSA 33:4-a for the City and School District, and RSA 33:5-a for the Water Fund. There is no statutory debt limit for the Sewer Fund. The State statutory limit for the City is 3% of Base valuation as determined by the New Hampshire Department of Revenue Administration (NH DRA), the statutory limit for the School District is 7% of Base valuation as determined by NH DRA, and the statutory limit for the Water Fund is 10% of base valuation as determined by NH DRA. As of June 30, 2014 the City had utilized 60.2% of its statutory debt limit, the School District utilized 11.4% of its statutory debt limit, and the Water Fund had utilized 5.9% of its statutory debt limit.

The City Council established self-imposed policy limits that are significantly lower than those set by State statute. As of June 30, 2014 the percent of the City's more conservative debt policy used was 92.6%, the School was 40.7%. General Fund net debt per capita is at \$2,464, an amount considered reasonable for a municipality the size of Dover. The General Fund's net debt to equalized value is 2.65%. The General Fund's net debt service as a percent of budget is 9.7%. This measure is close to the 10% limit recommended by policy, it is partially as a result of a higher rate of debt pay down resulting in a favorable reduction in the cost for debt.

The Water fund is at 100% of the City Council self-imposed policy limit. The Sewer fund remained within the City Council self-imposed policy limits with 55.4% being utilized. Net debt service to budget in the Water Fund is 33.5% and 22.9% within the Sewer Fund, within the 40% set by policy.

In May 2014 Moody's reaffirmed the City's May 2012 Aa3 rating. In May 2014 Standard & Poor's upgraded the rating of the City to AA+, previously the City was rated AA.

Policy Monitoring, Long Term Financial Planning, and Responding to the Impact of the U.S. Economy

On April 27, 2011 the City Council adopted a resolution to implement 32 financial policies. These adopted policies include maintaining all of the existing policy statements adopted in 1996 with updates to several of the benchmark indices. In addition, several new policy statements were also included reflecting the most current best practices identified by the Government Finance Officers Association and the National Advisory Council on State and Local Budgeting. These financial policies address areas such as Stabilization Funds, Fees and Charges, Debt Issuance and Management, Use of One-Time and Unpredictable Revenues, Balanced Budgeting Practices, Revenue Diversification, and Contingency Planning. A copy of the financial policies adopted by the City Council is available on the City's website.

The City Council routinely adopts fiscal initiatives to respond to the changes in the economy that have resulted in impacts such as declines to non-property tax revenues and the community's tolerance for tax increases. The City Council has limited adoption of bonding authorizations to be consistent with the annual amount of debt being retired by the City's tax supported General Fund. The objective of this initiative is to move the City away from recurring debt financing and funding capital reserves at an appropriate level to move from debt financing certain capital outlay. These actions are consistent with the City's Debt Issuance and Management financial policies.

The City Manager and City Department Directors conduct an on-going evaluation of fiscal operations to insure that expenditures are managed in concert with revenues to insure General Fund Balance is maintained consistent with City policy limit of 8%. In FY2014 the City complied with the General Fund Balance policy by achieving an Unassigned Fund Balance of 14.1%. In response to past U.S. economic declines and the national rating agencies placing importance on municipalities increasing operating reserves, the City managed fiscal operations to increase General Fund operating reserves.

In FY2014 the City was successful in contributing 15% of the actuarially calculated OPEB Annual Required Contribution to an established dedicated fund. This action is consistent with the City's financial policy objective for managing and prefunding the City's OPEB obligations. FY2014 represents the third year in a row that the City has pre-funded a percentage of the OPEB Annual Required Contribution.

In FY2014 the City, consistent with financial policies, maintained sufficient annual contributions into the General Fund Capital Reserve, Water Fund Capital Reserve and Sewer Fund Capital Reserve.

The City recognizes the importance of a formal process for long term financial planning and forecasting. The City continues to utilize a formal forecasting software application to aid in financial planning. The City utilizes this tool to provide insight to evaluating policy recommendations. The software is utilized to provide formal fiscal forecasting reports complete with national, regional, and local economic overviews and a 5-year projection of both General Fund operations and tax levy impacts as part of the budget process.

Acknowledgements

This report continues to refine the financial reporting of the City. This is the eleventh year the City has produced a comprehensive annual financial report (CAFR). This report includes the implementation of Governmental Accounting Standards Board's Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. An actuarially determined liability of the City cost of medical benefits provided to retirees, and employees that will be eligible to receive such benefits upon retirement from the City, is incorporated into the financial statements and the footnotes.

This report also includes the implementation of Governmental Accounting Standards Board's Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. The objective of Statement 54 is to improve the usefulness and understandability of governmental fund balance information by providing fund balance in more clearly defined categories.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded ten consecutive Certificates of Achievement for Excellence in Financial Reporting to the City of Dover, NH for its Comprehensive Annual Financial Report beginning for the fiscal year ended June 30, 2004 through June 30, 2013. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

This recognizes the City's Finance Department's efforts for full disclosure of the financial information of the City. A CAFR is a much more detailed reporting of the City's finances, as well as providing historical information in the statistical section of this report.

The Certificate of Achievement is valid for a period of one year only. The City believes that the current CAFR continues to meet the Certificate of Achievement Programs' requirement and it will be submitted to the Government Finance Officer's Association to determine its eligibility for another certificate.

The publication of the CAFR requires many staff hours to accomplish and would not have been possible without the dedication of the entire staff of the Finance Department. Credit must also be given to the Mayor and City Council for their continued support of the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,



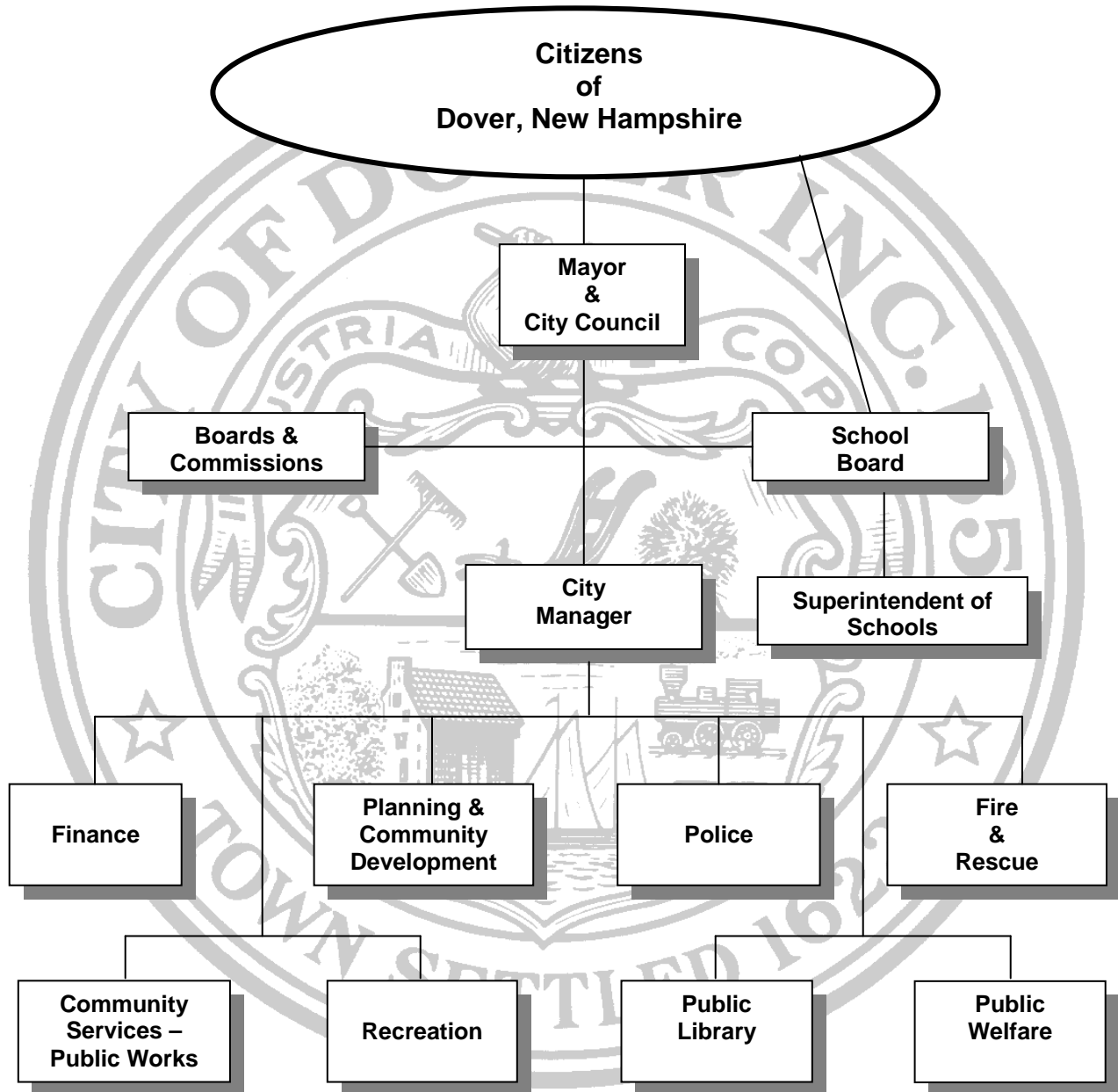
J. Michael Joyal, Jr.
City Manager

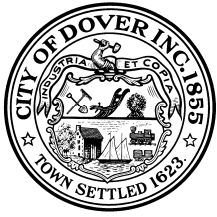


Daniel R. Lynch
Finance Director

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City of Dover Organizational Chart





City of Dover

New Hampshire

City Council Members

Mayor: Karen Weston

Ward 1: John O'Connor

Ward 2: William Garrison III

Ward 3: Deborah Thibodeaux

Ward 4: Dorothea Hooper

Ward 5: Catherine Cheney

Ward 6: Jason Gagnon

Deputy Mayor: Robert Carrier

At Large: Anthony McManus

City Manager

J. Michael Joyal, Jr.

Departments

Finance

Planning

Police

Fire and Rescue

Community Services

Public Library

Recreation

Public Welfare

Daniel R. Lynch

Christopher G. Parker

Anthony F. Colarusso, Jr.

Richard Driscoll

Douglas W. Steele, II

Cathy Beaudoin

Gary Bannon

Lena C. Nichols

School Board

At Large: Doris Grady

At Large: Sarah Greenshields

At Large: Amanda Russell

At Large: Betsey Andrews Parker

At Large: Carole Soule McCammon

At Large: Kathleen Morrison

At Large: Michelle Muffett-Lipinski

Student Rep: Preston Massingham

Superintendent of Schools

Elaine M. Arbour, Ed.D.



Government Finance Officers Association

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

Presented to

**City of Dover
New Hampshire**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

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**FINANCIAL
SECTION**

Independent Auditors' Report

To the Mayor and City Council
City of Dover, New Hampshire

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, New Hampshire, (the City), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, New Hampshire, as of and for the year ended June 30, 2014 and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.



To the Mayor and City Council
City of Dover, New Hampshire

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 19-32, and Schedule of funding Progress on page 78, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Dover, New Hampshire's financial statements. The introductory section on pages 1 - 10, supplementary statements and schedules on pages 85 - 134, and statistical tables on pages 137 - 162, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary statements and schedules are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2015, on our consideration of City of Dover's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Dover's internal control over financial reporting and compliance.

Marpage LLC

South Portland, Maine
January 28, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Dover, we offer readers this narrative overview and analysis of the financial activities of the City of Dover for the fiscal year ended June 30, 2014. We encourage readers to consider the information here in conjunction with additional information that we have furnished in our letter of transmittal.

A. FINANCIAL HIGHLIGHTS

- As of the close of the current fiscal year, the total of assets exceeded liabilities by \$152,559,446 (i.e., net position), an increase of \$9,159,271 in comparison to the prior year.
- As of the close of the current fiscal year, total of assets of governmental activities exceeded liabilities by \$91,293,686 (i.e., net position), an increase of \$7,548,430 in comparison to the prior year.
- At the end of the current year, total assets of business-type activities exceeded their liabilities by \$61,265,760, an increase of \$1,610,841 in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$56,515,857, an increase of \$34,249,631 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$13,332,024, an increase of \$4,540,198 in comparison with the prior year.
- Total long-term debt (i.e., bonds payable) at the close of the current fiscal year was \$110,313,796, an increase of \$25,016,166 in comparison to the prior year.

B. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Dover's basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The statement of net position presents information on all assets and liabilities, with the difference between the two reported as net position. Over time,

increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation. The business-type activities include water and sewer utilities, and Dover Business and Industrial Development Authority (DBIDA) activities.

Fund financial statements A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Annual appropriated budgets are adopted for the general fund and certain nonmajor governmental funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with adopted budgets.

Proprietary funds Proprietary funds are maintained as follows:

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Specifically, enterprise funds are used to account for water and sewer utilities, and DBIDA operations. The operations of the arena were previously accounted for as an enterprise fund. In FY 2009 the City dissolved the Arena Fund into the General Fund.

Internal service funds are an accounting device used to accumulate and allocate costs internally among various functions. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Internal service funds are used to account for central data processing, fleet management services, and workers compensation administration and claims, provided to other departments on the cost reimbursement basis. The City uses an OPEB internal service fund to centrally account for the pay-as-you go retiree's insurance costs paid by other departments in the city.

Proprietary funds provide the same type of information as the business-type activities reported in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer utilities, and DBIDA operations, all of which are considered to be major funds. The operations of the arena were previously reported as a propriety fund. In FY 2009 the City dissolved the Arena Fund into the General Fund. In FY2014 the arena operations resulted in revenues exceeding expenditures, to include related debt obligations, by \$45,237. Fiscal Year 2014 represents the fifth year since the Arena Fund was dissolved into the General Fund, and is the fifth consecutive year of positive operating results for the arena.

Fiduciary funds Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the financial statements The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which is required to be disclosed by the *Governmental Accounting Standards Board*.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net assets were \$152,559,446, an increase of \$9,159,271 from the prior year.

Financial Position The following is a summary of condensed government-wide financial data of net position for the current and the prior fiscal years.

Amounts presented in 000s	NET POSITION					
	Governmental Activities		Business-Type Activities		Total	
	2013	2014	2013	2014	2013	2014
Current and Other Assets	\$ 37,313	\$ 70,334	\$ 15,447	\$ 20,256	\$ 52,760	\$ 90,590
Capital Assets	152,951	153,011	71,140	70,637	224,091	223,648
Total Assets	\$ 190,264	\$ 223,345	\$ 86,587	\$ 90,893	\$ 276,851	\$ 314,238
Long-term Liabilities	\$ 96,832	\$ 122,189	\$ 23,973	\$ 26,436	\$ 120,805	\$ 148,625
Other Liabilities	9,687	9,862	2,959	3,191	12,646	13,053
Total Liabilities	\$ 106,519	\$ 132,051	\$ 26,932	\$ 29,627	\$ 133,451	\$ 161,678
Net Position:						
Net Investment in Capital Assets	\$ 94,609	\$ 97,393	\$ 50,400	\$ 49,646	\$ 145,009	\$ 147,039
Restricted	4,176	4,804	5,003	12,740	9,179	17,544
Unrestricted (Deficit)	(15,040)	(10,903)	4,252	(1,120)	(10,788)	(12,023)
Total Net Position	\$ 83,745	\$ 91,294	\$ 59,655	\$ 61,266	\$ 143,400	\$ 152,560

By far, the largest portion of net position, \$147,039,095 or 96.4 percent, reflects the City's investment in capital assets (e.g., land, buildings, machinery and equipment), less depreciation and any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position, \$17,543,771 represents resources that are subject to external restrictions on how they may be used. The remaining net balance (deficit) represents unrestricted net position at the end of the fiscal year of \$(12,023,420).

The unrestricted net position balance consists of a deficit of \$10,903,241 for governmental activities and a deficit of \$1,120,178 for business-type activities. The governmental activities net position include the reflection of major liabilities of the Tolend Road Landfill mitigation of \$8,706,720, compensated absences of \$3,053,207 and other post-employment benefits (OPEB) obligations of \$21,691,807.

The \$8,706,720 for Tolend Road Landfill mitigation represents the post mitigation maintenance and monitoring costs. This estimated liability is a decrease of \$1,720,280 from the prior year. This is the result of a determination that at this time no additional mitigation costs are required, this was formerly estimated at \$107,000. The estimate of post mitigation maintenance and monitoring costs represents a decrease of \$1,613,280 based upon estimates derived from actual costs incurred during the two year period of FY2014 and FY2013. The maintenance and monitoring costs of \$8,706,720 (30-year estimated cost) are expected to be financed within the annual operating budget, as needed.

The \$3,053,207 for compensated absences represents the accrued employee leave benefits, payable as taken or at termination. This is a decrease of \$341,240 from the prior year for the governmental funds. The City has funded \$277,507 of the liability.

The \$21,691,807 OPEB liability represents the portion of the liability accrued to the governmental funds. This liability is based upon implementation of Governmental Accounting Standards Board (GASB) Statement No. 45. The purpose of the statement is to reflect the liability of health care or other post employment benefits provided to separated or retired employees. The portion of the liability reflected in the Financial Statements is the initial nine years of a 30 year amortization of the total liability. City employees hired before specific dates may receive all or part of their health care benefits paid for by the City. City employees hired after the cut-off date are eligible on a self pay basis only but impact the premiums of the health plans of all City employees. School employees are self pay basis only but impact the premiums of the health plans of all School employees. The table below shows the number of eligible individuals involved in the calculation for both the City and School and the average total liability.

Group	Eligible Employees and Retirees	Average Total Liability per Person
City	322	\$ 137,810.00
School	367	\$ 2,877.00
Combined	689	\$ 140,687.00

In FY2014 the City established an irrevocable OPEB trust to pre-fund the City's actuarial determined liability. The City transferred an amount equal to 15% of the actuarial determined OPEB Annual Required Contribution to the OPEB Trust during FY2014. In FY2013 and FY2012, the City pre-funded 10% and 5%, respectively, of the actuarial determined OPEB Annual Required Contribution by making an annual transfer of funds into the OPEB internal service fund. These amounts were transferred from the OPEB internal service fund into the OPEB Trust in FY2014. As of June 30, 2014 the City has \$1,313,187 in assets in the OPEB Trust.

Please refer to the Financial Statement footnote 16 and Required Supplemental Information for more on the OPEB liability.

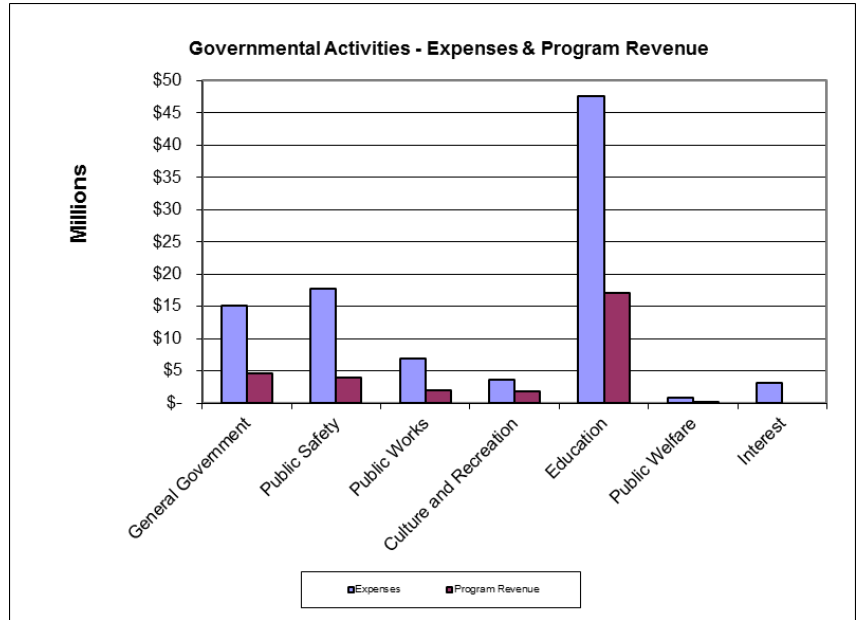
Financial Results The following is a summary of condensed government-wide financial data of changes in net position for the current fiscal and prior fiscal years.

Amounts presented in 000s	<u>CHANGE IN NET POSITION</u>					
	Governmental Activities		Business-Type Activities		Total	
	2013	2014	2013	2014	2013	2014
Revenues:						
Program revenues:						
Charges for services	\$ 13,388	\$ 14,792	\$ 10,035	\$ 10,669	\$ 23,423	\$ 25,461
Operating grants and contributions	14,159	14,168	-	-	14,159	14,168
Capital grants and contributions	643	790	1,387	751	2,030	1,541
General revenues:						
Property taxes	65,838	68,395	-	-	65,838	68,395
Motor vehicle registration	3,933	4,266	-	-	3,933	4,266
Penalties and interest on taxes	445	503	-	-	445	503
Investment income (loss)	116	538	2	-	118	538
Other	929	193	-	-	929	193
Total Revenues	99,451	103,645	11,424	11,420	110,875	115,065
Expenses:						
General government	14,709	15,183	-	-	14,709	15,183
Public safety	17,031	17,699	-	-	17,031	17,699
Public works	6,720	6,894	-	-	6,720	6,894
Culture and recreation	3,297	3,555	-	-	3,297	3,555
Education	48,193	47,547	-	-	48,193	47,547
Public Welfare	949	776	-	-	949	776
Interest on long-term debt	3,216	3,127	818	827	4,034	3,954
Water operations (1)	-	-	3,170	3,206	3,170	3,206
Sewer operations (1)	-	-	5,478	5,639	5,478	5,639
DBIDA operations	-	-	135	144	135	144
Total Expenses	94,115	94,781	9,601	9,816	103,716	104,597
Change in Net Position before Transfers	5,336	8,864	1,823	1,604	7,159	10,468
Transfers in (out)	(35)	(1,316)	35	7	-	(1,309)
Change in Net Position	5,301	7,548	1,858	1,611	7,159	9,159
Net Position - beginning of year	78,444	83,745	57,797	59,655	136,241	143,400
Net Position - end of year	<u>\$ 83,745</u>	<u>\$ 91,293</u>	<u>\$ 59,655</u>	<u>\$ 61,266</u>	<u>\$ 143,400</u>	<u>\$ 152,559</u>

(1) Excludes interest on long-term debt reflected separately.

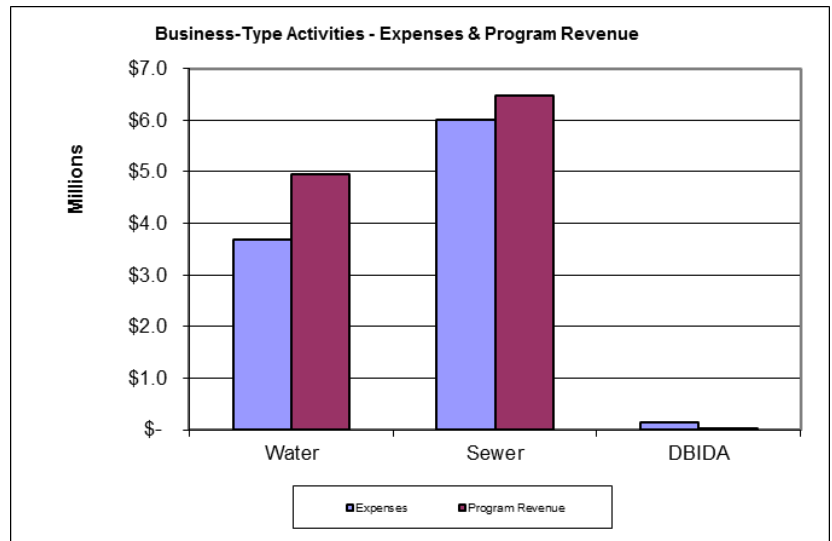
Governmental activities Governmental activities for the year resulted in an increase in net position of \$7,548,430. Governmental activities realized the following significant transactions:

- General Fund excess of revenues over expenditures of \$4.7 million.
- Acquisition of capital assets of \$6.65 million.
- An increase in the OPEB Liability of \$2.1 million.
- A decrease in the compensated absences liability of \$310,701.
- Debt service principal payments in excess of depreciation expense of \$88,704.



Business-Type Activities Business-type activities for the year resulted in an increase in net position of \$1,610,841 or 2.7%. Key elements of this change are as follows:

- The Water Fund increased net position by \$1,182,963 or 5.3%. This consists mainly of operating activities resulting in income of \$1.6 million.
- The Sewer Fund had an increase in net position of \$440,121 or 1.2%. This consists mainly of an operating income of \$233,664, and capital contributions of \$622,255.



D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

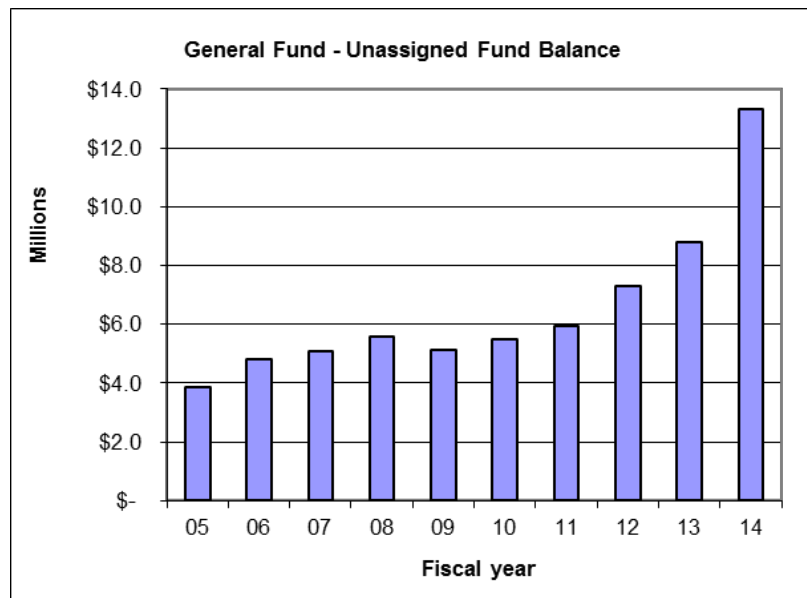
As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$56,515,857, an increase of \$34,249,631 in comparison with the prior year. The General Fund change consists of an increase in the unassigned fund balance of \$4,540,198 and an increase in non-spendable, committed and assigned balances of \$156,753.

The general fund is the chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$13,332,024, while total fund balance was

\$16,105,079. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 14.05 percent of total general fund expenditures, while total fund balance represents 16.97 percent of that same amount.



The unassigned fund balance of the general fund increased by \$4,540,198, or 51.6%, during the current fiscal year. Key factors in this change are as follows:

- A net increase to fund balance of \$5,666,432 from excess of revenues and other sources over expenditures and other uses, consisting of \$2,613,221 of revenues over budget estimates (exclusive of Other Financing Sources) and \$3,053,211 of expenditures under budget estimates (exclusive of Other Financing Uses). Revenue items in excess of budget estimates consist mainly of \$1,037,380 in taxes and tax interest, \$247,829 for education grant reimbursements, and \$515,850 for motor vehicle permits. Revenue

shortfalls consist mainly of \$53,785 in sales and service charges, \$47,416 in intergovernmental reimbursements. Unencumbered appropriations consisted mainly of \$278,884 for Public Safety, \$2,738,123 for Public Works, \$243,609 for Culture and Recreation, and \$547,743 for Debt Service. The School Department had unencumbered appropriations of \$314,293.

- An increase to fund balance of \$699,944 for a decrease in deferred property tax revenue.
- A decrease to fund balance of \$43,580 for the increase in the reserve for advances to the McConnell Center Fund.
- A decrease to fund balance of \$288,068 for an increase of carryover appropriations reserved for future years capital outlay. In accordance with City Charter, capital outlay appropriations shall continue in force for three years or until the purpose for which the appropriation was made has been completed, whichever time period is shorter.

In FY 2014 the City Council adopted the City's FY2015 Capital Improvements Program. The FY15 Capital Projects Fund that was established to account for the Governmental Activities related projects, which includes a new police facility, is reported as a major fund in the FY2014 Financial Statements.

Proprietary funds Proprietary funds provide the same type of information found in the business-type activities reported in the government-wide financial statements, but in more detail.

Unrestricted net assets of the enterprise funds at the end of the year amounted to a deficit of \$1,120,179. This amount consists of the Water Fund with a balance of \$2,000,569, the Sewer Fund with a deficit of \$4,259,083, and the Dover Business and Industrial Development Fund (DBIDA) with a balance of \$1,138,335.

Other factors concerning the finances of proprietary funds have already been addressed in the entity-wide discussion of business-type activities.

E. GENERAL FUND BUDGETARY HIGHLIGHTS

The differences between the original budget and the final amended budget resulted in an overall increase in appropriations of \$349,878. This consists of City Council adopted appropriations of \$151,288 for additional state education grant aid awarded to the City, \$133,265 for abatements, and \$65,325 increase for intergovernmental payment to the county.

Unspent General Fund appropriations were due to several factors including consistent monitoring and managing of expenditures and a year-end level of under-expenditures (including transfers) of approximately 3.3%.

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets Capital assets for governmental and business-type activities at year-end amounted to \$223,648,030 (net of accumulated depreciation), a decrease of approximately \$443,207 from the prior year. This investment in capital assets includes land, buildings and system, improvements, and machinery and equipment. The following yearly comparison shows net capital assets by category:

**Capital Assets (000s)
(net of depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	2013	2014	2013	2014	2013	2014
Land	\$ 14,598	\$ 14,598	\$ 1,785	\$ 1,785	\$ 16,383	\$ 16,383
Buildings and improvements	74,476	72,949	17,117	16,254	91,593	89,203
Machinery and equipment	8,374	8,162	7,045	6,355	15,419	14,517
Infrastructure	32,390	31,541	41,258	42,553	73,648	74,094
Construction in Progress	23,114	25,761	3,935	3,690	27,049	29,451
Total Assets	\$ 152,952	\$ 153,011	\$ 71,140	\$ 70,637	\$ 224,092	\$ 223,648

Major capital asset events during the current fiscal year included the following:

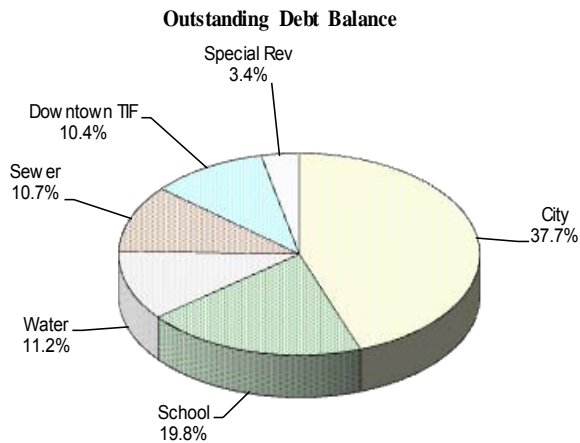
- Additions to Building and Improvements for governmental activities relates to the recognition of valuable artwork donated to the Public Library as well as the replacement of the Indoor Pool roof.
- Purchases of Machinery and Equipment included forensic science laboratory equipment for the Police department. The School department purchased laptop computers and associated technology for the middle and high schools. An emergency standby generator was purchased for the middle school, which functions as an emergency shelter for the City.
- The governmental activities infrastructure change includes additions for the acceptance of a donated a roadway, Emerald Way. Other additions include bridge, street, drainage and paving projects at Cocheco and Whittier Street Bridges, reconstruction of Henry Law Avenue, additional paving at the Pine Hill Cemetery, sidewalk improvements throughout the city and an additional phase of construction of the Berry Brook Watershed maintenance plan.
- The governmental activities construction in progress relates mainly to Public Works projects for the Tolend Road Landfill hazardous landfill mitigation project, the Cocheco River Dredge Cell project. Street improvement

projects in progress included Tolend and Watson roads and the start of reconstruction of Silver Street. Also commencing this year, is the construction of a new police facility.

- Increases to the Business-type activities Machinery and Equipment category include infrastructure for the North End Water Pressure Zone Project and upgrades to the Waste Water Treatment Plant and pumping stations.
- The additions to the Business-type activities Construction in Progress Improvements are for Water Mains located on Atlantic, Silver, Lisa Beth, Atlantic and Gulf roads. Exploration of additional water supply sources and Improvements to the Ireland and Smith wells. Sewer Main replacement has started on Silver Street. Ongoing design services related to the Waste Water Treatment Plant and permitting for the EPA/ NH Department of Environmental Services nitrate reduction and discharge permitting project.
- The increase to Land of the governmental activities relates to the recording of the change in asset type classification of the remaining book value of a building after demolition.

Additional information on capital assets can be found in Note 9 of the Financial Statements.

Long-term debt At the end of fiscal year 2014, total long- term debt outstanding was \$110,313,796, a net increase of \$25,016,166 over the previous fiscal year end. All the long term debt was backed by the full faith and credit of the City.



Long-term Debt (000s)

	Governmental Activities		Business-Type Activities		Totals	
	2013	2014	2013	2014	2013	2014
General Obligation Bonds	\$ 62,639	\$ 85,963	\$ 18,718	\$ 20,677	\$ 81,357	\$ 106,640
Other Long Term Debt	289	181	3,651	3,492	3,940	3,673
Total Long-term Debt	\$ 62,928	\$ 86,144	\$ 22,369	\$ 24,169	\$ 85,297	\$ 110,313

In fiscal year 2014, the City issued \$22,385,000 in general obligation bonds and received a premium of \$2,065,000. The bonds finance \$20,100,000 in projects related to governmental activities and \$4,350,000 in projects related to business-type activities. The City bonds were rated Aa3 by Moody's Investors Service and AA+ by Standard and Poor's Rating Group. The City did not contract for the issuance of any policy of municipal bond insurance or any other credit enhancement facility. Competitive bids were solicited and the City received 11 bids on June 12, 2014. Wells Fargo Bank N.A. was awarded the bid at a true interest cost of 2.809 percent. The bonds were dated June 26, 2014 and mature May 15, 2034. Bonds maturing on or prior to May 15, 2024 shall not be subject to redemption prior to their stated maturity dates. Bonds maturing on or after May 15, 2025 shall be subject to redemption prior to maturity at the option of the City.

During fiscal year 2014, the City issued \$11,495,000 in general obligation bonds and received a premium of \$105,000. The bonds finance \$11,600,000 in projects related to governmental activities. The project being financed is a new parking facility in the Downtown Dover TIF District. The City bonds were rated Aa3 by Moody's Investors Service and AA+ by Standard and Poor's Rating Group. The City did not contract for the issuance of any policy of municipal bond insurance or any other credit enhancement facility. Competitive bids were solicited and the City received 8 bids on June 12, 2014. The City rejected all bids and negotiated an issuance with Wells Fargo Bank N.A. at a true interest cost of 3.267 percent. The bonds were dated June 26, 2014 and mature May 15, 2034. Bonds maturing on or prior to May 15, 2024 shall not be subject to redemption prior to their stated maturity dates. Bonds maturing on or after May 15, 2025 shall be subject to redemption prior to maturity at the option of the City. The projected 25 year debt service cost for this bond based on solicited competitive bid was \$17,867,256. The final debt service cost for a negotiated 20 year term for this bond is \$16,205,235, representing a savings of \$1,662,021.

Additional information on long term debt can be found in Note 12 of the Financial Statements.

G. NEXT YEAR'S BUDGETS AND RATES

The budget, tax levies and tax rates of the General Fund for the subsequent fiscal year have been formalized. The following table reflects the budget amounts, at the time of tax rate setting, for each year for the General Fund.

General Fund Budget	FY14	FY15	Increase (Decrease)	% Change
City	37,082,969	38,732,105	1,649,136	4.4%
School	46,178,043	48,129,104	1,951,061	4.2%
County	7,771,799	8,057,565	285,766	3.7%
Total Budget	91,032,811	94,918,774	3,885,963	4.3%

The following table reflects the property tax levy amounts for each year.

Property Tax Levies	FY14	FY15	Increase (Decrease)	% Change
City	25,798,503	27,046,138	1,247,635	4.8%
School - Local	27,934,161	28,833,811	899,650	3.2%
School - State	6,533,850	6,710,193	176,343	2.7%
Total School	34,468,011	35,544,004	1,075,993	3.1%
County	7,771,799	8,057,565	285,766	3.7%
Total Tax Levy	68,038,313	70,647,707	2,609,394	3.8%

The following table reflects the property tax rates for each year. The tax rate is stated per \$1,000 of assessed value.

Property Tax Rates	FY14	FY15	Increase (Decrease)	% Change
City	9.99	10.09	0.10	1.0%
School - Local	10.54	10.50	(0.04)	-0.4%
School - State	2.51	2.49	(0.02)	-0.8%
Total School	13.05	12.99	(0.06)	-0.5%
County	2.93	2.93	-	0.0%
Total Tax Rate	25.97	26.01	0.04	0.2%

The budget and user fees of the utility funds for the subsequent fiscal year have been formalized. The following table reflects the original adopted budget amounts for each year for the Water and Sewer Funds.

Utility Funds	FY14	FY15	Increase (Decrease)	% Change
Water Fund	4,853,514	4,852,957	(557)	0.0%
Sewer Fund	6,747,525	7,158,576	411,051	6.1%
Total Utility Funds	11,601,039	12,011,533	410,494	3.5%

The following table reflects the utility rates per one hundred cubic feet (HCF) of water consumption for each year. (1 HCF = 748 gallons)

Utility Rates	FY14	FY15	Increase (Decrease)	% Change
Water Fund	4.69	4.69	-	0.0%
Sewer Fund	6.53	7.24	0.71	10.9%
Combined Rates	11.22	11.93	0.71	6.3%

Discussions of other financial and economic factors are included in the Transmittal Letter.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Dover's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Finance Director, City of Dover
Municipal Building
288 Central Avenue
Dover, New Hampshire 03820

The City of Dover's web site contains additional financial information at:

www.dover.nh.gov

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Statement of Net Position

June 30, 2014

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current:			
Cash and short-term investments	\$ 62,948,555	\$ 8,912,214	\$ 71,860,769
Investments	4,873,702		4,873,702
Receivables, net of allowance for uncollectibles:			
Property taxes	3,809,588		3,809,588
User fees		3,233,259	3,233,259
Departmental and other	2,226,425		2,226,425
Intergovernmental	1,451,125	21,026	1,472,151
Internal balances	(6,249,804)	6,249,804	
Inventory	101,013	458,516	559,529
Other assets	192,558		192,558
Total current assets	<u>69,353,162</u>	<u>18,874,819</u>	<u>88,227,981</u>
Noncurrent:			
Intergovernmental receivables, net		124,029	124,029
Loans receivable, net	980,566		980,566
Investment in land		1,256,731	1,256,731
Capital assets:			
Land and construction in progress	40,358,700	5,474,810	45,833,510
Capital assets, net of accumulated depreciation	<u>112,652,323</u>	<u>65,162,197</u>	<u>177,814,520</u>
Total non-current assets	<u>153,991,589</u>	<u>72,017,767</u>	<u>226,009,356</u>
Total Assets	<u>223,344,751</u>	<u>90,892,586</u>	<u>314,237,337</u>
LIABILITIES AND NET ASSETS			
Liabilities			
Current:			
Accounts payable	1,730,184	674,454	2,404,638
Accrued liabilities	4,141,367	142,210	4,283,577
Retainage payable	142,122	11,921	154,043
Due to fiduciary funds	2,965,014		2,965,014
Unearned revenue	30,968	2,362,594	2,393,562
Other current liabilities	852,429		852,429
Current portion of long-term liabilities:			
Claims liability	457,000		457,000
Bonds and loans payable	7,380,850	2,365,821	9,746,671
Compensated absences	119,828	17,000	136,828
Total current liabilities	<u>17,819,762</u>	<u>5,574,000</u>	<u>23,393,762</u>
Noncurrent:			
Claims liability, net of current portion	121,281		121,281
Bonds and loans payable, net of current portion	78,763,838	21,803,287	100,567,125
Bond premium	2,014,278	410,800	2,425,078
Compensated absences, net of current portion	2,933,379	128,889	3,062,268
Other post-employment benefits liability	21,691,807	1,709,850	23,401,657
Liability for hazardous waste-site cleanup	8,706,720		8,706,720
Total non-current liabilities	<u>114,231,303</u>	<u>24,052,826</u>	<u>138,284,129</u>
Total Liabilities	<u>132,051,065</u>	<u>29,626,826</u>	<u>161,677,891</u>
Net Position			
Net investment in capital assets	97,393,335	49,645,760	147,039,095
Restricted for:			
Nonexpendable trust principal	2,192,877		2,192,877
Expendable trust principal	250,029		250,029
City and school department grants and projects	2,360,686		2,360,686
Restricted for capital outlay		12,740,179	12,740,179
Unrestricted (deficit)	(10,903,241)	(1,120,179)	(12,023,420)
Total Net Position	<u>\$ 91,293,686</u>	<u>\$ 61,265,760</u>	<u>\$ 152,559,446</u>

The accompanying notes are an integral part of these financial statements.

Statement of Activities

For the Year Ended June 30, 2014

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General government	\$ 15,183,137	\$ 3,729,530	\$ 955,571	
Public safety	17,699,453	2,803,827	1,091,468	
Public works	6,894,215	1,207,993	36,162	\$ 789,934
Culture and recreation	3,554,501	1,742,397	114,023	
Education	47,546,804	5,147,522	11,942,620	
Public welfare	775,598	161,041	27,582	
Interest	3,126,899			
Total Governmental Activities	<u>94,780,607</u>	<u>14,792,310</u>	<u>14,167,426</u>	<u>789,934</u>
Business-Type Activities:				
Water services	3,676,337	4,825,940		122,044
Sewer services	5,995,494	5,840,241		628,495
DBIDA services	144,643	2,400		
Total Business-Type Activities	<u>9,816,474</u>	<u>10,668,581</u>		<u>750,539</u>
Total	<u>\$ 104,597,081</u>	<u>\$ 25,460,891</u>	<u>\$14,167,426</u>	<u>\$ 1,540,473</u>

General Revenues:

- Property tax
- Motor vehicle registration tax
- Penalties and interest
- Unrestricted investment earnings
- Other revenue
- Transfers in (out)

Total general revenues

Change in Net Position

Net Position:

Beginning of year

End of year

<u>Net (Expenses) Revenues and Changes in Net Position</u>		
<u>Governmental</u> <u>Activities</u>	<u>Business-</u> <u>Type</u> <u>Activities</u>	<u>Total</u>
\$ (10,498,036)		\$ (10,498,036)
(13,804,158)		(13,804,158)
(4,860,126)		(4,860,126)
(1,698,081)		(1,698,081)
(30,456,662)		(30,456,662)
(586,975)		(586,975)
<u>(3,126,899)</u>		<u>(3,126,899)</u>
<u>(65,030,937)</u>		<u>(65,030,937)</u>
	\$ 1,271,647	1,271,647
	473,242	473,242
	<u>(142,243)</u>	<u>(142,243)</u>
	<u>1,602,646</u>	<u>1,602,646</u>
<u>(65,030,937)</u>	<u>1,602,646</u>	<u>(63,428,291)</u>
68,395,136		68,395,136
4,265,850		4,265,850
503,025		503,025
538,291	865	539,156
193,345		193,345
<u>(1,316,280)</u>	<u>7,330</u>	<u>(1,308,950)</u>
<u>72,579,367</u>	<u>8,195</u>	<u>72,587,562</u>
7,548,430	1,610,841	9,159,271
<u>83,745,256</u>	<u>59,654,919</u>	<u>143,400,175</u>
<u>\$ 91,293,686</u>	<u>\$ 61,265,760</u>	<u>\$ 152,559,446</u>

The accompanying notes are an integral part of these financial statements.

Governmental Funds**Balance Sheet**

June 30, 2014

ASSETS	General	CIP Governmental FY 15	Nonmajor Funds	Total Governmental Funds
Cash and short-term investments	\$ 58,490,151		\$ 4,458,404	\$ 62,948,555
Investments			4,873,702	4,873,702
Receivables, net of allowance for uncollectibles:				
Taxes	3,809,588			3,809,588
Departmental and other	1,183,269		1,000,096	2,183,365
Intergovernmental			1,452,553	1,452,553
Loans			980,566	980,566
Due from other funds		\$ 16,181,053	20,998,273	37,179,326
Advances to other funds	476,756			476,756
Inventory	3,189		27,453	30,642
Other assets	31,218		471	31,689
Total Assets	\$ 63,994,171	\$ 16,181,053	33,791,518	\$ 113,966,742
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 738,620	\$ 105,100	\$ 832,187	\$ 1,675,907
Accrued liabilities	3,442,917		330,031	3,772,948
Retainage payable	2,304		139,818	142,122
Unearned revenues			32,002	32,002
Due to other funds	40,546,776		6,522,785	47,069,561
Advances from other fund			476,756	476,756
Compensated absences	80,844			80,844
Other liabilities	852,429			852,429
Total Liabilities	45,663,890	105,100	8,333,579	54,102,569
Deferred Inflows of Resources:				
Unavailable revenue - property taxes	2,225,202			2,225,202
Unavailable revenue - long-term receivables			1,123,114	1,123,114
Total Deferred Inflows of Resources	2,225,202	-	1,123,114	3,348,316
Fund Balances:				
Nonspendable	3,189		2,220,330	2,223,519
Restricted		16,075,953	17,615,308	33,691,261
Committed	742,947		7,343,508	8,086,455
Assigned	2,026,919			2,026,919
Unassigned	13,332,024		(2,844,321)	10,487,703
Total Fund Balances	16,105,079	16,075,953	24,334,825	56,515,857
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 63,994,171	\$ 16,181,053	33,791,518	\$ 113,966,742

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities in the Statement of Net Assets

June 30, 2014

Total Governmental Fund Balances	\$	56,515,857
<ul style="list-style-type: none"> • Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 		153,011,023
<ul style="list-style-type: none"> • Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the governmental funds. 		3,348,316
<ul style="list-style-type: none"> • Internal service funds are used by management to account for Dover net, central stores, fleet maintenance and OPEB workers' compensation activities. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position. 		264,023
<ul style="list-style-type: none"> • In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due. 		(354,661)
<ul style="list-style-type: none"> • Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds: 		
Bonds payable		(86,144,688)
Bond premium		(2,014,278)
Compensated absences		(2,933,379)
Liability for hazardous waste-site cleanup		(8,706,720)
Other Post-Employment Benefits (OPEB) liability		<u>(21,691,807)</u>
Net Position of Governmental Activities	\$	<u>91,293,686</u>

Governmental Funds**Statement of Revenues, Expenditures and Changes
in Fund Balances**

For the Year Ended June 30, 2014

	<u>General</u>	<u>CIP FY 15</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Taxes	\$ 69,502,104	\$	\$ 96,031	\$ 69,598,135
Licenses and permits	5,043,259		315,928	5,359,187
Intergovernmental	2,524,142		4,842,827	7,366,969
Current services	3,164,247		4,288,083	7,452,330
Education	11,796,996			11,796,996
Miscellaneous	1,661,619		1,435,472	3,097,091
Total Revenues	<u>93,692,367</u>	<u>-</u>	<u>10,978,341</u>	<u>104,670,708</u>
Expenditures:				
Current:				
General government	4,428,283		177,095	4,605,378
Public safety	14,176,746	496,343	2,147,704	16,820,793
Public works	5,315,305	1,704	4,257,875	9,574,884
Culture and recreation	2,950,854		1,039,174	3,990,028
Education	41,226,133		5,071,911	46,298,044
Public welfare	753,649		432,571	1,186,220
Intergovernmental - County tax	7,771,799			7,771,799
Debt service	9,238,187		476,350	9,714,537
Total Expenditures	<u>85,860,956</u>	<u>498,047</u>	<u>13,602,680</u>	<u>99,961,683</u>
Revenues over (under) expenditures	<u>7,831,411</u>	<u>(498,047)</u>	<u>(2,624,339)</u>	<u>4,709,025</u>
Other Financing Sources (Uses):				
Bond proceeds		16,042,849	13,855,461	29,898,310
Bond premium received, net of costs	2,761	531,151	1,272,024	1,805,936
Transfers in	521,291		973,829	1,495,120
Transfers out	(3,658,760)			(3,658,760)
Total Other Financing Sources (Uses)	<u>(3,134,708)</u>	<u>16,574,000</u>	<u>16,101,314</u>	<u>29,540,606</u>
Net change in fund balances	4,696,703	16,075,953	13,476,975	34,249,631
Fund Balances, at Beginning of Year	<u>11,408,376</u>		<u>10,857,850</u>	<u>22,266,226</u>
Fund Balances, at End of Year	<u>\$ 16,105,079</u>	<u>\$ 16,075,953</u>	<u>\$ 24,334,825</u>	<u>\$ 56,515,857</u>

Statement of Revenues and Other Financing Sources, and Expenditures and Other Financing Uses - Budget and Actual - General Fund

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues and Other Sources:				
Taxes	\$ 67,862,251	\$ 68,454,813	\$ 69,502,104	\$ 1,047,291
Licenses and permits	4,392,780	4,292,780	5,043,296	750,516
Intergovernmental	2,065,412	2,016,440	1,953,781	(62,659)
Current services	3,214,653	3,064,653	3,153,061	88,408
Education	11,303,344	11,454,632	11,719,055	264,423
Miscellaneous	1,316,805	1,221,805	1,750,682	528,877
Transfers	452,688	452,688	446,292	(6,396)
Total Revenues	90,607,933	90,957,811	93,568,271	2,610,460
Other Sources	75,000	75,000	77,761	2,761
Total Revenues and Other Sources	90,682,933	91,032,811	93,646,032	2,613,221
Expenditures and Other Uses:				
General Government				
City Council	411,699	411,699	407,536	4,163
Executive	805,318	805,318	780,154	25,164
Finance	1,620,731	1,620,731	1,537,807	82,924
Planning	491,541	491,541	483,057	8,484
Miscellaneous general government	903,358	1,036,623	966,103	70,520
Total General Government	4,232,647	4,365,912	4,174,657	191,255
Public Safety				
Police	7,188,131	7,188,131	7,029,734	158,397
Fire	7,285,481	7,285,481	7,226,195	59,286
Total Public Safety	14,473,612	14,473,612	14,255,929	217,683
Community Services - Public Works	5,882,719	5,882,719	4,351,002	1,531,717
Culture and Recreation				
Recreation	2,008,829	2,008,829	1,901,095	107,734
Public Library	1,056,082	1,056,082	1,004,473	51,609
Total Culture and Recreation	3,064,911	3,064,911	2,905,568	159,343
Public welfare	843,167	843,167	751,990	91,177
Education	42,112,302	42,263,590	41,949,297	314,293
Debt Service				
Principal	6,738,461	6,738,461	6,367,111	371,350
Interest	3,047,468	3,047,468	2,871,075	176,393
Total Debt Service	9,785,929	9,785,929	9,238,186	547,743
Intergovernmental - County tax	7,706,474	7,771,799	7,771,799	
Transfers	2,581,172	2,581,172	2,581,172	
Total Expenditures	90,682,933	91,032,811	87,979,600	3,053,211
Other Uses				
Total Expenditures and Other Uses	90,682,933	91,032,811	87,979,600	3,053,211
Revenues and other sources over expenditures and other uses	\$ -	\$ -	\$ 5,666,432	\$ 5,666,432

Proprietary Funds**Statement of Net Position**

June 30, 2014

	Business-Type Activities Enterprise Funds			Total	Governmental Activities
	Water Fund	Sewer Fund	DBIDA Fund		Internal Service Funds
ASSETS					
Current:					
Cash and short-term investments	\$ 4,581,898	\$ 4,330,316		\$ 8,912,214	
User fees, net of allowance for uncollectibles					
Billed	683,349	692,811		1,376,160	
Unbilled	835,549	1,021,550		1,857,099	
Departmental and other receivables					\$ 57,465
Intergovernmental receivables		21,026		21,026	
Due from other funds	1,601,787	4,743,861		6,345,648	675,417
Prepaid expenses					161,341
Inventory	367,884	90,632		458,516	70,371
Total current assets	<u>8,070,467</u>	<u>10,900,196</u>		<u>18,970,663</u>	<u>964,594</u>
Noncurrent:					
Investment in land			\$ 1,256,731	1,256,731	
Intergovernmental receivable		124,029		124,029	
Capital assets:					
Land and construction in progress	2,271,295	3,182,936	20,579	5,474,810	
Other capital assets, net of accumulated depreciation	<u>27,003,365</u>	<u>38,158,832</u>		<u>65,162,197</u>	
Total noncurrent assets	<u>29,274,660</u>	<u>41,465,797</u>	<u>1,277,310</u>	<u>72,017,767</u>	
Total Assets	<u>37,345,127</u>	<u>52,365,993</u>	<u>1,277,310</u>	<u>90,988,430</u>	<u>964,594</u>
LIABILITIES					
Current:					
Accounts payable	153,610	519,522	1,322	674,454	69,082
Accrued liabilities	76,984	57,618	7,608	142,210	14,224
Retainage payable	2,191	9,730		11,921	
Unearned revenue	53,454	2,309,140		2,362,594	
Due to other funds			95,844	95,844	
Current portion of long-term liabilities:					
Claims liability					457,000
Bonds payable	1,169,191	1,196,630		2,365,821	
Compensated absences	<u>5,000</u>	<u>12,000</u>		<u>17,000</u>	<u>38,984</u>
Total current liabilities	<u>1,460,430</u>	<u>4,104,640</u>	<u>104,774</u>	<u>5,669,844</u>	<u>579,290</u>
Noncurrent:					
Claims liability, net of current portion					121,281
Bonds payable, net of current portion	11,188,985	10,614,302		21,803,287	
Bond premium	99,453	311,347		410,800	
Compensated absences	29,018	89,249	10,622	128,889	
Other post-employment benefits liability	<u>912,963</u>	<u>796,887</u>		<u>1,709,850</u>	
Total noncurrent liabilities	<u>12,230,419</u>	<u>11,811,785</u>	<u>10,622</u>	<u>24,052,826</u>	<u>121,281</u>
Total Liabilities	<u>13,690,849</u>	<u>15,916,425</u>	<u>115,396</u>	<u>29,722,670</u>	<u>700,571</u>
NET POSITION					
Net investment in capital assets	19,004,960	30,620,221	20,579	49,645,760	
Restricted for capital outlay	2,648,749	10,088,430	3,000	12,740,179	132,148
Unrestricted (deficit)	<u>2,000,569</u>	<u>(4,259,083)</u>	<u>1,138,335</u>	<u>(1,120,179)</u>	<u>131,875</u>
Total Net Position	<u>\$ 23,654,278</u>	<u>\$ 36,449,568</u>	<u>\$ 1,161,914</u>	<u>\$ 61,265,760</u>	<u>\$ 264,023</u>

Proprietary Funds**Statement of Revenues, Expenses and Changes in Fund Net Position**

For the Year Ended June 30, 2014

	Business-Type Activities Enterprise Funds			Total	Governmental Activities
	Water Fund	Sewer Fund	DBIDA Fund		Internal Service Funds
Operating Revenues:					
Charges for services	\$ 4,541,393	\$ 5,469,385		\$ 10,010,778	\$ 1,835,251
Investment fees	139,044	259,951		398,995	
Other revenue	145,503	110,905	\$ 2,400	258,808	358,716
Total Operating Revenues	<u>4,825,940</u>	<u>5,840,241</u>	<u>2,400</u>	<u>10,668,581</u>	<u>2,193,967</u>
Operating Expenses:					
Personal services	1,122,827	1,747,666	122,143	2,992,636	2,618,198
Purchased services	327,843	460,129	20,149	808,121	860,159
Supplies	539,649	815,211	2,351	1,357,211	70,316
Minor equipment	157,253	26,207		183,460	63,946
Depreciation	887,135	2,333,745		3,220,880	
Other expenses	161,185	223,629		384,814	312,934
Total Operating Expenses	<u>3,195,892</u>	<u>5,606,587</u>	<u>144,643</u>	<u>8,947,122</u>	<u>3,925,553</u>
Operating Income (Loss)	<u>1,630,048</u>	<u>233,654</u>	<u>(142,243)</u>	<u>1,721,459</u>	<u>(1,731,586)</u>
Nonoperating Revenues (Expenses):					
Investment income	445	420		865	
Interest expense	(470,158)	(356,704)		(826,862)	
Bond issuance cost	(10,287)	(32,203)		(42,490)	
Total Nonoperating Revenues (Expenses), Net	<u>(480,000)</u>	<u>(388,487)</u>		<u>(868,487)</u>	
Transfers In (Out)					
Intergovernmental	(89,129)	(33,541)	130,000	7,330	847,362
Capital Contributions	3	6,240		6,243	134,446
	<u>122,041</u>	<u>622,255</u>		<u>744,296</u>	
Change in Net Position	1,182,963	440,121	(12,243)	1,610,841	(749,778)
Net Position at Beginning of Year	<u>22,471,315</u>	<u>36,009,447</u>	<u>1,174,157</u>	<u>59,654,919</u>	<u>1,013,801</u>
Net Position at End of Year	<u>\$ 23,654,278</u>	<u>\$ 36,449,568</u>	<u>\$ 1,161,914</u>	<u>\$ 61,265,760</u>	<u>\$ 264,023</u>

Proprietary Funds**Statement of Cash Flows**

For the Year Ended June 30, 2014

	Business-Type Activities Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	DBIDA Fund	Internal Service Funds
Cash Flows From Operating Activities:				
Receipts from customers and users for services	\$ 4,670,598	\$ 5,442,650		\$ 10,113,248
Receipts from customers and users for investment fees	284,547	370,856	\$ 2,400	657,803
Payments to vendors and contractors	(1,196,179)	(1,080,760)	(22,156)	(2,299,095)
Payments of employee salaries and benefits	(1,167,739)	(1,691,448)	(117,983)	(2,977,170)
Receipts for interfund service provided	(1,121,844)			(1,121,844)
Payments for interfund service provided		(3,161,236)	7,739	(3,153,497)
Net Change in Operating Activities	<u>1,469,383</u>	<u>(119,938)</u>	<u>(130,000)</u>	<u>1,219,445</u>
Cash Flows From Noncapital Financing Activities:				
Transfers in			130,000	130,000
Transfers out	(89,129)	(33,541)		(122,670)
Intergovernmental subsidy				134,446
Net Change in Noncapital Financing Activities	<u>(89,129)</u>	<u>(33,541)</u>	<u>130,000</u>	<u>981,808</u>
Cash Flows From Capital and Related Financing Activities:				
Purchases of capital assets and land for investment	(548,079)	(1,425,776)		(1,973,855)
Capital contributions - federal and state grants	3	6,240		6,243
Principal payments on bonds and notes	(1,108,458)	(1,073,264)		(2,181,722)
Proceeds from bonds	960,834	3,020,855		3,981,689
Proceeds from bond premium	89,166	279,144		368,310
Interest expense	(470,158)	(356,704)		(826,862)
Net Change in Capital and Related Financing Activities	<u>(1,076,692)</u>	<u>450,495</u>		<u>(626,197)</u>
Cash Flows From Investing Activities:				
Investment income	445	420		865
Net Change in Investing Activities	<u>445</u>	<u>420</u>		<u>865</u>
Net Change in Cash and Short-Term Investments	304,007	297,436		601,443
Cash and Short-Term Investments, Beginning of Year	<u>4,277,891</u>	<u>4,032,880</u>		<u>8,310,771</u>
Cash and Short-Term Investments, End of Year	<u>\$ 4,581,898</u>	<u>\$ 4,330,316</u>	<u>\$ -</u>	<u>\$ 8,912,214</u>
Reconciliation of Operating Income to Net Change In Operating Activities:				
Operating income (loss)	\$ 1,630,048	\$ 233,654	\$ (142,243)	\$ 1,721,459
Adjustments to reconcile operating income (loss) to net change in operating activities:				
Depreciation	887,135	2,333,745		3,220,880
Changes in assets and liabilities:				
User fees	126,380	(59,247)		67,133
Inventory	(17,133)	2,450		(14,683)
Departmental and other receivables		15,907		15,907
Interfund receivables and payables	(1,121,844)	(3,161,236)	7,739	(4,275,341)
Accounts payable	(36,444)	415,504	344	379,404
Accrued liabilities	(7,944)	14,809	527	7,392
Unearned revenue	2,825	16,605		19,430
Retainage payable	(70,199)	(104,156)		(174,355)
Compensated absences	(36,968)	41,409	3,633	8,074
Other post-employment benefits liability	113,527	130,618		244,145
Net Change in Operating Activities	<u>\$ 1,469,383</u>	<u>\$ (119,938)</u>	<u>\$ (130,000)</u>	<u>\$ 1,219,445</u>
Noncash investing and financing activities:				
Capital contributions - donated	<u>\$ 122,041</u>	<u>\$ 622,255</u>		<u>\$ 744,296</u>

Fiduciary Funds

Statement of Fiduciary Net Position

June 30, 2014

	Agency Funds	Private Purpose Trust Funds	OPEB Irrevocable Trust Fund
ASSETS			
Cash and short term investments	\$ 370,142		
Due from other funds	<u>801,563</u>	\$ <u>850,264</u>	\$ <u>1,313,187</u>
Total Assets	<u>1,171,705</u>	<u>850,264</u>	<u>1,313,187</u>
LIABILITIES AND NET ASSETS			
Other liabilities	<u>1,171,705</u>	_____	_____
Total Liabilities	<u>1,171,705</u>	_____	_____
NET Position			
Total Net Position Held in Trust	\$ <u><u>-</u></u>	\$ <u><u>850,264</u></u>	\$ <u><u>1,313,187</u></u>

Fiduciary Funds

Statement of Changes in Fiduciary Net Position

For the Year Ended June 30, 2014

	Private Purpose Trust Funds	OPEB Irrevocable Trust Fund
Additions:		
Investment earnings	\$ 61,134	\$ 5,211
Total	<u>61,134</u>	<u>5,211</u>
Deductions:		
Disbursements by agent	23,805	
Management Service		977
Total deductions	<u>23,805</u>	<u>977</u>
Net increase	37,329	4,234
Other Financing Sources and Uses		
Transfers in		<u>1,308,953</u>
Net Change in Fund Balance	37,329	1,313,187
Net Position:		
Beginning of year	<u>812,935</u>	
End of year	<u>\$ 850,264</u>	<u>\$ 1,313,187</u>

Notes to Financial Statements

June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Dover, New Hampshire (the City) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

Reporting Entity

The City is a municipal corporation governed by an elected mayor, eight-member council and an appointed City Manager. In evaluating the City as a reporting entity, management has addressed all potential component units for which the City may be financially accountable and, as such, should be included within the City's financial statements. In accordance with GASB Statement No. 14 as amended by GASB Statement No. 61, the City is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City. Additionally, the City is required to consider other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity's financial statements to be misleading. In fiscal year 2014, it was determined that no entities met the required criteria to be included as a component unit.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Notes to Financial Statements

June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The government reports the following major governmental funds:

The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Capital Improvements Program for fiscal year 2015 (CIP FY 15) is used to account for the revenue from the bond proceeds and related expenditures for authorized projects.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The government reports the following major proprietary funds:

- The Water Fund accounts for the operation of a water treatment plant, city wells and water system
- The Sewer Fund accounts for the operation of a sewer treatment plant, pumping station and sewer lines.
- The Dover Business and Industrial Development Authority Fund (DBIDA) accounts for the economic development projects of the DBIDA, which operates under RSA 162-G.

Notes to Financial Statements

June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

Fund Financial Statements – Continued

Additionally, the government reports the following fund type:

- Internal service funds account for data processing, fleet management services, workers compensation administration and claims, and other post-employment benefits (OPEB) liability expenses provided to other departments on the cost reimbursement basis.

Fiduciary funds employ the same economic resources measurement focus and accrual basis of accounting as do proprietary funds. Agency funds, however, only report assets and liabilities, and thus have no measurement focus. The government also reports the following fiduciary funds:

- Agency funds account for fiduciary assets held by the City in a custodial capacity as an agent on behalf of others. Agency funds held by the City include the Chamber of Commerce, Performance Bonds, Department Agency, and School Agency.
- The Private-Purpose Trust Funds are used to account for trust arrangements, under which principal and investment income exclusively benefit individuals, private organizations, or other governments. Private Purpose Trust Funds held by the City include trust arrangements for Cemetery general care, Parks & Recreation program scholarships, Welfare benefits, and School scholarships.
- The OPEB Irrevocable Trust Fund is used to account for assets held by the City in a trustee capacity to provide for funding of the city's OPEB liability.

As a general rule and per the City's policy, the effect of interfund activity has been eliminated from the government-wide financial statements. The reimbursements from other funds included in internal service funds revenue are eliminated on the government-wide level to remove the "doubling up" effect of internal service activity.

Cash and Investments

The government's cash is considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The New Hampshire Public Deposit Investment Pool (NHDPDIP) operates in accordance with appropriate state laws and regulations and is under the control of the New Hampshire Banking Commission. The reported value of the pool is the same as the fair value of the pool shares. Participation units of the NHDPDIP are considered short-term for financial presentation purposes. Investments are considered holdings of greater than three months and are reported at fair value.

City Funds

Under New Hampshire RSA 48:16, the City Treasurer may invest excess funds which are not immediately needed for the purpose of expenditure, in obligations of the United States government, in participation units in the public deposit investment pool established pursuant to RSA 383:22, in savings bank deposits of banks incorporated under the laws of the state of New Hampshire or in certificates of deposits and repurchase agreements of banks incorporated under the laws of the state of New Hampshire or in banks recognized by the state treasurer. At least yearly, the City Council shall review and adopt an investment policy for the investment of public funds in conformance with the provisions of applicable statutes. The significant sections of that policy are disclosed in Note 3.

Notes to Financial Statements

June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

Trust Funds

Under New Hampshire RSA 34:5, capital reserve funds of the City shall be invested only by deposit in some savings banks or in the savings department of a national bank or trust company, or in the shares of a cooperative bank, building and loan association, or federal savings and loan association, in this state or in bonds, notes or other obligations of the United States government, in bonds or notes of this state, in such stocks and bonds as are legal for investment by New Hampshire savings banks, or in participation units in the public deposit investment pool established pursuant to RSA 383:22 by the trustees of the trust funds.

Under New Hampshire RSA 31:27, the city trustees of trust funds may establish, maintain and operate one or more common trust funds, in which may be combined money and property belonging to the various trusts in their care, for the purpose of facilitating investments, providing diversification and obtaining reasonable income; provided, however, that said common trust funds shall be limited to the investments authorized in RSA 31:25; provided further, that not more than \$10,000 or more than 10 percent of the fund whichever is greater of any town or city common trust funds shall be invested under RSA 31:25 in the obligations of any one corporation or organization, excepting deposits in any federally or state-chartered bank or association authorized to engage in a banking business in this state, in credit unions in this state, or in obligations of the United States and of the state of New Hampshire and its subdivisions; or in participation units in the public deposit investment pool established pursuant to RSA 383:22, or in shares of open-ended mutual funds selected by the trustees for investment under RSA 31:25.

Under New Hampshire RSA 31:25, at least yearly, the trustees of trust funds shall review and adopt an investment policy for the investment of public funds in conformance with the provisions of applicable statutes. The significant sections of that policy are disclosed in Note 3.

Post-Employment Benefits Irrevocable Trust Fund

The City is the trustee, or fiduciary, for assets set aside and held in an irrevocable trust arrangement for the post-employment benefits. The City contributions to this fund are expensed to the OPEB Internal Service Fund.

Under New Hampshire RSA 31:19-c, the legislative body of a municipality that created an actuarial liability to pay other post-employment benefits (OPEB) to employees or officers after their termination of service may establish an irrevocable trust to pay those benefits. Deposits to any fund under such a trust and any earnings on those deposits shall be irrevocable and shall be held in trust for the exclusive benefit of the retirees and their beneficiaries in accordance with the terms of the plan. The trustees of any trust created pursuant to this section shall have the full power to invest, reinvest, and manage the assets of the trust. The trustees shall also diversify such investments so as to minimize the risk of larger losses unless under the circumstances it is clearly prudent not to do so.

Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due from/to other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

Advances between funds are offset by a fund balance reserve accounting applicable governmental funds to indicate the portion not available for appropriation and not available as expendable financial resources.

Notes to Financial Statements

June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

Interfund Receivables and Payables - Continued

Any residual balances between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Inventories

Inventories are valued at the lower of cost or market using the first-in/first-out (FIFO) method. The costs of inventories is recorded as an expense when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$25,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. No interest was capitalized during 2014.

Property, plant, and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

Buildings	20 – 40 years
Building improvements	40 years
Building systems	15 – 24 years
Infrastructure	20 – 40 years
Water/sewer infrastructure	24 – 50 years
Vehicles	8 – 15 years
Office equipment	7 – 20 years
Computer equipment	5 – 10 years
Land improvements	15 – 20 years
Machinery and equipment	5 – 15 years
Books and collections	5 years

Compensated Absences

Depending on the union agreement, employees may be compensated for unused amounts of sick leave earned prior to June 30, 1993, ranging from 25% to 75% of accumulated time. Effective June 30, 1993, all non-education employees are awarded sick leave at a rate of 10 days per year, which lapses at year end. Employees earn vacation leave as they provide services. Employees may carry over earned vacation days with some limitations (usually sixty days) and use compensatory time for unused balances upon termination with some limitations, usually 30 days.

Notes to Financial Statements

June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

Compensated Absences - Continued

All vested sick and vacation pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

During fiscal year 2002, the City began funding the current vested portion of vacation and sick time for non-enterprise fund employees by establishing a capital reserve fund. The balance in the fund as of June 30, 2014 was \$277,508. The vested portion attributable to enterprise fund employees has been recorded in the respective fund.

Deferred Inflows of Resources

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as a inflow of resources (revenue) until that time. The City has two items, which arises under a modified accrual basis of accounting that qualifies for reporting in this category, unavailable revenue from property taxes and unavailable revenue from long-term receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Fund Balances

In the governmental fund financial statements fund balance is reported in five classifications.

Nonspendable fund balance Nonspendable fund balance represent fund balance amounts that are not in spendable form, such as inventories and prepaid items or are legally or contractually required to be maintained intact.

Restricted Resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Resources which are subject to limitations the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner. The City Council is the highest level of decision-making authority for the City that can, by adoption of a resolution prior to the end of the fiscal year, commit a fund balance.

Notes to Financial Statements

June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

Fund Balances - Continued

Assigned

Resources neither restricted nor committed for which a government has a stated intended use as established by the City Council or a body or official to which the City Council has delegated the authority to assign amounts for specific purposes. These funds, which include encumbrances, have been assigned for specific goods and services ordered but not yet paid for at year end. The City Council has by resolution authorized the City's management (the City Manager) to assign fund balance amounts to a specific purpose. This account also includes fund balance authorized by provisions of the City Charter to be used in a subsequent fiscal year.

Unassigned

Resources which cannot be properly classified in one of the other four categories. The General Fund should be the only fund that reports a positive unassigned fund balance amount. When fund balance is negative the amount is reported as unassigned.

The City's fund balance policy establishes that an amount equal to at least 8% of the City's most recent approved operating budget shall be established as a minimum unassigned fund balance.

Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumptions must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements as flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Notes to Financial Statements

June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure for contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

Recent Accounting Pronouncements

In June 2012, the GASB issued GASB Statement No. 68, "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27. This statement improves accounting and financial reporting by state and local governments for pensions. The new statement is effective for periods beginning after June 15, 2014. The City is currently assessing the impact of this statement on its financial statements.

NOTE 2 – STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The City Manager submits his proposed operating budget to the City Council on or before April 15th. The operating budget includes proposed expenditures and the means of financing them. Annual budgets are legally adopted for the following funds: general, parking activity, residential solid waste, library fines, tuition programs, school alternative education, school facilities, McConnell Center, police DHA and school cafeteria. Proprietary funds with annually adopted budgets are water and sewer funds. Public hearings are conducted to obtain comments on the proposed budget. The final budget must be adopted by June 15th, but not earlier than seven days after a public hearing. A separate public hearing is held on the portion of the budget submitted by the School Board.

The City Manager may transfer budgeted amounts within each non-school Department without City Council approval. The City Manager may transfer budgeted amounts between non-school Departments only after obtaining approval from the Council. The Superintendent of the School Department may transfer budgeted amounts within the Department as needed. The City Council may, after public hearings, appropriate additional amounts. The City Council must designate the source of such funds except for emergency situations. All unencumbered appropriations, except those for capital expenditures or dedicated funds, lapse at the end of the fiscal year. Appropriation for capital expenditures remains in force for three years or until their purpose has been accomplished or abandoned.

Budgetary Basis

The General Fund's final appropriation appearing on the Budget and Actual page of the fund financial statements represents the final amended budget after all transfers and supplemental appropriations.

Notes to Financial Statements

June 30, 2014

NOTE 2 – STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY – CONTINUED

Budget/GAAP Reconciliation

The budgetary data for the general and special revenue funds is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations of the general fund and various special revenue funds are presented in accordance with budgetary accounting principles to provide a meaningful comparison with budgetary data.

The following is a summary of adjustments made to the actual revenues and other sources, and expenditures and other uses, to conform to the budgetary basis of accounting.

	Revenues and other financing sources	Expenditures and other financing uses	Revenues and other financing sources over (under) expenditures and other financing uses
General Fund			
Revenues/expenditures (GAAP basis)	\$93,692,367	\$85,860,956	\$ 7,831,411
Other financing sources/uses (GAAP basis)	<u>524,052</u>	<u>3,658,760</u>	<u>(3,134,708)</u>
	94,216,419	89,519,716	4,696,703
Reverse beginning of year appropriation carryforwards from expenditures		(1,909,719)	1,909,719
Reverse on-behalf payments	(570,361)	(570,361)	
Add end of year appropriation carryforwards to expenditures		1,042,568	(1,042,568)
Less expenditures from reserves and carryovers		(135,900)	135,900
Other adjustments	<u>(26)</u>	<u>33,296</u>	<u>(33,322)</u>
Budgetary Basis	<u>\$93,646,032</u>	<u>\$ 87,979,600</u>	<u>\$ 5,666,432</u>

Excess of Expenditures Over Appropriations

Expenditures exceeded appropriations in the following areas:

Non-major Governmental Funds

Parking activity	\$ (4,579)
School facilities	(6,398)

Internal Service Funds

Workers compensation	\$ (383,466)
OPEB fund	(170,107)

Notes to Financial Statements

June 30, 2014

NOTE 2 – STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY – CONTINUED

Deficit Fund Equity

The individual projects within the following funds had deficits as of June 30, 2014:

Nonmajor Governmental funds		
Special Revenue Funds:		
Community Development	\$ (262,265)	(A)
Housing and Urban Development	(7,027)	(A)
Economic Development Loan Fund	(54,378)	(A)
DOE Energy Efficiency	(10,034)	(A)
Homeland Security Fund	(5,073)	(A)
Police DHA Fund	(13,969)	(A)
Police DOT Fund	(27,568)	(A)
DHHS Assistance Programs	(17,493)	(A)
Dover Main Street Fund	(2,684)	(A)
Tuition Programs	(5,538)	(A)
McConnell Center	(445,389)	(B)
Field Maintenance Fund	(60,618)	(B)
Capital Project Funds:		
CIP FY12	(381,914)	(B)
CIP FY10	(185,143)	(B)
CIP FY07	(469,543)	(B)
CIP FY06	(22,355)	(B)
CIP FY05	(420,870)	(B)
CIP FY04	(117,791)	(B)
CIP FY03, FY02, FY00	(110,260)	(B)
Tolend Road Landfill Closure	(224,409)	(B)

(A) The deficits in these funds will be eliminated through the future grant reimbursements.

(B) The deficits in these funds will be eliminated through future departmental revenues and transfers from other funds.

NOTE 3 – CASH AND INVESTMENTS

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the deposits may not be returned. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. None of the City's deposits or investments were exposed to custodial credit risk.

Notes to Financial Statements

June 30, 2014

NOTE 3 – CASH AND INVESTMENTS – CONTINUED

City Funds

The City's Investment Policy requires the use of security broker/dealers be based on credit-worthiness (a minimum capital requirement of \$100,000,000 and at least five years of operation). Permitted investment per state law and the City's policy are U.S. Government Obligations, New Hampshire Public Deposit Investment Pool (NHPDIP), Certificates of Deposits in New Hampshire banks and overnight Repurchase Agreements whose underlying securities consist of U.S. Government Obligations, U.S. Government Agency Obligations or State of New Hampshire Obligations. Financial institutions where funds are kept on deposit, in CDs or Repurchase Agreements must meet the following criteria:

- Minimum total assets of \$100 million.
- Minimum of an average rating by a bank rating service.
- Minimum ratio of equity capital to total assets of 5%.
- Maximum ratio of non-performing assets to equity of 20%.

Full collateralization is required on non-negotiable CDs or overnight Repurchase Agreements. Repurchase Agreement collateral must consist of U.S. Government Obligations, U.S. Government Agency Obligations or State of New Hampshire Obligations.

Maximum maturity for an investment of City funds is six months. As of June 30, 2014, the City's bank balance of \$73,314,023 was fully insured or collateralized.

Trust Funds

The Investment Policy of the City's Board of Trustees of the Trust Funds permits deposits and investments in:

- Deposits in savings banks or the savings department of a national bank or trust company in the state of New Hampshire or in the NHPDIP.
- Shares of a building and loan association or cooperative bank, incorporated and doing business under New Hampshire law.
- Shares of any federal savings and loan association, located and doing business in New Hampshire.
- Certificates of deposits in New Hampshire.
- Bonds, notes or other obligations of the U.S. Government or the state, county, town, city, school district or water and sewer district.
- Stocks and bonds as are legal for investment by New Hampshire savings banks.
- Shares of mutual funds or money market mutual funds.
- The Board of Trustees of Trust Funds' standard for investing Common Trust Funds is the Prudent Investor Rule in accordance with RSA 31:25-d. To comply with the provisions of the Prudent Investor Rule, the Board engaged the services of an investment advisor.

Notes to Financial Statements

June 30, 2014

NOTE 3 – CASH AND INVESTMENTS – CONTINUED

Credit Risk

The City's Investment Policy and the Board of Trustees Investment Policy minimize credit risk by limiting investments to the safest types of securities as listed above, pre-qualifying institutions and diversifying the portfolio. In addition, they do not permit investments made with leveraging techniques, margin purchases or trading involving short selling. The Board of Trustees' Investment Policy also addresses specific ratio analysis and financial parameters for investments in stocks, bonds and mutual funds. In fiscal year 2014 the trust investments authorized to be managed by the Board's investment advisor were as follows:

Equity Investments

The Equity asset class may be comprised of individual securities, mutual funds and other pooled asset portfolios that are invested principally in equity securities of U.S. or international companies that have a proven record of earnings, growth, strong fundamentals and good valuations. These securities may be listed on registered exchanges, or actively traded in the over-the counter market, or considered to be restricted securities (provided that the percentage of the fund's assets invested in such securities conform to the investment instrument's prospectus).

Fixed Income Investments

The Fixed income asset class may be comprised of individual securities, mutual funds and other pooled assets portfolios that are invested principally in fixed income securities rated investment grade or better (rated in one of the four highest rating categories by a National Recognized Statistical Rating Organization (NRSRO) at the time of purchase), or, if not rated, are determined to be of comparable quality by the Investment Advisor or a mutual fund manager.

Cash Equivalent Reserves

Cash equivalent reserves shall consist of money market mutual funds that comply with Rule 2a-7 under the Investment Company Act of 1940, as amended, or in the New Hampshire Public Deposit Investment Pool.

Investments as of June 30, 2014 consisted of:

	Fair Value	Investment Maturities (in Years)			No Maturity
		1 - 5	6 - 10	More than 10	
Corporate Bonds	\$ 492,543	\$ 336,100	\$ 156,443		
Bond Funds	1,269,767				\$ 1,269,767
Common Stock and Mutual Funds	2,205,192				2,205,192
Money Market, less than one year	906,200	906,200			
Total Investments	<u>\$4,873,702</u>	<u>\$1,242,299</u>	<u>\$ 156,443</u>	<u>\$ -</u>	<u>\$ 3,474,959</u>

Notes to Financial Statements

June 30, 2014

NOTE 3 – CASH AND INVESTMENTS – CONTINUED

Cash Equivalent Reserves – Continued

The City's investment in debt securities that require disclosure of credit risk were rated by Moody's as follows:

Fixed income corporate bonds \$187,052 — Aaa; Fixed income corporate bonds \$102,302 — Aa thru A3; Bond funds \$598,104 — Aaa and \$320,672 below Aaa, with 25% of these funds (13% of the non-Aaa portion) rated A1 or better.

As of June 30, 2014, the City did not have investments in any one issuer that exceeded 5% of investments.

City Funds

The City's Investment Policy limits its exposure to concentration credit risk by limiting the types of investment securities that it holds to U.S. Government Obligations and by splitting its short term deposits between financial institutions that fully collateralize them and the NHPDIP that also collateralizes the deposits and fully insures them.

Trust Funds

It is the policy of the Trustees that common investments shall be diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, industry or specific issuer. The Trustees' concentration of credit risk policy is as follows:

Approved Allocation Guidelines for Common Trust Assets

Cash	0% - 10%
Fixed Income	40% - 60%
Equities	40% - 60%
Inflation Hedge	0% - 10%

The Fixed Income allocation shall consist of 15% or less of high yield bond funds.

Common Trust Accumulated Income Assets

Cash	25% - 100%
Fixed Income	0% - 75%
Equities	0% - 35%

The Fixed Income allocation shall consist of no investment into high yield bond funds. Investment into Fixed Income and Equities investments is only at specific direction of the Board of Trustees of Trust Funds.

Capital Reserve Funds

Cash	5% - 100%
U.S. Treasuries	0% - 60%
AAA Government Agencies	0% - 60%

Notes to Financial Statements

June 30, 2014

NOTE 3 – CASH AND INVESTMENTS – CONTINUED

Capital Reserve Funds – Continued

In fiscal year 2014 all Capital Reserve Funds' investments were fully collateralized.

- No more than 10% of the portfolio (cost basis including cash and investments) shall be invested in the obligations of any one entity, corporation or organization exclusive of U.S. government or agency obligations. A mutual fund will be considered one entity.
- No more than 20% (market value basis) shall be invested in any one sector.
- About 10% of the portfolio should be kept in more liquid money market accounts.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

City Funds

The City minimizes the risk that the market value of securities will fall due to changes in general interest rates by structuring the portfolio so securities mature to meet the cash requirements for on-going operations thus avoiding the need to sell securities on the open market prior to maturity. The policy also provides for investing primarily in shorter-term securities including the local government investment pool.

Trust Funds

The Trust recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary loss of liquidity. Portfolio diversification is to be employed as a way to control risk. The Trustees' investment advisor is expected to use prudence in the selection of securities as a way to minimize default risk. No individual investment transaction shall be undertaken that jeopardizes the total capital position of the specific issuer. The Trustees' investment advisor shall review and, if appropriate, proceed to liquidate any securities having comparable credit risks.

Foreign Currency Risk

Specific investment in foreign securities is not permitted by either the City or Board of Trustees Investment Policies. Mutual Funds held by the Board of Trustees may have insignificant holdings in foreign securities.

The City and Board's policies also outline other specific investment criteria and are available for review at www.dover.nh.gov.

NOTE 4 – TAXES RECEIVABLE

The City bills property taxes semi-annually, in October and April of the following year. Property tax revenues are recognized in the fiscal year for which taxes have been levied to the extent that they become available, i.e., due or receivable within the current fiscal year and collected within the current period or within 60 days of year-end.

Notes to Financial Statements

June 30, 2014

NOTE 4 – TAXES RECEIVABLE – CONTINUED

Property taxes are due no earlier than December 1 and June 1, of the following year and must be due at least 30 days after bills are mailed. At the time of the tax lien, which the City usually places within 60 to 90 days after the second due date, a lien is recorded on the property at the Registry of Deeds. If the property taxes are not paid (redeemed) within two years and one day of the tax lien date, the property could be conveyed to the City by deed and subsequently sold at public auction or sealed bid.

The City annually budgets an amount (overlay for abatements) for property tax abatements and refunds. All abatements and refunds are charged to overlay. Prior to fiscal year 1996, the City was funding all abatement out of the current year appropriation regardless of the levy of the tax. During fiscal year 1996, the City began matching property tax abatements for individual levy years, with the tax revenue earned by the individual levy years.

Taxes receivable at June 30, 2014 are comprised of (in thousands):

Unredeemed taxes:	
Levy of fiscal year 2014	\$ 2,802
Levy of fiscal year 2013	525
Levy of fiscal year 2012	373
Levy of fiscal year 2011	242
Levy of fiscal year 2010	48
Levy of fiscal year 2009	19
Levy of fiscal year 2008	16
Allowance for uncollectibles	<u>(265)</u>
	3,760
Other taxes:	
Other miscellaneous taxes	<u>50</u>
	<u>\$ 3,810</u>

NOTE 5 – DEPARTMENTAL AND OTHER RECEIVABLES

Departmental and other receivables, as reported in the governmental funds represent ambulance, police detail, current use receivables and other reimbursements.

	Ambulance	Conservation Fund	Residential Solid Waste	Other	Total
Gross	\$ 1,627,344	\$ 84,745	\$ 38,017	\$ 1,490,352	\$ 3,240,458
Less allowance for doubtful accounts	<u>(1,057,093)</u>				<u>(1,057,093)</u>
	<u>\$ 570,251</u>	<u>\$ 84,745</u>	<u>\$ 38,017</u>	<u>\$ 1,490,352</u>	<u>\$ 2,183,365</u>

NOTE 6 – INTERGOVERNMENTAL RECEIVABLES

The balance of \$1,452,553 reported in the nonmajor governmental funds represents amounts to be received on various expenditure driven grants.

Notes to Financial Statements

June 30, 2014

NOTE 6 – INTERGOVERNMENTAL RECEIVABLES – CONTINUED

The New Hampshire Department of Environmental Services annually reimburses the City for a portion of the principal and interest payments on Sanitary Sewer Funds bonds. The reimbursement is based upon the amount of the State's participation in the original sewer project. The amount due from the State in future years is as follows:

Fiscal Year Ended June 30,:	Reimbursement For		
	Principal	Interest	Total
2015	\$ 15,338	\$ 5,688	\$ 21,026
2016	15,304	5,078	20,382
2017	13,915	4,458	18,373
2018	13,916	3,910	17,826
2019	10,860	3,358	14,218
Thereafter	70,034	11,541	81,575
	<u>\$ 139,367</u>	<u>\$ 34,033</u>	<u>\$ 173,400</u>

In the Sewer Enterprise fund, the City has accrued \$5,688 of interest due in fiscal year 2014, along with all principal as intergovernmental receivables at June 30, 2014.

NOTE 7 – LOANS RECEIVABLE

Loans receivable of \$980,566 in nonmajor governmental funds represent the uncollected balance of community development loans.

NOTE 8 – INTERFUND FUND RECEIVABLES, PAYABLES, AND TRANSFERS

The City maintains self-balancing funds; however, most cash transactions flow through the general fund. In order to obtain accountability for each fund, interfund receivable and payable accounts must be utilized. The amount listed as advance to other funds which is due to the general fund is from the McConnell Center Fund relates to cash flow hardship, and is not scheduled to be collected in the subsequent year. The following is an analysis of the June 30, 2014 balances in interfund receivable and payable accounts:

Fund	Due From Other Funds	Due to Other Funds	Advance to Other Funds	Advance From Other Funds
General Fund		\$ 40,546,776	\$ 476,756	
CIP FY 15	\$ 16,181,053			
Nonmajor Governmental Funds	20,998,273	6,522,785		\$ 476,756
Major Proprietary Funds:				
Enterprise Funds:				
Water	1,601,787			
Sewer	4,743,861			
DBIDA		95,844		
Nonmajor Proprietary Funds:				
Internal Service Funds	675,417			
Fiduciary Funds:				
Agency Funds	801,563			
Private Purpose Funds	850,264			
OPEB Irrevocable Trust Fund	1,313,187			
	<u>\$ 47,165,405</u>	<u>\$ 47,165,405</u>	<u>\$ 476,756</u>	<u>\$ 476,756</u>

Notes to Financial Statements

June 30, 2014

NOTE 8 – INTERFUND FUND RECEIVABLES, PAYABLES, AND TRANSFERS - CONTINUED

Interfund transfers are used to move unrestricted general fund revenues to finance various programs that the City must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs. The following is an analysis of the June 30, 2014 interfund transfers:

Fund	Transfers In	Transfers Out
General Fund	\$ 521,291	\$ (3,658,760)
Nonmajor Governmental Funds	973,829	
Major Proprietary Funds:		
Enterprise Funds		
Water		(89,129)
Sewer		(33,541)
DBIDA	130,000	
Nonmajor Proprietary Funds		
Internal Service Funds	1,503,337	(655,980)
OPEB Irrevocable Trust Fund	1,308,953	
Total Interfund Transfers	<u>\$ 4,437,410</u>	<u>\$ (4,437,410)</u>

NOTE 9 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows (reported in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 111,746	\$ 884	\$	\$ 112,630
Machinery, equipment and furnishings	27,676	1,549	(50)	29,175
Infrastructure	81,571	1,573		83,144
Total capital assets, being depreciated	<u>220,993</u>	<u>4,006</u>	<u>(50)</u>	<u>224,949</u>
Less accumulated depreciation:				
Buildings and improvements	(37,270)	(2,411)		(39,681)
Machinery, equipment and furnishings	(19,302)	(1,761)	50	(21,013)
Infrastructure	(49,181)	(2,421)		(51,602)
Total accumulated depreciation	<u>(105,753)</u>	<u>(6,593)</u>	<u>50</u>	<u>(112,296)</u>
Total capital assets, being depreciated, net	<u>115,240</u>	<u>(2,587)</u>		<u>112,653</u>
Capital assets, not being depreciated:				
Land	14,598			14,598
Construction in progress	23,114	4,718	(2,071)	25,761
Total capital assets, not being depreciated	<u>37,712</u>	<u>4,718</u>	<u>(2,071)</u>	<u>40,359</u>
Governmental Activities Capital Assets, Net	<u>\$ 152,952</u>	<u>\$ 2,131</u>	<u>\$ (2,071)</u>	<u>\$ 153,012</u>

Notes to Financial Statements

June 30, 2014

NOTE 9 – CAPITAL ASSETS – CONTINUED

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 39,315	\$	\$	\$ 39,315
Machinery, equipment and furnishings	15,450	305	(28)	15,727
Infrastructure	66,411	2,658		69,069
Total capital assets, being depreciated	<u>121,176</u>	<u>2,963</u>	<u>(28)</u>	<u>124,111</u>
Less accumulated depreciation:				
Buildings and improvements	(22,198)	(863)		(23,061)
Machinery, equipment and furnishings	(8,405)	(995)	28	(9,372)
Infrastructure	(25,153)	(1,363)		(26,516)
Total accumulated depreciation	<u>(55,756)</u>	<u>(3,221)</u>	<u>28</u>	<u>(58,949)</u>
Total capital assets, being depreciated, net	<u>65,420</u>	<u>(257)</u>		<u>65,162</u>
Capital assets, not being depreciated:				
Land	1,785			1,785
Construction in progress	3,902	2,299	(2,511)	3,690
Total capital assets, not being depreciated	<u>5,687</u>	<u>2,278</u>	<u>(2,511)</u>	<u>5,475</u>
Business-Type Activities Capital Assets, Net	<u>\$ 71,107</u>	<u>\$ 2,278</u>	<u>\$ (2,511)</u>	<u>\$ 70,637</u>

Depreciation expense was charged to functions of the City as follows (in thousands):

Governmental Activities:	
General government	\$ 256
Public safety	582
Public works	3,417
Education	1,819
Culture and recreation	517
Public welfare	2
Total Depreciation Expense - Governmental Activities	<u>\$ 6,593</u>
Business-Type Activities:	
Water	\$ 887
Sewer	2,334
Total Depreciation Expense – Business-Type Activities	<u>\$ 3,221</u>

Notes to Financial Statements

June 30, 2014

NOTE 9 – CAPITAL ASSETS – CONTINUED

Construction Commitments:

Active construction in progress at June 30, 2014 and commitments outstanding consist of the following:

	Construction in Progress	Remaining Commitments
Government Activities:		
Tolend Road Landfill	\$ 12,217,187	
Cochecho Dredge Cell	3,598,231	\$ 2,771
Tolend/Watson Road Improvements	2,711,556	1,475,173
Tolend Road – Landfill Closure	1,819,794	
PW – Applevale Ave - Reconstruction	1,673,482	
Tolend Road – Bellamy Plume Trust	977,943	
Tolend Road – BioRemediation	743,480	
Downtown Parking Facility - Buildings	444,926	410,759
Police – New Facility	368,746	481,702
Berry Brook Watershed Plan – Phase 2	359,153	
PW – Street Reconstruction Silver Street	268,017	8,698
PW – Lisa Beth Drive & Circle Reconstruct	99,959	
Berry Brook Watershed Plan – Phase 3	94,261	126,897
Downtown Traffic Efficiency Imp	89,273	31,227
McConnell Building Improvements	69,976	
TIP – Downtown Transit Loop FASTRANS	66,061	
School – Horne St Sch Fac Impr	56,717	
Bridge Replacement – Whittier Street	2,460	115,948
Various other construction projects	99,687	570,046
Total Governmental Activities	<u>\$ 25,760,909</u>	<u>\$ 3,223,221</u>
Business-Type Activities:		
Sewer – WWTP Buildings	\$ 1,535,364	\$ 7,240,031
Northend Water Pressure Improvements	764,447	14,200
Sewer – WWTP Outfall Improvements CR	210,766	
Water Main Replacement – Lisa Beth Circle	141,061	
Smith Well Replacement	139,325	
Water main Replacement – Applevale Area	134,414	
WWTP – Evaluation NPDES Permit	108,018	
Water Main – Atlantic/Gulf Rd	102,515	7,600
Water Main – Silver Street	93,150	
Water – Wellhead Protection	80,707	1,885
Sewer – Applevale Area	79,112	
WWTP – Facility Upgrade 2013 CIP	57,230	97,729
Sewer – Inflow & Infiltration	45,846	115,738
Water Exploration CC	37,262	45,000
Water System Facilities Upgrade	32,521	
Water – Ireland Well Generator	28,571	70,323
Sewer Main – Replacement Design	24,014	
Water Main Replacement – Spaulding Turnpike	22,435	110,858
Various other sewer construction projects	53,216	190,805
Total Business-Type Activities	<u>\$ 3,689,974</u>	<u>\$ 7,894,169</u>

Notes to Financial Statements

June 30, 2014

NOTE 10 – ACCOUNTS PAYABLE

Accounts payable represents fiscal year 2014 invoices paid in the subsequent fiscal year.

NOTE 11 – ACCRUED LIABILITIES

Accrued liabilities in the general fund represent salaries earned but unpaid to City and School employees at year-end.

NOTE 12 – LONG-TERM DEBT

Long-Term Debt Supporting Governmental Activities

General obligation bonds, issued by the City for various municipal projects are approved by City Council and repaid with property taxes recorded in the General Fund and user fees recorded in Enterprise Funds. Compensated absences are repaid from the funds that the costs relate to, mostly the general fund, and also water, sewer, internal service, and other special revenue funds.

General Obligation Bonds and Loans

The City's general obligation bonds and loans are used to provide funds for the acquisition and construction of major capital facilities. General obligation bonds and loans have been issued for both governmental and business-type activities. The City has not issued any revenue bonds. All bonds and loans outstanding were used in calculating the net position invested in capital assets net of related debt. General obligation bonds and loans currently outstanding are as follows:

Description	Original Issue Amount	Rate	Maturity Date	Balance
Bonds Payable:				
Public improvements 1999	\$ 2,179,901	5.5100%	1/15/15	\$ 140,000
New Middle School 1999	15,741,027	5.5800%	1/15/20	3,000,634
Public improvements 2002	2,240,600	4.2300%	6/15/22	535,000
Public improvements 2005	10,740,000	3.8405%	6/15/26	5,430,000
Public improvements 2006	22,348,000	4.2313%	6/15/27	13,800,000
Public improvements 2007	20,646,000	4.5000%	6/15/27	12,755,000
Public improvements 2008	9,970,000	4.0935%	12/15/28	7,025,000
Public improvements 2009	12,799,000	3.4417%	4/1/30	9,665,000
Public improvements refunding 2009	8,790,000	2.1535%	6/30/21	4,760,000
Public improvements refunding 2012	17,530,000	2.3433%	6/15/32	15,650,000
Public Improvements	22,385,000	2.8090%	5/15/34	22,385,000
Public improvements - TIF	11,495,000	3.2670%	5/15/34	11,495,000
Total Bonds Payable				<u>106,640,634</u>
Other Long-Term Debt				
CDFA Energy Improvement	250,000	2.4700%	12/31/20	181,294
State revolving loan – WWTP Aeration	279,157	1.7000%	2/1/22	223,326
State revolving loan – North End Pressure	3,400,000	2.7200%	11/1/32	3,268,542
Total Other Debt Outstanding				<u>3,673,162</u>
Total Long-Term Debt				<u>\$ 110,313,796</u>

Notes to Financial Statements

June 30, 2014

NOTE 12 – LONG-TERM DEBT – CONTINUED

Future Debt Service

The annual principal and interest payments to retire all general obligation long-term debt outstanding as of June 30, 2014 are as follows:

Governmental	Principal	Interest	Total
2015	\$ 7,380,850	\$ 3,902,380	\$ 11,283,230
2016	7,423,076	3,802,002	11,225,078
2017	6,711,832	3,573,457	10,285,289
2018	6,639,440	3,370,542	10,009,982
2019	6,370,416	3,153,129	9,523,545
2020 – 2024	27,714,502	8,656,283	36,370,785
2025 – 2029	15,533,135	2,914,131	18,447,266
2030 - 2034	8,371,437	824,720	9,196,157
	<u>86,144,688</u>	<u>30,196,644</u>	<u>116,341,332</u>
Business-Type			
2015	2,365,821	880,867	3,246,688
2016	2,363,905	814,162	3,178,067
2017	2,167,305	728,289	2,895,594
2018	2,139,675	653,122	2,792,797
2019	1,874,150	576,900	2,451,050
2020 – 2024	7,546,465	1,897,510	9,443,975
2025 - 2029	4,139,553	642,335	4,781,888
2030 - 2034	1,572,234	119,683	1,691,915
	<u>24,169,108</u>	<u>6,312,868</u>	<u>30,481,974</u>
Total Future Debt Service	<u>\$ 110,313,796</u>	<u>\$ 36,509,512</u>	<u>\$ 146,823,307</u>

The City's proprietary fund future debt service is partially funded by the state as described in Note 6. The governmental future debt service relating to school construction is partially funded by the New Hampshire Department of Education School Building Aid, which is annually appropriated by the state.

Bond Authorizations

Long-term debt authorizations which have not been issued or rescinded as of June 30, 2014 are as follows:

Purpose	Amount
Parking lot Improvements	\$ 160,765
Public Improvements - FY12	2,755,000
Public Improvements - FY13	1,700,000
Public Improvements – FY14	12,060,607
Public Improvements - FY10 Sewer	1,200,000
Public Improvements – FY15	7,900,000
	<u>\$ 25,776,372</u>

Notes to Financial Statements

June 30, 2014

NOTE 12 – LONG-TERM DEBT – CONTINUED

Maximum Debt Limit

The City is subject to state law which limits debt outstanding to a percentage (depending on how funds will be used) of its last full state valuation. Debt incurred for state required sewerage systems is not subject to the limit. The following is a summary, by purpose, of the outstanding debt of the City at June 30, 2014 and related limitations. These limits are based on the tax year 2013 base valuations for debt limits of \$2,847,426,767 provided by the State Department of Revenue Administration.

Purpose	Percent of State Assessed Value	Maximum Debt Limit	Applicable Bonds Outstanding at June 30, 2014
Municipal	3%	\$ 85,422,803	\$ 45,694,305
School	7%	199,319,874	21,809,216
Water	10%	284,742,677	12,358,176
DBIDA - IP	0%	4,000,000 *	
DBIDA - IB	0%	1,000,000	
DBIDA - Projects	8%	215,785,444	
Not subject to limitation	0%		
			30,452,099
			<u>\$ 110,313,796</u>

*Debt limit is set by special legislation.

Changes in General Long-Term Liabilities

During the year ended June 30, 2014, the following changes occurred in long-term liabilities (in thousands):

Governmental Activities	Total Balance 7/1/13	Additions	Reductions	Total Balance 6/30/14	Less Current Portion	Long-Term Portion 6/30/14
Claims liability	\$ 534	\$ 912	\$ (868)	\$ 578	\$ (457)	\$ 121
Bonds and loans payable	62,928	29,898	(6,681)	86,145	(7,381)	78,764
Bond premium		2,014		2,014		2,014
Other:						
Compensated absences	3,394	1,033	(1,374)	3,053	(120)	2,933
OPEB liability	19,548	3,118	(974)	21,692		21,692
Liability for hazardous waste-site cleanup	10,427		(1,720)	8,707		8,707
	\$ 96,831	\$ 36,975	\$ (11,617)	\$ 122,189	\$ (7,958)	\$ 114,231
Business-Type Activities						
Bonds and loans payable	\$ 22,369	\$ 3,982	\$ (2,182)	\$ 24,169	\$ (2,366)	\$ 21,803
Bond premium		411		411		411
Other:						
Compensated absences	138	123	(115)	146	(17)	129
OPEB liability	1,465	318	(73)	1,710		1,710
	\$ 23,972	\$ 4,834	\$ (2,370)	\$ 26,436	\$ (2,383)	\$ 24,053

NOTE 12 – LONG-TERM DEBT – CONTINUED

Notes to Financial Statements

June 30, 2014

The net other post-employment benefit liability is liquidated by the proportional share of the obligation by the General Fund, Water Fund and Sewer Fund.

Contingent Debt Obligation

The City received funding a two Sewer capital project from the State of New Hampshire through a revolving renovation loan fund for which half of the amount drawn by the City will be covered by a Federal Stimulus Grant. The City will be obligated to repay one-half of the amount drawn over a period of 20 years plus interest at 3.27%. The City made the decision to defer the entire amount of the reimbursements until the loan agreements are finalized. As of June 30, 2014 the City has received \$2,185,684 of reimbursements related to the project. This project was completed during fiscal year 2014, the City is currently finalizing a loan agreement with the State of New Hampshire.

Defeased Debt

In May 2012 the City defeased a June 2004 general obligation bond. The proceeds from the new issuance of general obligation bonds were used to purchase U.S. governmental securities, and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the refunded bonds matured. The June 2004 general obligation bond matured in June 2014. As of June 30, 2014, there was no outstanding defeased debt obligation relating to this debt issue.

NOTE 13 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

The City owned and operated a 55-acre landfill on Tolend Road from 1960 to 1979. On September 10, 1991, the Environmental Protection Agency issued a Record of Decision (ROD) on the closure of the site, including the City as a Potentially Responsible Party (PRP). The estimated cost of the original ROD for closure and post closure maintenance was \$34,612,296. The City was responsible for 42.68% of the costs. The City negotiated its preliminary share at \$8,166,666 of the first \$20 million. Thirty-two PRPs made final settlement on all costs related to the closure with EPA. Based on this information, the City established an estimated \$11,016,013 liability for its share of the capping and management of mitigation costs. As of June 30, 2013, 100% of the landfill's total capacity has been used.

The City funded and paid its share of the capping design of \$1,257,357. The City also funded the ongoing project costs over the years with \$2,213,142 in transfers from operational funds, \$2,900,000 from bond authorizations and \$1,237,229 from various sources including state aid, insurance proceeds and a payment from the Town of Madbury.

The City entered negotiations with the EPA and the State of New Hampshire Department of Environmental Services to implement an alternative to the closure capping. The new technique involves an air sparging trench along the down gradient edge of the landfill which will treat contaminated ground water. This alternative carries significant savings versus conventional capping. The City received approval for a pilot program to determine the effectiveness of this method. As a result, the City received a four-year deferral of the capping requirement from EPA.

An Amended Record of Decision (AROD) from EPA was issued on September 30, 2004 to change the closure method with an estimated cost of \$19,393,859, including estimates for post closure maintenance. The City's new liability was estimated to be \$8,663,966 for the alternative closure method using the same cost sharing percentage of 42.68%. This new estimate was \$7,625,525 for the construction of the closure remedy and \$1,038,441 for post closure maintenance.

Notes to Financial Statements

June 30, 2014

NOTE 13 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS - CONTINUED

Since FY2005 the \$8,663,966 liability was reduced by the amount of annual expenditures incurred for the air sparge and soil vapor extraction closure remedy. These expenditures have been funded from bond proceeds.

In January 2012 the construction of the source control remedy was completed. This construction consisted of two separate components, the groundwater extraction system and the sewer conveyance system. The groundwater extraction system is designed to intercept contaminated groundwater emanating from beneath the former landfill; the groundwater is then conveyed to the City's wastewater treatment plant for treatment.

Based on the start-up operations of the groundwater extraction and sewer conveyance systems an estimate of anticipated annual operation and maintenance costs was established. The annual operations and maintenance costs are estimated at \$800,000 annually with the City being responsible for 42.68% or \$344,000. Therefore, the City has adjusted the landfill closure liability to reflect an estimate of \$10,320,000 for 30 year estimate of post closure operations of the groundwater extraction and sewer conveyance systems. The City is still evaluating the need to operate the northwest air sparging system for another year, which the City's portion is estimated to cost \$107,000. The City has no unauthorized unissued bonding authority to satisfy the anticipated future obligations totaling \$8,706,720.

The total current cost of landfill closure and post-closure care is an estimate subject to changes resulting from inflation, deflation, technology, or changes in applicable laws and regulations.

NOTE 14 – RESTRICTED NET POSITION

The accompanying entity-wide financial statements report restricted net position when external constraints from grantors or contributors are placed on net position.

NOTE 15 – COMMITMENTS AND CONTINGENCIES

Outstanding Lawsuits

There are several pending lawsuits in which the City is involved. The City's management is of the opinion that the potential future settlement of such claims would not materially affect its financial statements taken as a whole.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

County Assessment

City's property tax assessment is approximately 28% of Strafford County's total assessment. Strafford County had a \$1,995,400 unassigned General Fund Balance surplus on December 31, 2013, the most recent financial statements available.

Notes to Financial Statements

June 30, 2014

NOTE 16 – POST-EMPLOYMENT HEALTH CARE

GASB Statement 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions requires governments to account for other post-employment benefits (OPEB), primarily healthcare, on an accrual basis rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially required contribution as an expense on the statement of revenues, expenses, and changes in net position when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefit. To the extent that an entity does not fund their actuarially required contribution, a post-employment benefit liability is recognized on the Statement of Net Position over time.

Plan Description

The City pays toward the cost of health care benefits for certain qualified retirees enrolled at the time of retirement and their eligible dependents (Retiree Group). The City will also pay toward the cost of health care benefits for certain current employees and eligible dependents upon retirement. The City provides post-employment health care benefits for retire employees through the City's single employer benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by NH RSA 100-A:50. The City has contracted with an actuarial consultant to provide the actuarial valuation of the City's OPEB liability under GASB 45. The Plan does not issue a separate audited financial report.

As of July 1, 2013, the actuarial valuation date, approximately 202 retirees and 86 active employees meet the eligibility requirements.

Benefits Provided

The City provides medical, dental, prescription drug, mental health/substance abuse and life insurance to retirees and their covered dependents who meet certain eligibility criteria.

Current retirees have their health care benefit cost paid by the City if they retired while enrolled in the City's Group Health Insurance program and had a minimum of 20 years of continuous creditable service with the City. Current employees are eligible for City cost participation when they retire only if they meet the same enrollment and service criteria and were hired on or before May 30, 2000, depending on the bargaining unit.

Employees who retire from the City under the New Hampshire Retirement System (NHRS) and participated in the City's Group Health Insurance Program at the time of retirement, but who are not eligible for any City retiree health care benefit cost coverage may also join the Retiree Group. Coverage will continue for themselves and their eligible dependents at their own expense in accordance with state statute (NH RSA 100-A:50).

Funding Policy and On-Behalf Payments

Retirees contribute various percentages of the cost of the health plan, as determined by the City. The City contributes the remainder of the health plan costs on a pay-as-you-go basis.

The retiree health care benefit cost to the City is lessened by subsidies received by retirees from the NHRS. Health care benefit costs are reduced significantly upon a retiree or their dependents attaining the age of 65, at which time they become eligible for Medicare and are changed to a Medicare supplement plan.

Notes to Financial Statements

June 30, 2014

NOTE 16 – POST-EMPLOYMENT HEALTH CARE – CONTINUED

During the past 10 fiscal years, the City's cost of health care benefits to retirees, less any subsidies paid by the New Hampshire Retirement System and any withholdings from the retirees, was as follows:

Fiscal Year	Net City Cost
2014	\$ 2,165,829
2013	1,974,504
2012	1,278,503
2011	952,117
2010	699,188
2009	655,613
2008	562,787
2007	499,660
2006	401,268
2005	334,247

For the fiscal year ended June 30, 2014, \$570,361 was recorded as revenues and expenditures in the General Fund relative to on-behalf payment received from the state.

Annual OPEB Costs and Net OPEB Obligation

The City's fiscal 2014 annual OPEB expense is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost per year and amortize the unfunded actuarial liability over a period of thirty years. The following table shows the components of the City's annual OPEB cost for the year ending June 30, 2014, the amount actually contributed to the plan and the change in the City's net OPEB obligation based on an actuarial valuation as of July 1, 2013.

Annual OPEB Costs and Net OPEB Obligation – Continued

Annual required contribution (ARC)	\$ 3,956,771
Interest on net OPEB obligation	840,551
Adjustment to ARC	(1,362,156)
Annual OPEB cost	<u>3,435,166</u>
Contributions made	(1,047,261)
Increase in net OPEB obligation	<u>2,387,905</u>
Net OPEB obligation - beginning of year	21,013,752
Net OPEB obligation - end of year	<u>\$ 23,401,657</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

Fiscal Year Ended	Cost	Cost Contributed	Obligation
2014	\$ 3,435,166	31%	\$ 23,401,657
2013	4,062,499	35%	21,013,752
2012	3,943,317	33%	18,353,029

The City's net OPEB obligation as of June 30, 2014 is recorded as a liability on the Statement of Net Position.

Notes to Financial Statements

June 30, 2014

NOTE 16 – POST-EMPLOYMENT HEALTH CARE – CONTINUED

Funded Status and Funding Progress

The funded status of the Plan as of June 30, 2014, based on the June 30, 2013 actuarial valuation was as follows:

Actuarial accrued liability (AAL)	\$ 45,430,729
Actuarial value of plan assets	
Unfunded actuarial accrued liability (UAAL)	<u>\$ 45,430,729</u>
Funded ratio (actuarial value of plan assets (AAL))	<u>0%</u>
Covered payroll (active plan members)	<u>\$ 28,154,247</u>
UAAL as a percentage of covered payroll	<u>161%</u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amount and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the Plan as understood by the City and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the City and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2013 actuarial valuation the projected unit credit cost method was used. The actuarial value of assets was not determined as the City has not advance funded its obligation. The actuarial assumptions included a inflation rate of 5.0%, 4.0% investment rate of return and an initial annual healthcare cost trend rate of 5.0%. The amortization costs for the initial UAAL is a level percentage of payroll for a period of 30 years, on a closed basis.

NOTE 17 – SELF-INSURANCE

The City is a self-insurer of workers' compensation for all City employees, contracting with an insurance carrier for excess liability coverage. Under the terms of its insurance coverage, the City is liable for \$400,000 per incident. The insurer's limit of liability is \$3,000,000. The City does not carry any aggregate insurance. Funding of the workers' compensation internal service fund is through charges levied to the general, special revenue and enterprise funds.

Notes to Financial Statements

June 30, 2014

NOTE 17 – SELF-INSURANCE – CONTINUED

Claims Liability

The following represents changes in the Workers' Compensation claims liability:

	Year Ended June 30, 2014	Year Ended June 30, 2013
Unpaid claims, beginning of fiscal year	\$ 534,071	\$ 465,281
Claims incurred (including IBNRs)	912,208	788,303
Claims paid	(867,998)	(719,513)
Unpaid claims, end of fiscal year	<u>\$ 578,281</u>	<u>\$ 534,071</u>

The City adopted a policy to maintain 100% funding for an actuarially determined claims liability based on a 65% confidence level. Out of \$578,281 claims liability as of June 30, 2014, approximately \$457,000 is estimated to be due within one year.

NOTE 18 – RISK MANAGEMENT

The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There were no significant reductions in insurance coverage from the previous year and have been no material settlements in excess of coverage in any of the past three fiscal years.

NOTE 19 – PENSION PLAN

The City follows the provisions of GASB Statement No. 27, Accounting for Pensions for State and Local Government Employees, with respect to the employees' retirement funds.

Plan Description

The City contributes to the New Hampshire Retirement System (the "System"), a cost-sharing, multiple-employer defined benefit pension plan administered by the state retirement board. The System provides retirement, disability and death benefits to plan members and beneficiaries. Revised Statutes Annotated 100-A41-a of New Hampshire Law assigns the system the authority to establish and amend benefit provisions of the plan and grant cost-of-living increases. The System issues a publicly available financial report which can be obtained through the New Hampshire Retirement System at 54 Regional Drive, Concord, NH 03301-8507.

Notes to Financial Statements

June 30, 2014

NOTE 19 – PENSION PLAN – CONTINUED

Funding Policy and On-Behalf Payments

Plan members are required to contribute to the pension plan based on their annual covered compensation. The rates for member contributions is statutorily defined by Revised Statutes Annotated 100-A:16. The City and State also make annual contributions to the pension plan equal to the amount required. The New Hampshire Retirement System establishes the employers' contributory rates every two years. Effective in FY2012, the State no longer makes contributions on-behalf of teachers, firefighters and police officer members. The employer pays 100% of the total employer normal contribution for teachers, firefighters, police officers and employee members. The following table reflects the contribution rates (percent of compensation) during fiscal year 2014 for the members, the City and the State.

Group	Contribution Rates		
	Members	City	State
I Teachers	7.00%	14.16%	0.00%
I Employees	7.00%	10.77%	0.00%
II Police	11.55%	25.30%	0.00%
II Fire	11.80%	27.74%	0.00%

Contributions to the System were as follows:

Year Ended	The City	Plan Members	Total
2014	\$ 5,357,161	\$ 2,730,817	\$ 8,087,978
2013	4,531,590	2,686,809	7,218,399
2012	4,214,577	2,674,706	6,889,283
2011	3,892,913	2,385,234	6,278,147
2010	3,315,944	2,025,750	5,341,694
2009	2,860,685	2,033,616	4,894,301
2008	2,936,651	2,075,111	5,011,762
2007	2,032,898	2,185,757	4,218,655
2006	2,006,390	2,156,406	4,162,796
2005	1,713,819	1,919,101	3,632,920

For the fiscal year ended June 30, 2014, there was no on-behalf payment received from the state.

NOTE 20 – OPERATING LEASE REVENUE

The City leases office space in the McConnell Center to several organizations. The leases expire at various years through the year 2031. The cost of the assets held for lease as of June 30, 2014 was \$8,085,810, accumulated depreciation was \$1,531,653 and the net book value was \$6,554,154. Approximately 39% of the square footage of the building is being leased to third parties with the remainder of the building being used by the City. Future non-cancelable lease revenue under these leases as of June 30, 2014 is as follows:

Notes to Financial Statements

June 30, 2014

NOTE 20 – OPERATING LEASE REVENUE – CONTINUED

Year Ending	Amount
2015	\$ 246,042
2016	209,907
2017	156,017
2018	141,887
2019	120,893
Thereafter	1,242,091
Total	<u>\$ 2,116,837</u>

NOTE 21 – FUND BALANCE

The following is a schedule of fund balance classifications for the governmental funds as of June 30, 2014:

	General Fund	CIP FY15	Nonmajor Governmental Funds
Nonspendable			
Permanent funds			\$ 2,192,877
Inventory	\$ 3,189		27,453
	<u>3,189</u>		<u>2,220,330</u>
Restricted			
Permanent funds income			250,029
Emergency management fund			410,572
Conservation fund			572,091
Capital projects funds		\$16,075,953	15,004,593
Other grants and donations			1,378,023
		<u>16,075,593</u>	<u>17,615,308</u>
Committed			
City benefit capital reserve	206,164		
School benefit capital reserve	60,027		
McConnell Center long-term advance	476,756		
Recreation programs funds			377,742
Other special revenue funds			3,373,887
Recreation field construction			832,643
Capital purchases fund			2,038,154
Recreation and school funds			721,082
	<u>742,947</u>		<u>7,343,508</u>
Assigned			
Encumbrances – city	443,791		
Encumbrances – school	620,704		
Carryover appropriations	962,424		
	<u>2,026,919</u>		
Unassigned	13,332,024		(2,844,321)
Total Fund Balances	<u>\$16,105,079</u>	<u>\$16,075,593</u>	<u>\$ 24,334,825</u>

Notes to Financial Statements

June 30, 2014

NOTE 22 – NET POSITION

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds payable adding back any unspent proceeds. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The City's net position invested in capital assets, net of related debt was calculated as follows at June 30, 2014:

(In thousands)	Governmental Activities	Business-Type Activities
Capital assets	\$ 265,308	\$ 129,586
Accumulated depreciation	(112,296)	(58,949)
Bonds payable, total	(86,145)	(24,169)
Unspent bond proceeds	30,527	5,364
Unearned revenue*		(2,186)
Total invested in capital assets, net of related debt	<u>\$ 97,394</u>	<u>\$ 49,646</u>

* The City received funding for Water and Sewer Fund capital projects from the State of New Hampshire through a revolving renovation loan fund. The reimbursements received by the City have been recorded as unearned revenue and will be converted to a loan payable obligation upon completions of the projects. Refer to Note 13 for additional information.

Schedule of Funding Progress Required Supplementary Information

June 30, 2014

Other Post-Employment Benefits							
Fiscal Year	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
2014	7/1/2013	-	\$ 45,430,729	\$ 45,430,729	0.0%	\$ 28,154,247	161.4%
2013	7/1/2011	-	53,119,414	53,119,414	0.0%	28,800,566	184.4%
2012	7/1/2011	-	51,087,625	51,087,625	0.0%	29,071,289	175.7%
2011	7/1/2010	-	42,239,664	42,239,664	0.0%	31,709,755	133.2%
2010	7/1/2010	-	42,171,618	42,171,618	0.0%	29,100,644	144.9%
2009	7/1/2009	-	42,669,587	42,669,587	0.0%	28,725,197	148.5%
2008	7/1/2009	-	40,449,724	40,449,724	0.0%	27,170,669	148.9%
2007	7/1/2008	-	33,584,481	33,584,481	0.0%	N/A	N/A
2006	7/1/2008	-	31,256,403	31,256,403	0.0%	N/A	N/A

N/A – Not available at time of publication.

Combining Financial Statements

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are established to account for resources obtained and expended for specified purposes and restricted by law or local action.

Special Revenue Funds are established for the following purposes:

- **Community Development Fund** – To account for grant proceeds received from the U.S. Department of Housing and Urban Development under the Community Development Block Grant (CDBG) program and the related program and subgrant expenditures.
- **CDBG Recovery Fund** – To account for the ARRA grant proceeds related to the CDBG program.
- **Housing and Urban Development** - To account for grant proceeds received from the US Dept. of Housing and Urban Development to develop new or revised land use and planning regulations.
- **Housing Rehabilitation Loan Fund** – To account for loans given to low and moderate income individuals for the purpose of improving their private dwellings.
- **Economic Development Loan Fund** – To account for loans given to small business for the purpose of business establishment or expansion.
- **DOE Energy Efficiency Fund** – To account for grant proceeds from the U.S. Department of Education for energy efficiency projects.
- **Police DOJ Fund** – To account for grant proceeds from the U.S. Department of Justice for various drug and alcohol awareness and prevention programs.
- **Homeland Security Fund** – To account for grant proceeds from the U.S. Department of Homeland Security for equipment purchases.
- **Police DHA Fund** – To account for funds received from the Dover Housing Authority for payment toward funding a Police Officer presence at their housing area.
- **Police DOT Fund** – To account for grant proceeds from the U.S. Department of Transportation for various driving safety programs.
- **DHHS Assistance Programs** – To account for grant proceeds for at-risk youth in the community passed through Department of Health and Public Welfare.
- **Police Tobacco Fund** – To account for grant proceeds for various tobacco awareness and prevention programs.

- **Emergency Management Fund** – To account for grant proceeds from the U.S. Federal Emergency Management Agency for preparation for major disasters.
- **Radiological Emergency Response**– To account for grant proceeds related to emergency preparedness for Seabrook radiological response.
- **DOI Fund** – To account for grant proceeds from the U.S. Department of Interior for various programs.
- **EPA Fund** – To account for grant proceeds from the U.S. Environmental Protection Agency for various programs.
- **School Cafeteria Fund** – To account for cafeteria operations of the Dover School system, including reimbursement from the U.S. Department of Education and receipt of U.S. Department of Agriculture food commodities.
- **School Federal Aid Fund** – To account for grants received from the U.S. Department of Education for various programs supporting School operations.
- **School Special Programs Fund** – To account for Healthy Universal Beginnings program and ancillary education programs supported by the Dover School system and funded mainly by non-federal grants.
- **Dover Main Street Fund** – To account for the expenditures related to the Main Street Program, reimbursed by Dover Main Street, Inc.
- **Planning Improvements Fund** – To account for the funds received pursuant to Planning Board conditions for approval and held for related offsite improvements or other expenditures.
- **Police and Fire Detail** – To account for police and fire outside detail activity.
- **Parking Activity Fund** – To account for revenues of all parking lots, leased parking spaces and metered parking and expenditures of enforcement, lighting and snow removal.
- **Police Special Fund** – To account for forfeiture proceeds and special investigative expenditures.
- **SRT Fund** – To account for special purpose grants awarded to the fire department.
- **Conservation Fund** – To account for the proceeds of current use (land change) penalties and the purchase of land or easements for conservation purposes.
- **Residential Solid Waste Fund** – To account for revenue from the sale of garbage bags and waste tags to local outlets for resale to the public and the expenditures or residential solid waste pickup and disposal.

- **McConnell Center Fund** – To account for the operations and maintenance of the McConnell Center facility and revenues from the leasing of space to 501(c)3 organizations and City and State organizations.
- **Recreation Programs Fund** – To account for the revenue and expenditures of self-supporting recreational programs.
- **Recreation Field Maintenance Fund** – to account for 10% of the proceeds of the sale of the City gravel for use to maintain recreation fields.
- **Library Fines Fund** – To account for revenue assessed on late return of books for use to purchase books, periodicals, etc. for the Public Library.
- **Downtown Dover TIF** – To account for funds collected in accordance with the tax increment financing plan established in March 2014 for repayment of bonds issued for construction of the Orchard Street Parking Garage and other capital improvements within the district as approved by City Council.
- **Tuition Programs Fund** – To account for the revenue and expenditures for Dover School supported Dover Adult Learning Center and Summer Sessions.
- **Vocational Center Fund** – To account for revenues and expenditures of minor programs of the Dover High School's Regional Vocational Education Center.
- **School Alternative Education Fund** – To account for the revenues and expenditures of the Alternative Education Center of the Dover High School.
- **School Facilities Fund** – To account for gate receipts used toward the cost of facility maintenance and upgrades.
- **Other Special Revenue Funds** – To account for revenues and expenditures associated with various special revenue funds, formally classified as trusts under the "Pre-GASB 34" reporting model.

Capital Project Funds

- **CIP FY14** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2014 of the Capital Improvements Program.
- **CIP FY13** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2013 of the Capital Improvements Program.

- **CIP FY12** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2012 of the Capital Improvements Program.
- **CIP FY11** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2011 of the Capital Improvements Program.
- **CIP FY10** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2010 of the Capital Improvements Program.
- **CIP FY09** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2009 of the Capital Improvements Program.
- **CIP FY08** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2008 of the Capital Improvements Program.
- **CIP FY07** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2007 of the Capital Improvements Program.
- **CIP FY06** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2006 of the Capital Improvements Program.
- **CIP FY05** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2005 of the Capital Improvements Program.
- **CIP FY04** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2004 of the Capital Improvements Program.
- **CIP FY03** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2003 of the Capital Improvements Program.

- **CIP FY02** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2002 of the Capital Improvements Program.
- **CIP FY01** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2001 of the Capital Improvements Program.
- **CIP FY00** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2000 of the Capital Improvements Program.
- **Tolend Road Landfill Closure** – To account for the revenues from bond and loan proceeds, insurance proceeds, and federal and state grant funding and the related expenditures for the design and construction costs of the closure of a landfill containing hazardous waste.
- **Cocheco River Dredge** – To account for the revenue from bond anticipation note proceeds and revenue from the placement of dredge spoils and the related expenditures for the design, construction and closure costs of a dredge spoils cell for the Cocheco River.
- **Recreation Field Construction** – To account for the revenue from the sale of gravel and the related expenditures for authorized recreation or other qualified projects.
- **Capital Purchases Fund** – To account for revenue transferred from the general fund for the purpose of capital acquisitions.

Non-Major Governmental Funds

Combining Balance Sheet

June 30, 2014

	Special Revenue Funds					DOE Energy Efficiency Fund
	Community Development Fund	CDBG Recovery Fund	Housing and Urban Development	Housing Rehab Loan Fund	Economic Development Loan Fund	
ASSETS						
Cash and short-term investments						
Investments						
Departmental receivable						
Intergovernmental receivables						
Loans receivable				\$ 457,914	\$ 522,652	
Due from other funds		\$ 131,086		78,790		
Inventory						
Other						\$ 382
Total Assets	\$ -	\$ 131,086	\$ -	\$ 536,704	\$ 522,652	\$ 382
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 39,496			\$ 82	\$ 154	
Accrued liabilities	2,137					
Retainage payable						
Unearned revenue						
Due to other funds	220,632		\$ 7,026		48,259	\$ 10,416
Advance from other fund						
Compensated absences						
Total Liabilities	262,265	-	7,026	82	48,413	10,416
DEFERRED INFLOW OF RESOURCES						
Unavailable revenue - long-term receivables				458,806	528,617	
Fund Balances:						
Nonspendable						
Restricted		\$ 131,086		77,816		
Committed						
Assigned						
Unassigned	(262,265)		(7,026)		(54,378)	(10,034)
Total Fund Balances (Deficit)	(262,265)	131,086	(7,026)	77,816	(54,378)	(10,034)
Total Liabilities, Deferred Inflow of Resources and Fund Balances	\$ -	\$ 131,086	-	\$ 536,704	\$ 522,652	\$ 382

Special Revenue Funds

Police DOJ Fund	Homeland Security Fund	Police DHA Fund	Police DOT Fund	DHHS Assistance Programs	Police Tobacco Fund	Emergency Management Fund	Radiological Emergency Response
			\$ 1,401			\$ 30,131	
\$ 166,042					\$ 2,716	381,425	\$ 36,879
						89	
<u>\$ 166,042</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,401</u>	<u>\$ -</u>	<u>\$ 2,716</u>	<u>\$ 411,645</u>	<u>\$ 36,879</u>
\$ 10,717	\$ 3,166	\$ 1,427	\$ 19,877	\$ 2,619		\$ 1,073	
	1,907	12,542	9,092	14,874			
<u>10,717</u>	<u>5,073</u>	<u>13,969</u>	<u>28,969</u>	<u>17,493</u>		<u>1,073</u>	
155,325					\$ 2,716	\$ 410,572	\$ 36,879
	(5,073)	(13,969)	(27,568)	(17,493)			
<u>155,325</u>	<u>(5,073)</u>	<u>(13,969)</u>	<u>(27,568)</u>	<u>(17,493)</u>	<u>2,716</u>	<u>410,572</u>	<u>36,879</u>
<u>\$ 166,042</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,401</u>	<u>\$ -</u>	<u>\$ 2,716</u>	<u>\$ 411,645</u>	<u>\$ 36,879</u>

	Special Revenue Funds				
	DOI Fund	EPA Fund	School Cafeteria Fund	School Federal Aid Fund	School Special Programs Fund
ASSETS					
Cash and short-term investments			\$ 147,505		
Investments					
Departmental receivable		\$ 8,000	32,847	\$ 1,338	
Intergovernmental receivables		27,784	47,664	1,345,573	
Loans receivable					
Due from other funds	\$ 8,526	602	258,050		\$ 22,057
Inventory			6,538		
Other					
Total Assets	<u>\$ 8,526</u>	<u>\$ 36,386</u>	<u>\$ 492,604</u>	<u>\$ 1,346,911</u>	<u>\$ 22,057</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable		\$ 13,361	\$ 242	\$ 10,695	
Accrued liabilities			19	200,307	\$ 17,157
Retainage payable					
Unearned revenue			32,002		
Due to other funds				1,038,692	
Advance from other fund					
Compensated absences					
Total Liabilities		<u>13,361</u>	<u>32,263</u>	<u>1,249,694</u>	<u>17,157</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue - long-term receivables					
Fund Balances:					
Nonspendable			6,538		
Restricted	\$ 8,526	23,025	453,803	97,217	4,900
Committed					
Assigned					
Unassigned					
Total Fund Balances (Deficit)	<u>8,526</u>	<u>23,025</u>	<u>460,341</u>	<u>97,217</u>	<u>4,900</u>
Total Liabilities and Fund Balances	<u>\$ 8,526</u>	<u>\$ 36,386</u>	<u>\$ 492,604</u>	<u>\$ 1,346,911</u>	<u>\$ 22,057</u>

Special Revenue Funds

Dover Main Street Fund	Planning Improvements Fund	Police and Fire Detail	Parking Activity Fund	Police Special Fund	SRT Fund	Conservation Fund	Residential Solid Waste Fund
			\$ 95,509				
\$ 780	\$ 6,543	\$ 84,874	1,500			\$ 84,745	\$ 38,017
	212,250			\$ 47,513	\$ 91,096	626,358	913,197 20,915
<u>\$ 780</u>	<u>\$ 218,793</u>	<u>\$ 84,874</u>	<u>\$ 97,009</u>	<u>\$ 47,513</u>	<u>\$ 91,096</u>	<u>\$ 711,103</u>	<u>\$ 972,129</u>
			\$ 16,738 4,252			\$ 3,321	\$ 53,935 2,442
\$ 3,464		58,518	55,966				540,306
<u>3,464</u>		<u>73,985</u>	<u>76,956</u>			<u>3,321</u>	<u>596,683</u>
						<u>135,691</u>	
	\$ 218,793	10,889	20,053	\$ 47,513	\$ 91,096	572,091	20,915 354,531
<u>(2,684)</u>	<u>218,793</u>	<u>10,889</u>	<u>20,053</u>	<u>47,513</u>	<u>91,096</u>	<u>572,091</u>	<u>375,446</u>
<u>\$ 780</u>	<u>\$ 218,793</u>	<u>\$ 84,874</u>	<u>\$ 97,009</u>	<u>\$ 47,513</u>	<u>\$ 91,096</u>	<u>\$ 711,103</u>	<u>\$ 972,129</u>

	Special Revenue Funds						Vocational Center Fund
	McConnell Center Fund	Recreation Programs Fund	Recreation Field Maintenance Fund	Library Fines Fund	Downtown Dover TIF Fund	Tuition Programs Fund	
ASSETS							
Cash and short-term investments							
Investments							
Departmental receivable	\$ 50,026	\$ 265	\$ 2,025				
Intergovernmental receivables							
Loans receivable							
Due from other funds		394,986		\$ 22,986	\$ 1,485		\$ 906
Inventory							
Other							
Total Assets	\$ 50,026	\$ 395,251	\$ 2,025	\$ 22,986	1,485	\$ -	\$ 906
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 16,818	\$ 6,759	\$ 12,857	\$ 6,032			
Accrued liabilities	1,841	10,750				\$ 192	
Retainage payable							
Unearned revenue							
Due to other funds			49,786			5,346	
Advance from other fund	476,756						
Compensated absences							
Total Liabilities	495,415	17,509	62,643	6,032		5,538	
DEFERRED INFLOW OF RESOURCES							
Unavailable revenue - long-term receivables							
Fund Balances:							
Nonspendable							
Restricted				16,954	\$ 1,485		
Committed		377,742					\$ 906
Assigned							
Unassigned	(445,389)		(60,618)			(5,538)	
Total Fund Balances (Deficit)	(445,389)	377,742	(60,618)	16,954	1,485	(5,538)	906
Total Liabilities and Fund Balances	\$ 50,026	\$ 395,251	\$ 2,025	\$ 22,986	\$ 1,485	\$ -	\$ 906

Special Revenue Funds				Capital Projects Funds					
School Alternative Education Fund	School Facilities Fund	Other Special Revenue Funds	Subtotals	CIP FY 14	CIP FY 13	CIP FY 12	CIP FY 11	CIP FY10	CIP FY09
		\$ 2,465,736	\$ 2,708,750						
		4,873,702	4,873,702						
\$ 33,915		655,221	1,000,096						
			1,452,553						
			980,566						
445,656	\$ 310,501		4,153,107	\$ 10,554,117	\$ 1,336,524		\$ 719,726		\$ 1,049,793
			27,453						
			471						
<u>\$ 479,571</u>	<u>\$ 310,501</u>	<u>\$ 7,994,659</u>	<u>\$ 15,196,698</u>	<u>\$ 10,554,117</u>	<u>\$ 1,336,524</u>	<u>\$ -</u>	<u>\$ 719,726</u>	<u>\$ -</u>	<u>\$ 1,049,793</u>
\$ 2,185	\$ 16,411	\$ 4,236	\$ 231,484	\$ 424,323	\$ 25,268		\$ 13,785	\$ 12,941	\$ 110,240
64,460	290		330,031						
				25,360	113,885				
			32,002						
361,134		2,173,630	4,611,590			\$ 381,914		172,202	
			476,756						
<u>427,779</u>	<u>16,701</u>	<u>2,177,866</u>	<u>5,681,863</u>	<u>449,683</u>	<u>139,153</u>	<u>381,914</u>	<u>13,785</u>	<u>185,143</u>	<u>110,240</u>
			1,123,114						
		2,192,877	2,220,330						
		250,029	2,610,715	10,104,434	1,197,371		705,941		939,553
51,792	293,800	3,373,887	4,472,711						
			(912,035)			(381,914)		(185,143)	
<u>51,792</u>	<u>293,800</u>	<u>5,816,793</u>	<u>8,391,721</u>	<u>10,104,434</u>	<u>1,197,371</u>	<u>(381,914)</u>	<u>705,941</u>	<u>(185,143)</u>	<u>939,553</u>
<u>\$ 479,571</u>	<u>\$ 310,501</u>	<u>\$ 7,994,659</u>	<u>\$ 15,196,698</u>	<u>\$ 10,554,117</u>	<u>\$ 1,336,524</u>	<u>\$ -</u>	<u>\$ 719,726</u>	<u>\$ -</u>	<u>\$ 1,049,793</u>

Capital Projects Funds

	CIP FY08	CIP FY07	CIP FY06	CIP FY05	CIP FY04	CIP FY03
ASSETS						
Cash and short-term investments						
Investments						
Departmental receivable						
Intergovernmental receivables						
Loans receivable						
Due from other funds	\$ 1,682,582					
Inventory						
Other						
Total Assets	<u>\$ 1,682,582</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 5,996					\$ 300
Accrued liabilities						
Retainage payable	573					
Unearned revenue						
Due to other funds		\$ 469,543	\$ 22,355	\$ 420,870	\$ 117,792	31,291
Advance from other fund						
Compensated absences						
Total Liabilities	<u>6,569</u>	<u>469,543</u>	<u>22,355.00</u>	<u>420,870</u>	<u>117,792</u>	<u>31,591</u>
DEFERRED INFLOW OF RESOURCES						
Unavailable revenue - long-term receivables						
Fund Balances:						
Nonspendable						
Restricted	1,676,013					
Committed						
Assigned						
Unassigned		(469,543)	(22,355)	(420,870)	(117,792)	(31,591)
Total Fund Balances (Deficit)	<u>1,676,013</u>	<u>(469,543)</u>	<u>(22,355)</u>	<u>(420,870)</u>	<u>(117,792)</u>	<u>(31,591)</u>
Total Liabilities and Fund Balances	<u>\$ 1,682,582</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Capital Projects Funds							Capital Projects Funds	
CIP FY02	CIP FY01	CIP FY00	Tolend Rd Landfill Closure	Cochecho River Dredge	Recreation Field Construction	Capital Purchases Fund	Subtotals	Total
						\$ 1,749,654	\$ 1,749,654	\$ 4,458,404
								4,873,702
								1,000,096
								1,452,553
								980,566
	\$ 98,177			\$ 283,104	\$ 832,643	288,500	16,845,166	20,998,273
								27,453
								471
<u>\$ -</u>	<u>\$ 98,177</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 283,104</u>	<u>\$ 832,643</u>	<u>\$ 2,038,154</u>	<u>\$ 18,594,820</u>	<u>\$ 33,791,518</u>
			\$ 7,850				\$ 600,703	\$ 832,187
								330,031
							139,818	139,818
								32,002
\$ 17,507		\$ 61,162	216,559				1,911,195	6,522,785
								476,756
<u>17,507</u>	<u></u>	<u>61,162</u>	<u>224,409</u>	<u></u>	<u></u>	<u></u>	<u>2,651,716</u>	<u>8,333,579</u>
								1,123,114
	\$ 98,177			\$ 283,104			15,004,593	2,220,330
					\$ 832,643	\$ 2,038,154	2,870,797	17,615,308
								7,343,508
<u>(17,507)</u>	<u></u>	<u>(61,162)</u>	<u>(224,409)</u>	<u></u>	<u></u>	<u></u>	<u>(1,932,286)</u>	<u>(2,844,321)</u>
<u>(17,507)</u>	<u>98,177</u>	<u>(61,162)</u>	<u>(224,409)</u>	<u>283,104</u>	<u>832,643</u>	<u>2,038,154</u>	<u>15,943,104</u>	<u>24,334,825</u>
<u>\$ -</u>	<u>\$ 98,177</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 283,104</u>	<u>\$ 832,643</u>	<u>\$ 2,038,154</u>	<u>\$ 18,594,820</u>	<u>\$ 33,791,518</u>

Non-Major Governmental Funds

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances**

For Fiscal Year Ended June 30, 2014

	Special Revenue Funds					
	Community Development Fund	CDBG Recovery Fund	Housing and Urban Development	Housing Rehab Loan Fund	Economic Development Loan Fund	DOE Energy Efficiency Fund
Revenues:						
Taxes						
Licenses and permits						
Intergovernmental	\$ 256,370		\$ 67,077			
Current services	5,040			\$ 6,459	\$ 36,755	
Miscellaneous	500					
Total Revenues	<u>261,910</u>	<u>\$ -</u>	<u>67,077</u>	<u>6,459</u>	<u>36,755</u>	<u>\$ -</u>
Expenditures:						
Current:						
General government						
Public safety						
Public works						
Culture and recreation						
Education						
Public welfare	271,354		51,217		110,000	
Debt service						
Total Expenditures	<u>271,354</u>	<u></u>	<u>51,217</u>	<u></u>	<u>110,000</u>	<u></u>
Excess (deficiency) of revenues over expenditures	(9,444)		15,860	6,459	(73,245)	
Other Financing Sources:						
Bond proceeds						
Bond premium						
Transfers in (out)						
Net change in fund balances	<u>(9,444)</u>	<u></u>	<u>15,860</u>	<u>6,459</u>	<u>(73,245)</u>	<u></u>
Fund Balances, Beginning (Deficit)	<u>(252,821)</u>	<u>131,086</u>	<u>(22,886)</u>	<u>71,357</u>	<u>18,867</u>	<u>(10,034)</u>
Fund Balances, Ending (Deficit)	<u>\$ (262,265)</u>	<u>\$ 131,086</u>	<u>\$ (7,026)</u>	<u>\$ 77,816</u>	<u>\$ (54,378)</u>	<u>\$ (10,034)</u>

Special Revenue Funds

Police DOJ Fund	Homeland Security Fund	Police DHA Fund	Police DOT Fund	DHHS Assistance Programs	Police Emergency Tobacco Fund	Management Fund
\$ 176,923	\$ 106,240	\$ 67,441	\$ 44,320	\$ 248,159		\$ 43,281
<u>176,923</u>	<u>106,240</u>	<u>67,441</u>	<u>44,320</u>	<u>248,159</u>	\$ -	<u>43,281</u>
184,699	70,904	105,949	45,385	193,739		40,829
<u>184,699</u>	<u>70,904</u>	<u>105,949</u>	<u>45,385</u>	<u>193,739</u>	-	<u>40,829</u>
(7,776)	35,336	(38,508)	(1,065)	54,420		2,452
<u>68,654</u>		<u>51,330</u>				<u>23,198</u>
60,878	35,336	12,822	(1,065)	54,420		25,650
<u>94,447</u>	<u>(40,409)</u>	<u>(26,791)</u>	<u>(26,503)</u>	<u>(71,913)</u>	<u>2,716</u>	<u>384,922</u>
\$ <u>155,325</u>	\$ <u>(5,073)</u>	\$ <u>(13,969)</u>	\$ <u>(27,568)</u>	\$ <u>(17,493)</u>	\$ <u>2,716</u>	\$ <u>410,572</u>

Special Revenue Funds

Radiological Emergency Response	DOI Fund	EPA Fund	School Cafeteria Fund	School Federal Aid Fund
Revenues:				
Taxes				
Licenses and permits				
Intergovernmental		\$ 180,499	\$ 730,892	\$ 2,917,067
Current services			824,060	
Miscellaneous				
Total Revenues	<u>-</u>	<u>180,499</u>	<u>1,554,952</u>	<u>2,917,067</u>
Expenditures:				
Current:				
General government		149,297		
Public safety				
Public works				
Culture and recreation				
Education			1,439,175	2,822,880
Public Welfare				
Debt service				
Total Expenditures	<u>-</u>	<u>149,297</u>	<u>1,439,175</u>	<u>2,822,880</u>
Excess (deficiency) of revenues over expenditures		31,202	115,777	94,187
Other Financing Sources:				
Bond proceeds				
Bond premium				
Transfers in (out)		104,090		
Net change in fund balances		135,292	115,777	94,187
Fund Balances, Beginning (Deficit)	\$ 36,879	\$ 8,526	(112,267)	3,030
Fund Balances, Ending (Deficit)	<u>\$ 36,879</u>	<u>\$ 8,526</u>	<u>\$ 23,025</u>	<u>\$ 97,217</u>

Special Revenue Funds

Special Programs Fund	Dover Main Street Fund	Planning Improvements Fund	Police and Fire Detail	Parking Activity Fund	Police Special Fund	SRT Fund
\$ 4,180					\$ 3,040	\$ 378
	\$ 22,051	\$ 9,400	\$ 373,954	\$ 577,933		
<u>4,180</u>	<u>22,051</u>	<u>9,400</u>	<u>373,954</u>	<u>578,106</u>	<u>23,787</u>	<u>9,448</u>
	19,377		263,595	375,243	18,790	17,642
		2,800				
3,989						
<u>3,989</u>	<u>19,377</u>	<u>2,800</u>	<u>263,595</u>	<u>446,499</u>	<u>18,790</u>	<u>17,642</u>
			(63,000)	(123,353)		
191	2,674	6,600	110,359	131,607	8,037	(7,816)
191	2,674	6,600	47,359	8,254	8,037	(7,816)
<u>4,709</u>	<u>(5,358)</u>	<u>212,193</u>	<u>(36,470)</u>	<u>11,799</u>	<u>39,476</u>	<u>98,912</u>
<u>\$ 4,900</u>	<u>\$ (2,684)</u>	<u>\$ 218,793</u>	<u>\$ 10,889</u>	<u>\$ 20,053</u>	<u>\$ 47,513</u>	<u>\$ 91,096</u>

	Special Revenue Funds				
	Conservation Fund	Residential Solid Waste Fund	McConnell Center Fund	Recreation Programs Fund	Recreation Field Maintenance Fund
Revenues:					
Taxes	\$ 96,031				
Licenses and permits					
Intergovernmental					
Current services		\$ 917,916	\$ 610,150	\$ 385,416	\$ 24,182
Miscellaneous	428	498		4,540	
Total Revenues	<u>96,459</u>	<u>918,414</u>	<u>610,150</u>	<u>389,956</u>	<u>24,182</u>
Expenditures:					
Current:					
General government	7,895				
Public safety					
Public works		838,091			
Culture and recreation			421,588	409,218	46,461
Education					
Public welfare					
Debt service			405,094		
Total Expenditures	<u>7,895</u>	<u>838,091</u>	<u>826,682</u>	<u>409,218</u>	<u>46,461</u>
Excess (deficiency) of revenues over expenditures	88,564	80,323	(216,532)	(19,262)	(22,279)
Other Financing Sources:					
Bond proceeds					
Bond premium					
Transfers in (out)	(75,000)		167,580	15,500	
Net change in fund balances	13,564	80,323	(48,952)	(3,762)	(22,279)
Fund Balances, Beginning (Deficit)	<u>558,527</u>	<u>295,123</u>	<u>(396,437)</u>	<u>381,504</u>	<u>(38,339)</u>
Fund Balances, Ending (Deficit)	<u>\$ 572,091</u>	<u>\$ 375,446</u>	<u>\$ (445,389)</u>	<u>\$ 377,742</u>	<u>\$ (60,618)</u>

Special Revenue Funds

Library Fines Fund	Downtown Dover TIF Fund	Tuition Programs Fund	Vocational Center Fund	School Alternative Education Fund	School Facilities Fund	Other Special Revenue Funds	Subtotals
						\$ 312,888	\$ 96,031
							315,928
							4,842,827
\$ 32,283		\$ 99,848		\$ 192,720	\$ 169,916		4,288,083
<u>32,283</u>	<u>-</u>	<u>99,848</u>	<u>-</u>	<u>192,720</u>	<u>169,916</u>	<u>1,217,098</u>	<u>1,256,472</u>
							<u>10,799,341</u>
							176,570
						96,712	1,413,487
42,897						(13,013)	827,878
						4,285	924,449
		99,157	\$	540,849	165,771	90	5,071,911
							432,571
<u>42,897</u>	<u>-</u>	<u>99,157</u>	<u>-</u>	<u>540,849</u>	<u>165,771</u>	<u>88,075</u>	<u>476,350</u>
							<u>9,323,216</u>
(10,614)		691		(348,129)	4,145	1,441,911	1,476,125
	\$ 1,485						1,485
				392,700		(325,870)	235,829
(10,614)	1,485	691		44,571	4,145	1,116,041	1,713,439
<u>27,568</u>		<u>(6,229)</u>	<u>\$ 906</u>	<u>7,221</u>	<u>289,655</u>	<u>4,700,752</u>	<u>6,678,282</u>
<u>\$ 16,954</u>	<u>\$ 1,485</u>	<u>\$ (5,538)</u>	<u>\$ 906</u>	<u>\$ 51,792</u>	<u>\$ 293,800</u>	<u>\$ 5,816,793</u>	<u>\$ 8,391,721</u>

Capital Projects Funds

	CIP FY 14	CIP FY 13	CIP FY 12	CIP FY 11	CIP FY10	CIP FY09
Revenues:						
Taxes						
Licenses and permits						
Intergovernmental						
Current services						
Miscellaneous						\$ 5,446
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,446</u>
Expenditures:						
Current:						
General government						525
Public safety	\$ 213,509	\$ 107,500		\$ 109,585		303,128
Public works	746,694	1,726,144	\$ 165,908	9,743	\$ 161,854	
Culture and recreation	109,000					
Education						
Public welfare						
Debt service						
Total Expenditures	<u>1,069,203</u>	<u>1,833,644</u>	<u>165,908</u>	<u>119,328</u>	<u>161,854</u>	<u>303,653</u>
Excess (deficiency) of revenues over expenditures	(1,069,203)	(1,833,644)	(165,908)	(119,328)	(161,854)	(298,207)
Other Financing Sources:						
Bond proceeds	10,241,776	2,472,754	41,213	92,300		
Bond premium	933,224	227,246	3,787	13,700		
Transfers in (out)		207,132				
Net change in fund balances	<u>10,105,797</u>	<u>1,073,488</u>	<u>(120,908)</u>	<u>(13,328)</u>	<u>(161,854)</u>	<u>(298,207)</u>
Fund Balances, Beginning (Deficit)	<u>(1,363)</u>	<u>123,883</u>	<u>(261,006)</u>	<u>719,269</u>	<u>(23,289)</u>	<u>1,237,760</u>
Fund Balances, Ending (Deficit)	<u>\$ 10,104,434</u>	<u>\$ 1,197,371</u>	<u>\$ (381,914)</u>	<u>\$ 705,941</u>	<u>\$ (185,143)</u>	<u>\$ 939,553</u>

Capital Projects Funds

	CIP FY08	CIP FY07	CIP FY06	CIP FY05	CIP FY04	CIP FY03	CIP FY02	CIP FY01	CIP FY00
	-	-	-	-	-	-	-	-	-
							\$ 495		
\$	9,840 5,725								
	15,565	-	-	-	-	-	495	-	-
	(15,565)						(495)		
	(15,565)						(495)		
	1,691,578	\$ (469,543)	\$ (22,355)	\$ (420,870)	\$ (117,792)	\$ (31,591)	(17,012)	\$ 98,177	\$ (61,162)
\$	<u>1,676,013</u>	<u>\$ (469,543)</u>	<u>\$ (22,355)</u>	<u>\$ (420,870)</u>	<u>\$ (117,792)</u>	<u>\$ (31,591)</u>	<u>\$ (17,507)</u>	<u>\$ 98,177</u>	<u>\$ (61,162)</u>

Capital Projects Funds

	Tolend Rd Landfill Closure	Cocheco River Dredge	Recreation Field Construction	Capital Purchases Fund	Subtotals	Total
Revenues:						
Taxes						\$ 96,031
Licenses and permits						315,928
Intergovernmental						4,842,827
Current services						4,288,083
Miscellaneous	\$ 6,987		\$ 166,419	\$ 148	\$ 179,000	1,435,472
Total Revenues	<u>6,987</u>		<u>166,419</u>	<u>148</u>	<u>179,000</u>	<u>10,978,341</u>
Expenditures:						
Current:						
General government					525	177,095
Public safety					734,217	2,147,704
Public works	532,198	\$ 7,640	69,976		3,429,997	4,257,875
Culture and recreation					114,725	1,039,174
Education						5,071,911
Public welfare						432,571
Debt service						476,350
Total Expenditures	<u>532,198</u>	<u>7,640</u>	<u>69,976</u>		<u>4,279,464</u>	<u>13,602,680</u>
Excess (deficiency) of revenues over expenditures	(525,211)	(7,640)	96,443	148	(4,100,464)	(2,624,339)
Other Financing Sources:						
Bond proceeds	1,007,418				13,855,461	13,855,461
Bond premium	92,582				1,270,539	1,272,024
Transfers in (out)				530,868	738,000	973,829
Net change in fund balances	<u>574,789</u>	<u>(7,640)</u>	<u>96,443</u>	<u>531,016</u>	<u>11,763,536</u>	<u>13,476,975</u>
Fund Balances, Beginning (Deficit)	<u>(799,198)</u>	<u>290,744</u>	<u>736,200</u>	<u>1,507,138</u>	<u>4,179,568</u>	<u>10,857,850</u>
Fund Balances, Ending (Deficit)	<u>\$ (224,409)</u>	<u>\$ 283,104</u>	<u>\$ 832,643</u>	<u>\$ 2,038,154</u>	<u>\$ 5,943,104</u>	<u>24,334,825</u>

**Detail and Combining Budget
and Actual Schedules**

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General Fund

The general fund is established to account for all resources obtained and used for those services commonly provided by the City which are not accounted for in any other fund. These services include, among other items: General government, public safety, public works, culture and recreation, education, public welfare, inter-governmental and debt service. The primary sources of revenue of the general fund are property taxes, unrestricted state revenue sharing grants, certain restricted grants, and fees for services rendered.

Detail Schedule of Revenues and Other Financing Sources - Budget and Actual - General Fund

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Taxes				
Property taxes	\$ 67,445,751	\$ 68,038,313	\$ 68,899,121	\$ 860,808
Boat tax	15,000	15,000	21,982	6,982
Yield tax	1,500	1,500	1,851	351
Payment in lieu of taxes	70,000	70,000	71,664	1,664
Excavation tax	5,000	5,000	5,914	914
Tax interest and penalties	325,000	325,000	501,572	176,572
Total Taxes	<u>67,862,251</u>	<u>68,454,813</u>	<u>69,502,104</u>	<u>1,047,291</u>
Licenses and Permits				
Health licenses and permits	30,000	30,000	61,811	31,811
Building permits	315,000	315,000	390,166	75,166
Peddlers and vendors licenses	900	900	710	(190)
Motor vehicle permits	3,850,000	3,750,000	4,265,850	515,850
Electrical permits	73,500	73,500	94,972	21,472
Plumbing permits	68,250	68,250	132,300	64,050
Trailer park permits	175	175	150	(25)
Fire and rescue permits	2,900	2,900	34,064	31,164
Dog licenses	17,403	17,403	17,483	80
Marriage license fees	2,450	2,450	1,297	(1,153)
Birth, death and marriage certificates	22,002	22,002	33,352	11,350
Miscellaneous licenses and permits	8,500	8,500	9,004	504
Miscellaneous service charges			37	37
Taxi licenses	500	500	1,710	1,210
Video and arcade licenses	1,200	1,200	390	(810)
Total Licenses and Permits	<u>4,392,780</u>	<u>4,292,780</u>	<u>5,043,296</u>	<u>750,516</u>
Intergovernmental				
Rooms and meals distribution	1,395,709	1,349,178	1,349,178	
Federal grant reimbursement	39,500	39,500	26,255	(13,245)
State reimbursement	14,900	14,900	11,084	(3,816)
Shared revenue block grant				
Highway block grant	507,153	504,712	506,530	1,818
Miscellaneous Intergovernmental	108,150	108,150	60,734	(47,416)
Total Intergovernmental	<u>2,065,412</u>	<u>2,016,440</u>	<u>1,953,781</u>	<u>(62,659)</u>

(continued)

(continued)

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Current Services				
Sales and service charges	\$ 1,409,161	\$ 1,259,161	\$ 1,205,376	\$ (53,785)
Copy sales	350	350	1,192	842
Vending machine sales	4,000	4,000	3,211	(789)
Commissions	5,050	5,050	5,695	645
Ambulance services	850,000	850,000	1,014,632	164,632
Interment charges	49,800	49,800	44,650	(5,150)
Headstone foundations	1,000	1,000	10,929	9,929
Pro shop	15,000	15,000	19,216	4,216
Recreation charges	357,662	357,662	336,162	(21,500)
Non-resident charges	52,970	52,970	46,928	(6,042)
Food sales	48,000	48,000	45,111	(2,889)
Vending sales	12,000	12,000	7,496	(4,504)
Department overhead allocations	375,100	375,100	375,100	
Miscellaneous service charges	34,560	34,560	37,363	2,803
Total Current Services	<u>3,214,653</u>	<u>3,064,653</u>	<u>3,153,061</u>	<u>88,408</u>
Education				
Tuition	3,505,531	3,505,531	3,495,676	(9,855)
Federal grant reimbursement	213,516	213,516	461,345	247,829
State intergovernmental	7,403,952	7,555,240	7,636,315	81,075
Miscellaneous revenue	180,345	180,345	125,719	(54,626)
Total Education Income	<u>11,303,344</u>	<u>11,454,632</u>	<u>11,719,055</u>	<u>264,423</u>
Miscellaneous				
Miscellaneous revenue	163,118	163,118	769,545	606,427
District court receipts	25,000	25,000	7,602	(17,398)
Miscellaneous fines and forfeits	17,150	17,150	10,918	(6,232)
Fundraising	20,000	20,000	120	(19,880)
Sale of city property	882,375	787,375	755,563	(31,812)
Investment income	5,000	5,000	(42,017)	(47,017)
Facilities rental	202,162	202,162	244,519	42,357
Interest on arrears			1,962	1,962
Equipment rental	2,000	2,000	2,470	470
Total Miscellaneous	<u>1,316,805</u>	<u>1,221,805</u>	<u>1,750,682</u>	<u>528,877</u>
Other Financing Sources				
Transfers in	452,688	452,688	446,292	(6,396)
Other financing sources	75,000	75,000	77,761	2,761
Total Other Financing Sources	<u>527,688</u>	<u>527,688</u>	<u>524,053</u>	<u>(3,635)</u>
Total Revenues and Other Financing Sources	<u>\$ 90,682,933</u>	<u>\$ 91,032,811</u>	<u>\$ 93,646,032</u>	<u>\$ 2,613,221</u>

Detail Schedule of Expenditures and Other Financing Uses Budget and Actual - General Fund

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government				
City Council	\$ 411,699	\$ 411,699	\$ 407,536	\$ 4,163
Executive	805,318	805,318	780,154	25,164
Finance	1,620,731	1,620,731	1,537,807	82,924
Planning	491,541	491,541	483,057	8,484
Miscellaneous	903,358	1,036,623	966,103	70,520
Total General Government	<u>4,232,647</u>	<u>4,365,912</u>	<u>4,174,657</u>	<u>191,255</u>
Public Safety				
Police	7,188,131	7,188,131	7,029,734	158,397
Fire and rescue	7,285,481	7,285,481	7,226,195	59,286
Total Public Safety	<u>14,473,612</u>	<u>14,473,612</u>	<u>14,255,929</u>	<u>217,683</u>
Public Works				
Community Services - Public Works	5,882,719	5,882,719	4,351,002	1,531,717
Total Public Works	<u>5,882,719</u>	<u>5,882,719</u>	<u>4,351,002</u>	<u>1,531,717</u>
Culture and Recreation				
Recreation	2,008,829	2,008,829	1,901,095	107,734
Public Library	1,056,082	1,056,082	1,004,473	51,609
Total Culture and Recreation	<u>3,064,911</u>	<u>3,064,911</u>	<u>2,905,568</u>	<u>159,343</u>
Public welfare				
Public welfare	843,167	843,167	751,990	91,177
Total Public Welfare	<u>843,167</u>	<u>843,167</u>	<u>751,990</u>	<u>91,177</u>
Education				
School Department	42,112,302	42,263,590	41,949,297	314,293
Total Education	<u>42,112,302</u>	<u>42,263,590</u>	<u>41,949,297</u>	<u>314,293</u>
Debt Service				
Principal	6,738,461	6,738,461	6,367,111	371,350
Interest	3,047,468	3,047,468	2,871,075	176,393
Total Debt Service	<u>9,785,929</u>	<u>9,785,929</u>	<u>9,238,186</u>	<u>547,743</u>
Intergovernmental				
County tax	7,706,474	7,771,799	7,771,799	
Total Intergovernmental	<u>7,706,474</u>	<u>7,771,799</u>	<u>7,771,799</u>	
Transfers				
Transfer out	2,581,172	2,581,172	2,581,172	
Total Transfers	<u>2,581,172</u>	<u>2,581,172</u>	<u>2,581,172</u>	
Other Financing Uses				
Total Other Financing Uses				
Total Expenditures and Other Financing Uses	<u>\$ 90,682,933</u>	<u>\$ 91,032,811</u>	<u>\$ 87,979,600</u>	<u>\$ 3,053,211</u>
Excess of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,666,432</u>	<u>\$ 5,666,432</u>

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Combining Schedule of Revenues and Expenditures Budget and Actual

Annually Budgeted Non-Major Governmental Funds

For the Year Ended June 30, 2014

	Parking Activity		
	Variance		
	Budget	Actual	Positive (Negative)
Revenues:			
Charges for services	\$ 561,280	\$ 578,107	\$ 16,827
Intergovernmental			
Miscellaneous			
Other financing sources			
	<u> </u>	<u> </u>	<u> </u>
Total Revenues	<u>561,280</u>	<u>578,107</u>	<u>16,827</u>
Expenditures:			
Public safety	451,895	373,887	78,008
Education			
Public works			
Culture and recreation			
Debt service	71,257	71,256	1
Other financing uses	<u>40,765</u>	<u>123,353</u>	<u>(82,588)</u>
	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>563,917</u>	<u>568,496</u>	<u>(4,579)</u>
Revenues and other financing sources over (under) expenditures	<u>\$ (2,637)</u>	<u>\$ 9,611</u>	<u>\$ 12,248</u>

Residential Solid Waste			Library Fines		
Variance					Variance
Budget	Actual	Positive (Negative)	Budget	Actual	Positive (Negative)
\$ 950,663	\$ 917,916	\$ (32,747)	\$ 36,900	\$ 32,283	\$ (4,617)
	498	498			
			23,952		(23,952)
<u>950,663</u>	<u>918,414</u>	<u>(32,249)</u>	<u>60,852</u>	<u>32,283</u>	<u>(28,569)</u>
972,726	943,836	28,890	60,852	42,897	17,955
<u>972,726</u>	<u>943,836</u>	<u>28,890</u>	<u>60,852</u>	<u>42,897</u>	<u>17,955</u>
\$ <u>(22,063)</u>	\$ <u>(25,422)</u>	\$ <u>(3,359)</u>	\$ <u>-</u>	\$ <u>(10,614)</u>	\$ <u>(10,614)</u>

Combining Schedule of Revenues and Expenditures Budget and Actual

Annually Budgeted Non-Major Governmental Funds

For the Year Ended June 30, 2014

	Tuition Programs		
	Variance		Positive (Negative)
	Budget	Actual	
Revenues:			
Charges for services	\$ 147,000	\$ 99,848	\$ (47,152)
Intergovernmental			
Miscellaneous revenue			
Other financing sources			
Total Revenues	<u>147,000</u>	<u>99,848</u>	<u>(47,152)</u>
Expenditures:			
Public safety			
Education	147,000	99,157	47,843
Public works			
Culture and recreation			
Debt service			
Total Expenditures	<u>147,000</u>	<u>99,157</u>	<u>47,843</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 691</u>	<u>\$ 691</u>

School Alternative Education			School Facilities		
Variance			Variance		
Budget	Actual	Positive (Negative)	Budget	Actual	Positive (Negative)
\$ 154,000	\$ 192,720	\$ 38,720	\$ 159,848	\$ 169,917	\$ 10,069
<u>392,700</u>	<u>392,700</u>	<u>38,720</u>	<u>159,848</u>	<u>169,917</u>	<u>10,069</u>
<u>546,700</u>	<u>585,420</u>	<u>38,720</u>	<u>159,848</u>	<u>169,917</u>	<u>10,069</u>
546,700	540,851	5,849	159,848	166,196	(6,348)
<u>546,700</u>	<u>540,851</u>	<u>5,849</u>	<u>159,848</u>	<u>166,196</u>	<u>(6,348)</u>
<u>\$ -</u>	<u>\$ 44,569</u>	<u>\$ 44,569</u>	<u>\$ -</u>	<u>\$ 3,721</u>	<u>\$ 3,721</u>

Combining Schedule of Revenues and Expenditures Budget and Actual

Annually Budgeted Non-Major Governmental Funds

For the Year Ended June 30, 2014

	McConnell Center		
	Variance		
	Budget	Positive Actual	(Negative)
Revenues:			
Charges for services	\$ 625,628	\$ 610,150	\$ (15,478)
Intergovernmental			
Miscellaneous			
Other financing sources	168,110	168,117	7
Total Revenues	<u>793,738</u>	<u>778,267</u>	<u>(15,471)</u>
Expenditures:			
Public safety			
Education			
Public works			
Culture and recreation	451,869	397,829	54,040
Debt service	405,094	405,094	
Total Expenditures	<u>856,963</u>	<u>802,923</u>	<u>54,040</u>
Revenues and other financing source over (under) expenditures	<u>\$ (63,225)</u>	<u>\$ (24,656)</u>	<u>\$ 38,569</u>

Police DHA Fund			School Cafeteria		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ 111,330	\$ 118,771	\$ 7,441	\$ 873,466 647,698	\$ 819,273 733,905 1,774	\$ (54,193) 86,207 1,774
<u>111,330</u>	<u>118,771</u>	<u>7,441</u>	<u>1,521,164</u>	<u>1,554,952</u>	<u>33,788</u>
111,330	105,950	5,380	1,521,164	1,439,174	81,990
<u>111,330</u>	<u>105,950</u>	<u>5,380</u>	<u>1,521,164</u>	<u>1,439,174</u>	<u>81,990</u>
<u>\$ -</u>	<u>\$ 12,821</u>	<u>\$ 12,821</u>	<u>\$ -</u>	<u>\$ 115,778</u>	<u>\$ 115,778</u>

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Enterprise Funds

Enterprise Funds were established to account for activities that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the activity be self-supporting based on user charges.

The City of Dover has the following Enterprise Funds:

Water Fund: To account for the operation of a water treatment plant, City wells and water system.

Sewer Fund: To account for the operation of a sewer treatment plant, pumping station and sewer lines.

DBIDA Fund: To account for the economic development projects of the Dover Business Industrial Development Authority (DBIDA), which operates under RSA 162-G.

No annual budget is adopted for the DBIDA Fund.

Enterprise Funds

Schedule of Revenues and Expenses - Budget and Actual

For the Year Ended June 30, 2014

	Water Fund		
	Actual (Budgetary Budget)	Basis)	Variance Positive (Negative)
Operating Revenues:			
Operating revenue	\$ 4,828,014	\$ 4,541,393	\$ (286,621)
Other	25,500	267,544	242,044
Total Operating Revenues	<u>4,853,514</u>	<u>4,808,937</u>	<u>(44,577)</u>
Operating Expenses:			
Personnel services	1,151,180	1,122,827	28,353
Purchased services	347,988	326,289	21,699
Supplies and materials	669,737	537,847	131,890
Minor equipment	254,192	147,811	106,381
Other	187,285	161,185	26,100
Depreciation	1,189,276	887,135	302,141
Total Operating Expenses	<u>3,799,658</u>	<u>3,183,094</u>	<u>616,564</u>
Operating Income (Loss)	<u>1,053,856</u>	<u>1,625,843</u>	<u>571,987</u>
Non-Operating Income (Expenses):			
Investment Income		139,489	139,489
Interest expense	(554,588)	(470,158)	84,430
Intergovernmental		(3)	(3)
Total Non-Operating Income (Expenses)	<u>(554,588)</u>	<u>(330,672)</u>	<u>223,916</u>
Net Income (Loss) Before Transfers	<u>499,268</u>	<u>1,295,171</u>	<u>795,903</u>
Other Financing Sources and Uses:			
Use of retained earnings			
Transfers out	(603,626)	(89,129)	514,497
Total Other Financing Sources and Uses	<u>(603,626)</u>	<u>(89,129)</u>	<u>514,497</u>
Net Income (Loss)	<u>\$ (104,358)</u>	<u>\$ 1,206,042</u>	<u>\$ 1,310,400</u>

	Sewer Fund		
	Actual (Budgetary Budget)	Basis)	Variance Positive (Negative)
Operating Revenues:			
Operating revenue	\$ 5,692,809	\$ 5,469,385	\$ (223,424)
Other	36,000	733,160	697,160
Total Operating Revenues	<u>5,728,809</u>	<u>6,202,545</u>	<u>473,736</u>
Operating Expenses:			
Personnel services	1,693,085	1,747,666	(54,581)
Purchased services	642,981	447,949	195,032
Supplies and materials	888,549	805,766	82,783
Minor equipment	192,223	53,327	138,896
Other	252,000	223,629	28,371
Depreciation	2,209,486	2,333,745	(124,259)
Total Operating Expenses	<u>5,878,324</u>	<u>5,612,082</u>	<u>266,242</u>
Operating Income (Loss)	<u>(149,515)</u>	<u>590,463</u>	<u>739,978</u>
Non-Operating Income (Expenses):			
Investment Income		260,371	260,371
Interest expense	(492,762)	(356,704)	136,058
Intergovernmental	6,240	6,240	
Total Non-Operating Income (Expenses)	<u>(486,522)</u>	<u>(90,093)</u>	<u>396,429</u>
Net Income (Loss) Before Transfers	<u>(636,037)</u>	<u>500,370</u>	<u>1,136,407</u>
Other Financing Sources and Uses:			
Use of retained earnings			
Transfers out	(546,042)	(33,542)	512,500
Total Other Financing Sources and Uses	<u>(546,042)</u>	<u>(33,542)</u>	<u>512,500</u>
Net Income (Loss)	<u>\$ (1,182,079)</u>	<u>\$ 466,828</u>	<u>\$ 1,648,907</u>

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Internal Service Funds

- Dover Net Fund – To account for the costs related to the operations of the information technology network and the allocation of these costs to the various funds and functions.
- Central Stores Fund – To account for the costs related to the supplies, copiers and postage and the allocation of these costs to the various funds and functions based on actual use.
- Fleet Maintenance Fund – To account for the maintenance costs related to the vehicle fleet and the allocation of these costs to the various funds and functions based on actual use.
- Workers Compensation Fund – To account for the cost of administration, insurance and claims for workers compensation and the allocation of these costs to the various funds and functions based on historical wage and claims history.
- OPEB Fund – To account for the costs related to post-employment benefits other than pensions for eligible retirees and current employees.

Internal Service Funds**Combining Statement of Net Position**

June 30, 2014

	Dover Net Fund	Central Stores Fund	Fleet Maintenance Fund	Workers Compensation Fund	OPEB Fund	Total
ASSETS						
Current:						
Departmental and other receivables	\$ 49,360		\$ 8,105			\$ 57,465
Due from (to) other funds	511,622	\$ 49,871	124,652	\$ 32,697	\$ (43,425)	675,417
Prepaid expenses				45,000	116,341	161,341
Inventory			70,371			70,371
Total Assets	<u>560,982</u>	<u>49,871</u>	<u>203,128</u>	<u>77,697</u>	<u>72,916</u>	<u>964,594</u>
LIABILITIES						
Current:						
Accounts payable	11,709	3,551	15,381	38,441		69,082
Accrued liabilities	5,334		8,890			14,224
Claims liability				457,000		457,000
Compensated absences	19,817		19,167			38,984
Total Current Liabilities	<u>36,860</u>	<u>3,551</u>	<u>43,438</u>	<u>495,441</u>		<u>579,290</u>
Non-current:						
Claims liability, net of current portion				121,281		121,281
Total Liabilities	<u>36,860</u>	<u>3,551</u>	<u>43,438</u>	<u>616,722</u>		<u>700,571</u>
NET Position						
Restricted for capital projects	132,148					132,148
Unrestricted	391,974	46,320	159,690	(539,025)	72,916	131,875
Total Net Position	<u>\$ 524,122</u>	<u>\$ 46,320</u>	<u>\$ 159,690</u>	<u>\$ (539,025)</u>	<u>\$ 72,916</u>	<u>\$ 264,023</u>

Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Fund Net Position

For Fiscal Year Ended June 30, 2014

	Dover Net Fund	Central Fleet Stores Fund	Maintenance Fund	Workers Compensation Fund	OPEB Fund	Total
Operating Revenues:						
Charges for services	\$ 286,734	\$ 92,762	\$ 783,954	\$ 671,801		\$ 1,835,251
Miscellaneous	310,193		33,372	15,151		358,716
Total Operating Revenues	<u>596,927</u>	<u>92,762</u>	<u>817,326</u>	<u>686,952</u>		<u>2,193,967</u>
Operating Expenses:						
Personal services	297,683		441,163	324,115	\$ 1,555,237	2,618,198
Purchased services	124,198	60,675	10,643	664,643		860,159
Supplies	12,858	36,953	20,505			70,316
Minor equipment	50,297		13,649			63,946
Other expenses			235,411	77,523		312,934
Total Operating Expenses	<u>485,036</u>	<u>97,628</u>	<u>721,371</u>	<u>1,066,281</u>	<u>1,555,237</u>	<u>3,925,553</u>
Operating Income (Loss)	<u>111,891</u>	<u>(4,866)</u>	<u>95,955</u>	<u>(379,329)</u>	<u>(1,555,237)</u>	<u>(1,731,586)</u>
Other Financing Sources (Uses)						
Transfer in (out)	23,644		(53,550)		1,533,248	1,503,342
Transfer to trust					(655,980)	(655,980)
Intergovernmental				74,067	60,379	134,446
Total Other Financing Sources (Uses)	<u>23,644</u>		<u>(53,550)</u>	<u>74,067</u>	<u>937,647</u>	<u>981,808</u>
Change in Net Position	135,535	(4,866)	42,405	(305,262)	(617,590)	(749,778)
Net Position at Beginning of Year	<u>388,587</u>	<u>51,186</u>	<u>117,285</u>	<u>(233,763)</u>	<u>690,506</u>	<u>1,013,801</u>
Net Position at End of Year	<u>\$ 524,122</u>	<u>\$ 46,320</u>	<u>\$ 159,690</u>	<u>\$ (539,025)</u>	<u>\$ 72,916</u>	<u>\$ 264,023</u>

Internal Service Funds

Combining Statement of Cash Flows

For Fiscal Year Ended June 30, 2014

	Dover Net Fund	Central Fleet Stores Fund	Maintenance Fund	Workers Compensation Fund	OPEB Fund	Total
Cash Flows From Operating Activities:						
Receipts from customers and users for services	\$ 599,234	\$ 92,762	\$ 822,536	\$ 686,952		\$ 2,201,484
Payments to vendors and contractors	(193,432)	(95,577)	(290,416)	(758,680)	(1,555,237)	(2,893,342)
Payments of employee salaries and benefits	(294,629)		(439,113)	(279,905)		(1,013,647)
Receipts for interfund service provided				277,566		277,566
Payments for interfund service provided	(134,817)	2,815	(39,457)		617,590	446,131
Net Cash Provided By (Used For) Operating Activities	<u>(23,644)</u>	<u>2,815</u>	<u>53,550</u>	<u>(74,067)</u>	<u>(937,647)</u>	<u>(981,808)</u>
Cash Flows From Noncapital Financing Activities:						
Transfer in	23,644				1,533,248	1,556,892
Transfer out			(53,550)		(655,980)	(709,530)
Intergovernmental subsidy				74,067	60,379	134,446
Net Cash Provided By Noncapital Financing Activities	<u>23,644</u>	<u>-</u>	<u>(53,550)</u>	<u>74,067</u>	<u>937,647</u>	<u>981,808</u>
Cash and Short Term Investments, Beginning of Year						
Cash and Short Term Investments, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income to Net Cash Provided by (Used For) Operating Activities:						
Operating income (loss)	\$ 111,891	\$ (4,866)	\$ 95,955	\$ (379,329)	\$ (1,555,237)	\$ (1,731,586)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Changes in assets and liabilities:						
Inventory			(12,572)			(12,572)
Departmental and other receivables	2,307		5,210			7,517
Intefund receivables/payables	(134,817)	2,815	(39,457)	277,566	617,590	723,697
Other assets						
Accounts payable	(6,079)	2,051	2,364	(16,514)		(18,178)
Accrued liabilities	966		1,363	44,210		46,539
Compensated absences	2,088		687			2,775
Net Cash Provided By (Used For) Operating Activities	<u>\$ (23,644)</u>	<u>\$ -</u>	<u>\$ 53,550</u>	<u>\$ (74,067)</u>	<u>\$ (937,647)</u>	<u>\$ (981,808)</u>

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Internal Service Funds

Schedule of Revenues and Expenses - Budget and Actual

For the Year Ended June 30, 2014

	Dover Net Fund		
	Actual (Budgetary Budget	Basis)	Variance Positive (Negative)
Operating Revenues:			
Charges for services	\$ 255,808	\$ 286,734	\$ 30,926
Other revenue	282,673	310,193	27,520
Total Operating Revenues	<u>538,481</u>	<u>596,927</u>	<u>58,446</u>
Operating Expenses:			
Personnel services	386,338	297,683	88,655
Purchased services	174,694	116,276	58,418
Supplies and materials	11,939	9,289	2,650
Minor equipment	205,740	49,285	156,455
Other	2,591		2,591
Total Operating Expenses	<u>781,302</u>	<u>472,533</u>	<u>308,769</u>
Operating Income (Loss)	(242,821)	124,394	367,215
Non-Operating Income (Expenses)			
Intergovernmental			
Net Income (Loss) Before Transfers	<u>(242,821)</u>	<u>124,394</u>	<u>367,215</u>
Other Financing Sources and Uses			
Use of retained earnings	75,289		(75,289)
Transfers in	24,000	23,642	(358)
Transfers out	(358)		358
Total Other Financing Sources and Uses	<u>98,931</u>	<u>23,642</u>	<u>(75,289)</u>
Net Income (Loss)	<u>\$ (143,890)</u>	<u>\$ 148,036</u>	<u>\$ 291,926</u>

	Central Stores Fund		
	Actual (Budgetary Budget	Basis)	Variance Positive (Negative)
Operating Revenues:			
Charges for services	\$ 105,154	\$ 92,762	\$ (12,392)
Other revenue			
Total Operating Revenues	<u>105,154</u>	<u>92,762</u>	<u>(12,392)</u>
Operating Expenses:			
Personnel services			
Purchased services	65,704	60,675	5,029
Supplies and materials	39,450	37,199	2,251
Minor equipment			
Other			
Total Operating Expenses	<u>105,154</u>	<u>97,874</u>	<u>7,280</u>
Operating Income (Loss)		(5,112)	(5,112)
Non-Operating Income (Expenses)			
Intergovernmental			
Net Income (Loss) Before Transfers		<u>(5,112)</u>	<u>(5,112)</u>
Other Financing Sources and Uses			
Use of retained earnings			
Transfers in			
Transfers out			
Total Other Financing Sources and Uses			
Net Income (Loss)	<u>\$ -</u>	<u>\$ (5,112)</u>	<u>\$ (5,112)</u>

	Fleet Maintenance Fund		
	Actual (Budgetary Budget	Basis)	Variance Positive (Negative)
Operating Revenues:			
Charges for services	\$ 759,377	\$ 783,954	\$ 24,577
Other revenue	<u>33,556</u>	<u>33,372</u>	<u>(184)</u>
Total Operating Revenues	<u>792,933</u>	<u>817,326</u>	<u>24,393</u>
Operating Expenses:			
Personnel services	443,643	441,163	2,480
Purchased services	6,834	10,643	(3,809)
Supplies and materials	18,756	20,505	(1,749)
Minor equipment	51,210	24,740	26,470
Other	<u>231,594</u>	<u>235,411</u>	<u>(3,817)</u>
Total Operating Expenses	<u>752,037</u>	<u>732,462</u>	<u>19,575</u>
Operating Income (Loss)	40,896	84,864	43,968
Non-Operating Income (Expenses)			
Intergovernmental	<u> </u>	<u> </u>	<u> </u>
Net Income (Loss) Before Transfers	<u>40,896</u>	<u>84,864</u>	<u>43,968</u>
Other Financing Sources and Uses			
Use of retained earnings			
Transfers in			
Transfers out	<u>(53,550)</u>	<u>(53,550)</u>	<u> </u>
Total Other Financing Sources and Uses	<u>(53,550)</u>	<u>(53,550)</u>	<u> </u>
Net Income (Loss)	<u>\$ (12,654)</u>	<u>\$ 31,314</u>	<u>\$ 43,968</u>

	Workers Compensation Fund		
	Actual (Budgetary Budget	Basis)	Variance Positive (Negative)
Operating Revenues:			
Charges for services	\$ 670,772	\$ 671,801	\$ 1,029
Other revenue		15,151	15,151
Total Operating Revenues	<u>670,772</u>	<u>686,952</u>	<u>16,180</u>
Operating Expenses:			
Personnel services	592,762	324,115	268,647
Purchased services	40,773	664,643	(623,870)
Supplies and materials			
Minor equipment			
Other	49,280	77,523	(28,243)
Total Operating Expenses	<u>682,815</u>	<u>1,066,281</u>	<u>(383,466)</u>
Operating Income (Loss)	(12,043)	(379,329)	(367,286)
Non-Operating Income (Expenses)			
Intergovernmental		74,067	74,067
Net Income (Loss) Before Transfers	<u>(12,043)</u>	<u>(305,262)</u>	<u>(293,219)</u>
Other Financing Sources and Uses			
Use of retained earnings			
Transfers out			
Total Other Financing Sources and Uses			
Net Income (Loss)	<u>\$ (12,043)</u>	<u>\$ (305,262)</u>	<u>\$ (293,219)</u>

	OPEB Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Charges for services			
Other revenue			
Total Operating Revenues			
Operating Expenses:			
Personnel services	\$ 1,385,130	\$ 1,555,237	\$ (170,107)
Purchased services			
Supplies and materials			
Minor equipment			
Other			
Total Operating Expenses	<u>1,385,130</u>	<u>1,555,237</u>	<u>(170,107)</u>
Operating Income (Loss)	(1,385,130)	(1,555,237)	(170,107)
Non-Operating Income (Expenses)			
Intergovernmental		60,379	60,379
Net Income (Loss) Before Transfers	<u>(1,385,130)</u>	<u>(1,494,858)</u>	<u>(109,728)</u>
Other Financing Sources and Uses			
Use of retained earnings			
Transfers in	1,385,130	1,533,248	148,118
Transfers out		(655,980)	(655,980)
Total Other Financing Sources and Uses	<u>1,385,130</u>	<u>877,268</u>	<u>(507,862)</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ (617,590)</u>	<u>\$ (617,590)</u>

Fiduciary Funds

Fiduciary Funds account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds.

Agency Funds:

- **Performance Bonds** – To account for funds received from contractors doing work for the City to insure the City against the contractor's failure to complete the request.
- **Chamber of Commerce** – To account for funds received from Chamber of Commerce for its Riverwalk Project.
- **Department Agency** – To account for funds received from other organizations for activities administered by various City departments.
- **School Agency** – To account for funds received from other organizations for activities administered by the Dover School Department.

Private Purpose Funds:

- **Cemetery** – To account for private donations left in trust to maintain graves and provide flowers.
- **Parks and Recreation** – To account for private donations left in trust to assist individuals attending various recreational programs.
- **Welfare** – To account for private donations left in trust for the benefit of low or moderate income individuals.
- **School** – To account for private donations left in trust mainly for the benefit of providing scholarships to high school graduates.

Pension Funds:

- **OPEB Irrevocable Trust** – To account for assets set aside for post-employment benefits other than pension.

Agency Funds

Combining Statement of Assets and Liabilities

June 30, 2014

	Performance Deposits	Chamber of Commerce	Department Agency	School Agency	Total
ASSETS					
Cash and short-term investments				\$ 370,142	\$ 370,142
Due from other funds	\$ <u>738,837</u>	\$ <u>3,083</u>	\$ <u>51,843</u>	<u>7,800</u>	<u>801,563</u>
Total Assets	\$ <u><u>738,837</u></u>	\$ <u><u>3,083</u></u>	\$ <u><u>51,843</u></u>	\$ <u><u>377,942</u></u>	\$ <u><u>1,171,705</u></u>
LIABILITIES					
Other liabilities	\$ <u>738,837</u>	\$ <u>3,083</u>	\$ <u>51,843</u>	\$ <u>377,942</u>	\$ <u>1,171,705</u>
Total Liabilities	\$ <u><u>738,837</u></u>	\$ <u><u>3,083</u></u>	\$ <u><u>51,843</u></u>	\$ <u><u>377,942</u></u>	\$ <u><u>1,171,705</u></u>

Agency Funds

Combining Statement of Changes in Assets and Liabilities

For the Fiscal Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
Performance Deposits				
Assets - due from other funds	\$ <u>722,276</u>	\$ <u>137,099</u>	\$ <u>(120,538)</u>	\$ <u>738,837</u>
Liabilities - other liabilities	\$ <u>722,276</u>	\$ <u>134,099</u>	\$ <u>(117,538)</u>	\$ <u>738,837</u>
Chamber of Commerce				
Assets - due from other funds	\$ <u>3,083</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>3,083</u>
Liabilities - other liabilities	\$ <u>3,083</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>3,083</u>
Department Agency				
Assets - due from other funds	\$ <u>32,889</u>	\$ <u>38,851</u>	\$ <u>(19,897)</u>	\$ <u>51,843</u>
Liabilities - other liabilities	\$ <u>32,889</u>	\$ <u>60,681</u>	\$ <u>(41,727)</u>	\$ <u>51,843</u>
School Agency				
Assets - cash	\$ 273,491	\$ 1,218,360	\$ (1,121,709)	\$ 370,142
Assets - due from other funds	<u>16,397</u>	<u>4,998</u>	<u>(13,595)</u>	<u>7,800</u>
Total Assets	\$ <u>289,888</u>	\$ <u>1,223,358</u>	\$ <u>(1,135,304)</u>	\$ <u>377,942</u>
Liabilities - other liabilities	\$ <u>289,888</u>	\$ <u>1,230,257</u>	\$ <u>(1,142,203)</u>	\$ <u>377,942</u>
Totals				
Assets - cash	\$ 273,491	\$ 1,218,360	\$ (1,121,709)	\$ 370,142
Assets - due from other funds	<u>774,645</u>	<u>180,948</u>	<u>(154,030)</u>	<u>801,563</u>
Total Assets	\$ <u>1,048,136</u>	\$ <u>1,399,308</u>	\$ <u>(1,275,739)</u>	\$ <u>1,171,705</u>
Liabilities - other liabilities	\$ <u>1,048,136</u>	\$ <u>1,425,037</u>	\$ <u>(1,301,468)</u>	\$ <u>1,171,705</u>

Private Purpose Trust Funds

Combining Statement of Fiduciary Net Position

June 30, 2014

	Cemetery	Parks and Recreation	Welfare	School	Total
ASSETS					
Due from other funds	\$ <u>203,608</u>	\$ <u>52,513</u>	\$ <u>145,862</u>	\$ <u>448,281</u>	\$ <u>850,264</u>
Total Assets	\$ <u><u>203,608</u></u>	\$ <u><u>52,513</u></u>	\$ <u><u>145,862</u></u>	\$ <u><u>448,281</u></u>	\$ <u><u>850,264</u></u>
NET POSITION					
Total Net Position Held in Trust	\$ <u><u>203,608</u></u>	\$ <u><u>52,513</u></u>	\$ <u><u>145,862</u></u>	\$ <u><u>448,281</u></u>	\$ <u><u>850,264</u></u>

Private Purpose Trust Funds

Combining Statement of Changes in Fiduciary Net Position

For Fiscal Year Ended June 30, 2014

	Cemetery	Parks and Recreation	Welfare	School	Total
Additions:					
Investment income	\$ <u>9,923</u>	\$ <u>2,582</u>	\$ <u>13,189</u>	\$ <u>35,440</u>	\$ <u>61,134</u>
Total Additions	<u>9,923</u>	<u>2,582</u>	<u>13,189</u>	<u>35,440</u>	<u>61,134</u>
Deductions:					
Disbursements by agent	<u>2,966</u>	<u>307</u>	<u>1,033</u>	<u>19,499</u>	<u>23,805</u>
Total Deductions	<u>2,966</u>	<u>307</u>	<u>1,033</u>	<u>19,499</u>	<u>23,805</u>
Net Increase	6,957	2,275	12,156	15,941	37,329
Net Position:					
Beginning of Year	<u>196,651</u>	<u>50,238</u>	<u>133,706</u>	<u>432,340</u>	<u>812,935</u>
End of Year	\$ <u><u>203,608</u></u>	\$ <u><u>52,513</u></u>	\$ <u><u>145,862</u></u>	\$ <u><u>448,281</u></u>	\$ <u><u>850,264</u></u>

**STATISTICAL
SECTION**

City of Dover, New Hampshire

Statistical Section

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 supplementary information says about the government's overall financial health.

	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	137 -145
Revenue Capacity These schedules contain information to help reader assess the government's most significant local revenue source, the property tax.	146 -151
Debt Capacity These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	152 -154
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	155 -156
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	157 -162

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Dover, New Hampshire

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities										
Net Investment in capital assets	\$ 53,992,080	\$ 56,387,047	\$ 57,412,322	\$60,502,720	\$ 76,018,355	\$ 80,024,915	\$ 84,864,320	\$ 87,621,792	\$ 94,608,955	\$ 97,393,335
Restricted	135,140	135,519	220,907	706,657	239,781	357,330	3,755,675	3,831,773	4,176,355	4,803,592
Unrestricted	(5,048,192)	334,752	2,143,471	1,555,309	(4,425,923)	(4,296,357)	(6,828,784)	(13,020,114)	(15,040,301)	(10,903,241)
Total governmental activities net position	\$ 49,079,028	\$ 56,857,318	\$ 59,776,700	\$ 62,764,686	\$ 71,832,213	\$ 76,085,888	\$ 81,791,211	\$ 78,433,451	\$ 83,745,009	\$ 91,293,686
Business-type activities										
Net investment in capital assets	\$ 49,129,986	\$ 49,120,227	\$ 49,735,238	\$ 51,471,577	\$ 46,561,358	\$ 48,633,637	\$ 50,765,070	\$ 49,606,632	\$ 50,399,796	\$ 49,645,760
Restricted	2,961,035	2,628,641	3,619,664	5,630,120	6,388,298	6,692,028	1,694,773	-	5,002,798	12,740,179
Unrestricted	3,499,041	3,591,882	1,527,399	(2,037,985)	5,702,564	2,367,829	5,792,867	8,189,888	4,252,345	(1,120,179)
Total business-type activities net position	\$ 55,590,062	\$ 55,340,750	\$ 54,882,301	\$ 55,063,712	\$ 58,652,220	\$ 57,693,494	\$ 58,252,710	\$ 57,796,520	\$ 59,654,939	\$ 61,265,760
Primary government										
Net investment in capital assets	\$ 103,122,066	\$ 105,507,274	\$ 107,147,560	\$ 111,974,297	\$ 122,579,713	\$ 128,658,552	\$ 135,629,390	\$ 137,228,424	\$ 145,008,751	\$ 147,039,095
Restricted	3,096,175	2,764,160	3,840,571	6,336,777	6,628,079	7,049,358	5,450,448	3,831,773	9,179,153	17,543,771
Unrestricted	(1,549,151)	3,926,634	3,670,870	(482,676)	1,276,641	(1,928,528)	(1,035,917)	(4,830,226)	(10,787,956)	(12,023,420)
Total primary government net position	\$ 104,669,090	\$ 112,198,068	\$ 114,659,001	\$ 117,828,398	\$ 130,484,433	\$ 133,779,382	\$ 140,043,921	\$ 136,229,971	\$ 143,399,948	\$ 152,559,446

Data Source:

Audited Financial Statements

City of Dover, New Hampshire

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental activities:										
General government	\$ 4,833,784	\$ 3,670,881	\$ 3,834,147	\$ 4,926,090	\$ 3,177,368	\$ 3,483,389	\$ 6,120,791	\$ 6,057,408	\$ 7,187,927	\$ 7,411,338
Public safety	10,284,604	12,865,806	13,974,469	14,090,578	16,154,098	17,405,207	16,052,207	16,301,615	17,030,785	17,699,453
Public works	6,972,709	9,128,400	8,380,719	8,289,627	10,621,805	11,922,320	4,881,919	16,831,168	6,720,090	6,894,215
Culture and recreation	2,349,885	2,882,727	3,655,755	3,468,304	3,669,804	3,498,166	3,313,255	3,325,068	3,296,827	3,554,501
Education	37,715,317	41,198,125	42,505,294	45,032,173	45,929,648	45,268,004	48,789,847	47,519,865	48,192,876	47,546,804
Public Welfare	1,156,326	1,310,008	1,445,035	1,099,641	740,125	861,608	813,196	880,622	948,950	775,598
Intergovernmental - County Tax	4,336,892	5,454,815	5,750,204	5,922,221	6,772,323	7,030,640	7,033,271	7,303,817	7,521,254	7,771,799
Interest	1,815,709	2,108,107	2,813,594	3,098,791	3,131,043	3,287,626	3,448,823	3,146,142	3,216,334	3,126,899
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total governmental activities expenses	69,465,226	78,618,899	82,359,217	85,927,425	90,196,214	92,756,959	90,453,309	101,365,705	94,115,043	94,780,607
Business-type activities:										
Water services	2,779,842	2,977,351	3,304,778	3,430,042	3,362,625	3,745,551	3,414,368	3,618,587	3,598,668	3,676,337
Sewer services	4,647,438	4,997,619	5,043,665	5,017,000	5,472,366	5,426,802	5,227,382	5,345,924	5,866,950	5,995,494
Arena services	1,314,389	1,418,234	1,481,949	1,427,762	39,516	-	-	-	-	-
DBIDA services	5,879	81,943	144,500	138,441	177,886	298,878	312,954	195,493	134,900	144,643
Total business-type activities expenses	8,747,548	9,475,147	9,974,892	10,013,245	9,052,393	9,471,231	8,954,704	9,160,004	9,600,518	9,816,474
Total primary government expense:	\$ 78,212,774	\$ 88,094,046	\$ 92,334,109	\$ 95,940,670	\$ 99,248,607	\$ 102,228,190	\$ 99,408,013	\$ 110,525,709	\$ 103,715,561	\$ 104,597,081
Program Revenues										
Governmental activities:										
Charges for services										
General government	\$ 1,312,097	\$ 1,609,618	\$ 1,310,619	\$ 1,149,111	\$ 916,590	\$ 2,085,157	\$ 1,631,363	\$ 1,577,067	\$ 2,216,125	\$ 3,729,530
Public safety	437,825	603,642	1,275,129	1,336,480	1,794,657	1,872,986	2,339,389	2,295,257	2,541,417	2,803,827
Public works	2,810,817	1,307,824	1,544,584	2,936,784	1,253,462	1,231,521	1,817,936	1,181,907	1,128,692	1,207,993
Culture and recreation	601,361	591,904	659,630	650,656	1,242,867	1,463,061	1,757,855	1,994,066	1,639,139	1,742,397
Education	13,493,145	13,630,851	14,030,649	14,070,236	14,929,866	7,167,991	6,379,842	6,298,841	5,570,396	5,147,522
Public Welfare	196,645	136,057	55,192	180,465	82,006	81,955	214,171	213,255	292,294	161,041
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total charges for services	18,851,890	17,879,896	18,875,803	20,323,732	20,219,448	13,902,671	14,140,556	13,560,393	13,388,063	14,792,310
Operating grants and contributions	6,284,743	6,061,067	7,100,396	6,582,484	9,279,478	18,091,830	15,094,862	14,059,924	14,158,744	14,167,426
Capital grants and contributions	919,502	1,213,101	970,772	1,026,815	2,993,635	904,887	719,491	660,251	643,193	789,934
Total governmental activities program revenues	26,056,135	25,154,064	26,946,971	27,933,031	32,492,561	32,899,388	29,954,909	28,280,568	28,190,000	29,749,670
Business-type activities:										
Charges for services										
Water services	3,197,227	3,406,598	3,379,209	4,011,562	3,986,112	3,961,121	4,671,077	4,272,878	4,680,037	4,825,940
Sewer services	4,019,804	3,934,859	3,767,878	4,129,003	4,060,736	4,095,345	4,506,884	4,572,478	5,353,449	5,840,241
Arena services (1)	1,202,974	1,264,746	1,461,474	1,568,828	-	-	-	-	-	-
DBIDA services	250	44,701	268,973	138,353	129,235	175,787	168,854	83,157	1,200	2,400
Total charges for services	8,420,255	8,650,904	8,877,534	9,847,746	8,176,083	8,232,253	9,346,815	8,928,513	10,034,686	10,668,581
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	612,576	538,839	552,375	240,877	424,092	134,611	77,679	27,913	1,386,909	750,539
Total business-type activities program revenues	9,032,831	9,189,743	9,429,909	10,088,623	8,600,175	8,366,864	9,424,494	8,956,426	11,421,595	11,419,120
Total primary government program revenue:	\$ 35,088,966	\$ 34,343,807	\$ 36,376,880	\$ 38,021,654	\$ 41,092,736	\$ 41,266,252	\$ 39,379,403	\$ 37,236,994	\$ 39,611,595	\$ 41,168,790
Net (Expenses)Revenue										
Governmental activities	\$ (43,409,091)	\$ (53,464,835)	\$ (55,412,246)	\$ (57,994,394)	\$ (57,703,653)	\$ (59,857,571)	\$ (60,498,400)	\$ (73,085,137)	\$ (65,925,043)	\$ (65,030,937)
Business-type activities	285,283	(285,404)	(544,983)	75,378	(452,218)	(1,104,367)	469,790	(203,578)	1,821,077	1,602,646
Total Primary government net expense:	\$ (43,123,808)	\$ (53,750,239)	\$ (55,957,229)	\$ (57,919,016)	\$ (58,155,871)	\$ (60,961,938)	\$ (60,028,610)	\$ (73,288,715)	\$ (64,103,966)	\$ (63,428,291)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 44,469,792	\$ 49,606,220	\$ 52,129,249	\$ 55,835,213	\$ 58,489,588	\$ 60,266,022	\$ 61,572,865	\$ 65,534,332	\$ 65,837,919	\$ 68,395,136
Motor vehicle registration tax	3,923,934	3,968,620	3,927,069	3,803,303	3,692,119	3,567,586	3,533,202	3,710,058	3,933,255	4,265,850
Penalties, interest and other taxes	8,419	4,391	16,009	25,037	8,354	307,005	358,594	417,100	445,156	503,025
Unrestricted investment income/(loss)	433,788	1,008,421	1,811,976	1,110,037	16,804	(108,998)	719,992	(177,927)	115,400	538,291
Other revenue	123,533	232,575	447,325	208,790	494,196	207,849	98,760	284,616	929,015	193,345
Gain (Loss) on sale of capital assets	(40,109)	-	-	-	-	-	-	-	-	-
Extraordinary Item	(2,793,947)	6,395,994	-	-	-	-	-	-	-	-
Transfers, net	9,599	26,904	-	-	(1,227,259)	(130,000)	(82,120)	(40,802)	(34,618)	(1,316,280)
Total governmental activities	46,135,009	61,243,125	58,331,628	60,982,380	61,473,802	64,109,464	66,201,293	69,727,377	71,226,127	72,579,367
Business-type activities:										
Investment income	27,845	52,496	86,533	106,033	40,213	15,641	7,309	3,146	2,223	865
Other Revenue	-	10,500	-	-	-	-	-	-	-	-
Gain (Loss) on sale of capital assets	-	-	-	-	-	-	-	38,631	-	-
Transfers, net	(9,599)	(26,904)	-	-	1,227,259	130,000	82,120	40,802	34,618	7,330
Total business-type activities	18,246	36,092	86,533	106,033	1,267,472	145,641	89,429	82,579	36,841	8,195
Total primary government:	\$ 46,153,255	\$ 61,279,217	\$ 58,418,161	\$ 61,088,413	\$ 62,741,274	\$ 64,255,105	\$ 66,290,722	\$ 69,809,956	\$ 71,262,968	\$ 72,587,562
Change in Net Position										
Governmental activities	\$ 2,725,918	\$ 7,778,290	\$ 2,919,382	\$ 2,987,986	\$ 3,770,149	\$ 4,251,893	\$ 5,702,893	\$ (3,357,760)	\$ 5,301,084	\$ 7,548,430
Business-type activities	303,529	(249,312)	(458,450)	181,411	815,254	(958,726)	559,219	(120,999)	1,857,918	1,610,841
Total primary government:	\$ 3,029,447	\$ 7,528,978	\$ 2,460,932	\$ 3,169,397	\$ 4,585,403	\$ 3,293,167	\$ 6,262,112	\$ (3,478,759)	\$ 7,159,002	\$ 9,159,271

Data Source:
Audited Financial Statements

Notes:

(1) In FY2009 the Arena Fund was dissolved into the General Fund.

City of Dover, New Hampshire

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010 (1)	2011 (2)	2012	2013	2014
General Fund										
Reserved	\$ 2,698,298	\$ 3,146,070	\$ 4,025,592	\$ 3,948,069	\$ 2,309,013	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	-	-	-	-	3,273	3,821	3,144	4,094	3,189
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	732,278	806,786	823,847	666,026	742,947
Assigned	-	-	-	-	-	1,785,338	1,658,291	2,221,108	1,946,182	2,026,919
Unassigned	-	-	-	-	-	5,473,996	5,941,993	7,285,807	8,791,826	13,332,024
Unreserved	3,867,587	4,796,633	5,068,952	5,584,935	5,114,311	-	-	-	-	-
Total General Fund	\$ 6,565,885	\$ 7,942,703	\$ 9,094,544	\$ 9,533,004	\$ 7,423,324	\$ 7,994,885	\$ 8,410,891	\$ 10,333,906	\$ 11,408,128	\$ 16,105,079
All Other Governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,587,830	\$ 1,846,692	\$ 1,914,358	\$ 1,904,659	\$ 2,220,330
Restricted Special Revenues	-	-	-	-	-	4,365,197	1,955,496	1,983,730	2,308,974	2,610,715
Restricted Capital Projects	-	-	-	-	-	13,874,051	5,645,164	6,844,332	4,161,412	31,080,546
Committed - Special Revenues	-	-	-	-	-	895,930	3,086,889	3,348,329	3,511,216	4,472,711
Committed - Capital Projects	-	-	-	-	-	322,107	784,738	1,439,523	2,243,338	2,870,797
Unassigned - Special Revenue	-	-	-	-	-	(1,215,514)	(1,207,470)	(1,172,470)	(1,046,459)	(912,035)
Unassigned - Capital Projects	-	-	-	-	-	(1,312,766)	(1,665,817)	(1,668,358)	(2,225,177)	(1,932,286)
Reserved	2,890,235	7,269,317	11,055,514	8,181,128	5,914,151	-	-	-	-	-
Unreserved, reported in										
Special Revenue Funds	3,228,880	4,137,741	4,839,885	5,344,127	4,727,590	-	-	-	-	-
Capital Project Funds	9,880,180	11,105,112	10,272,747	2,070,246	6,315,773	-	-	-	-	-
Total All Other Governmental funds	\$ 22,992,295	\$ 26,168,146	\$ 26,168,146	\$ 15,595,501	\$ 16,957,514	\$ 18,345,632	\$ 12,689,444	\$ 10,857,963	\$ 40,410,778	

Data Source:
Audited Financial Statements

Notes:

- (1) Recalculated Fiscal Year 2010 fund balances to show comparison of GASB Statement No. 54 to Fiscal Year 2011.
- (2) Fiscal Year 2011 is the initial year of implementation of GASB Statement No. 54.

City of Dover, New Hampshire

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes	\$ 40,225,868	\$ 51,923,895	\$ 55,528,287	\$	\$ 58,276,107	\$ 60,176,461	\$ 61,609,630	\$ 64,983,178	\$ 66,991,169	\$ 69,598,135
Licenses and permits	4,379,423	4,746,999	4,704,073	4,458,346	4,347,705	4,230,271	4,706,025	4,485,076	5,177,215	5,359,187
Intergovernmental	6,779,512	6,748,901	7,577,132	6,914,873	10,778,255	11,704,972	8,669,775	8,154,896	8,155,189	7,366,969
Current service charges	6,696,041	5,552,867	5,699,435	7,272,458	7,092,059	6,880,432	7,689,502	7,341,861	7,056,148	7,452,330
Education	11,589,151	11,513,198	11,944,765	11,954,934	12,700,692	13,637,769	12,856,890	12,424,970	11,394,990	11,796,996
Miscellaneous revenue	1,597,921	2,185,844	3,221,740	2,456,173	2,238,920	651,276	1,392,214	692,808	992,739	3,097,091
Total revenues	75,467,906	80,021,512	85,071,040	88,585,071	95,433,738	97,281,181	96,924,036	98,082,789	99,767,450	104,670,708
Expenditures										
General government	\$ 4,510,703	\$ 4,403,947	\$ 3,768,761	\$ 4,667,786	\$ 3,897,489	\$ 4,254,050	\$ 4,194,840	\$ 4,047,895	\$ 4,254,368	\$ 4,131,144
Public safety	11,220,754	12,244,120	12,527,349	12,315,515	12,983,903	14,529,070	14,169,409	13,961,389	14,674,961	15,606,039
Public works	5,488,069	5,396,712	6,620,093	5,396,667	6,087,921	8,677,677	4,456,543	5,371,344	3,001,813	4,899,207
Culture and recreation	2,207,717	2,596,284	3,164,802	2,724,950	3,799,731	3,713,823	3,558,306	3,577,308	3,605,724	3,890,294
Education	37,366,752	39,929,897	40,788,339	42,991,635	44,840,166	44,017,518	46,812,153	45,773,509	46,140,129	46,109,607
Public Welfare	1,171,342	1,271,139	1,422,465	1,067,523	1,129,423	1,205,134	1,220,988	1,307,385	1,432,589	1,186,220
Intergovernmental	4,336,892	5,454,815	5,750,204	5,922,221	6,772,323	7,030,640	7,033,271	7,303,817	7,521,254	7,771,799
Capital outlay (1)	6,952,065	10,748,911	17,072,862	14,066,205	13,032,244	11,501,504	11,934,296	5,015,237	8,711,942	6,652,837
Debt service										
Principal	4,220,335	4,486,607	4,740,087	6,215,838	6,645,849	6,624,599	6,954,496	7,758,142	6,871,400	6,682,111
Interest	1,799,495	2,054,291	2,668,222	3,350,916	3,148,136	3,307,087	3,484,400	3,181,159	3,239,002	3,032,425
Total expenditures	79,274,123	88,586,723	98,523,184	98,719,256	102,337,185	104,861,102	103,818,702	97,297,185	99,453,182	99,961,683
Excess of revenues										
Over/(under) expenditures	(3,806,217)	(8,565,211)	(13,452,144)	(10,134,185)	(6,903,447)	(7,579,921)	(6,894,666)	785,604	314,268	4,709,025
Other Financing Sources (Uses)										
Bond Issuance	\$ 8,520,000	\$ 16,498,000	\$ -		\$ 8,545,000	\$ 9,839,000	\$ 250,000	\$ 4,800,000	\$ -	\$ 29,898,310
Bond Premium	-	-	63,961	-	-	260,390	-	713,942	697,521	1,805,936
Refunding Bond Issuance	-	-	-	-	-	8,790,000	-	8,530,000	-	-
Payment to Refunding Escrow	-	-	-	-	-	(9,050,390)	-	(9,192,189)	-	-
Transfers in	1,148,898	1,161,973	1,183,029	1,093,416	1,498,009	1,178,796	1,513,089	1,594,601	1,891,438	1,495,120
Transfers out	(1,139,298)	(1,135,069)	(1,183,029)	(1,093,416)	(2,685,841)	(1,308,796)	(2,525,138)	(3,064,852)	(3,666,379)	(3,658,760)
Total governmental activities	8,529,600	16,454,904	18,259,961	-	7,357,368	9,709,000	(762,049)	3,381,502	(1,077,420)	29,540,606
Net Change in fund balances	\$ 4,723,383	\$ 7,889,693	\$ 4,807,817	\$ 458,924,185	\$	\$ 2,129,079	\$ 47,658,065	\$	\$ (763,152)	\$ 34,249,631
Debt Service as a percentage of non-capital outlay expenditures										
	8.3%	8.4%	9.1%	11.3%	11.0%	10.6%	11.4%	11.9%	11.1%	10.4%
Data Source: Audited Financial Statements										

Notes

(1) Capital outlay expenditures are presented within other function categories on page 39.

(2) Gross amounts of transfers in and out are presented here, while transfers between nonmajor governmental funds have been eliminated on page 39.

City of Dover, New Hampshire

Changes in Fund Balances, General Fund

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes	\$ 44,054,361	\$ 48,791,940	\$ 51,416,226	\$ 55,152,120	\$ 58,047,052	\$ 59,716,911	\$ 61,423,333	\$ 64,887,292	\$ 66,723,579	\$ 69,502,104
Licenses and permits	4,378,403	4,745,864	4,702,403	4,456,916	4,159,499	4,033,837	4,365,496	4,251,360	4,712,167	5,043,259
Intergovernmental	2,069,959	2,140,515	2,799,048	2,761,290	3,762,458	2,959,288	2,890,931	2,563,487	2,523,877	2,524,142
Current service charges	1,586,678	1,486,611	1,293,887	1,220,717	2,702,644	2,811,409	2,853,210	3,018,628	2,816,587	3,164,247
Education	11,589,151	11,513,198	11,944,765	11,954,934	12,700,692	13,637,769	12,856,890	12,424,970	11,394,990	11,796,996
Miscellaneous revenue	779,348	1,227,807	2,001,869	1,888,508	702,508	351,686	289,266	210,094	239,271	1,661,619
Total revenues	64,457,900	69,905,935	74,158,198	77,434,485	82,074,853	83,510,900	84,679,126	87,355,831	88,410,471	93,692,367
Expenditures by Function										
General government	\$ 3,933,830	\$ 3,710,777	\$ 4,707,754	4,691,917	3,870,728	\$ 3,935,300	\$ 4,216,767	\$ 4,082,660	\$ 4,296,218	\$ 4,428,283
Public safety	9,975,122	10,907,760	11,303,843	11,396,359	12,444,070	12,548,669	12,653,659	12,277,684	13,181,881	14,176,746
Public works	4,594,796	4,316,164	4,626,565	4,665,096	4,846,815	4,897,654	5,115,274	5,308,473	5,221,520	5,315,305
Culture and recreation	2,123,434	2,202,084	2,284,641	2,301,415	3,256,539	3,131,978	3,034,671	2,979,609	2,917,619	2,950,854
Education	31,380,847	33,848,664	35,528,132	37,141,062	39,029,285	40,382,145	40,029,006	40,131,390	41,077,160	41,226,133
Public Welfare	785,254	638,330	604,200	658,979	687,415	693,536	783,832	847,807	864,401	753,649
Intergovernmental	4,336,892	5,454,815	5,750,204	5,922,221	6,772,323	7,030,640	7,033,271	7,303,817	7,521,254	7,771,799
Debt service										
Principal	4,220,335	4,486,607	4,700,087	6,010,838	6,425,849	6,404,599	6,724,496	6,615,142	6,563,165	6,367,111
Interest	1,799,495	2,045,847	2,445,863	3,146,722	2,964,280	3,121,893	3,308,006	3,010,759	3,062,533	2,871,076
Total expenditures	63,150,004	67,611,048	71,951,289	75,934,609	80,297,304	82,146,414	82,898,982	82,557,341	84,705,751	85,860,956
Excess of revenues										
Over(under) expenditures	1,307,896	2,294,887	2,206,909	1,499,876	1,777,549	1,364,486	1,780,144	4,798,490	3,704,720	7,831,411
Other Financing Sources (Uses)										
Proceeds from borrowing						8,790,000		8,530,000		
Bond Premium			63,961			260,390		713,942		2,761
Payment to Refunding Escrow						(9,050,390)		(9,192,189)		
Transfers in	32,000	32,000	32,000	32,000	-	515,856	578,650	137,624	1,036,554	521,291
Transfers out	(698,485)	(950,069)	(1,151,029)	(1,093,416)	(2,685,641)	(1,308,796)	(2,525,138)	(3,064,852)	(3,666,379)	(3,658,760)
Total governmental activities	(666,485)	(918,069)	(1,055,068)	(1,061,416)	(2,685,641)	(792,940)	(1,946,488)	(2,875,475)	(2,629,825)	(3,134,708)
Net Change in fund balances	\$ 641,411	\$ 1,376,818	\$ 1,151,841	\$ 438,460	\$ (908,092)	\$ 571,546	\$ (166,344)	\$ 1,923,015	\$ 1,074,895	\$ 4,696,703

Data Source:

Audited Financial Statements

Notes

(1) Gross amounts of transfers in and out are presented here, while transfers between nonmajor governmental funds have been eliminated on page 39.

City of Dover, New Hampshire

Changes in Fund Balances, Special Revenue Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes	\$ 371,497	\$ 481,763	\$ 507,669	376,167	\$ 229,055	\$ 459,550	\$ 186,297	\$ 95,886	\$ 267,590	\$ 96,031
Licenses and permits	1,020	1,135	1,670	1,430	188,206	196,434	340,529	233,716	465,048	315,928
Intergovernmental	4,573,196	4,282,636	4,627,585	4,153,583	4,403,292	6,479,642	5,757,869	5,535,460	5,241,734	4,842,827
Current service charges	3,338,544	4,026,256	4,226,685	4,843,301	4,389,415	4,069,023	4,225,664	4,319,465	4,239,561	4,288,083
Education	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	548,268	710,930	973,661	327,782	226,899	154,015	979,172	60,007	631,302	1,256,472
Total revenues	8,832,525	9,502,720	10,337,270	9,702,263	9,436,867	11,358,664	11,489,531	10,244,534	10,845,235	10,799,341
Expenditures										
General government	576,873	693,170	1,029,501	609,614	91,089	378,836	326,691	490,534	216,318	176,570
Public safety	1,245,632	1,336,360	1,411,641	1,403,243	2,027,429	1,859,906	1,747,205	1,866,562	1,730,498	1,413,487
Public works	893,273	1,080,548	1,109,091	1,052,042	1,014,447	1,098,536	990,977	838,577	884,639	827,878
Culture and recreation	84,283	394,200	400,112	519,747	740,989	761,471	705,093	701,043	804,904	924,449
Education	5,985,905	6,081,233	5,917,742	5,855,883	6,046,817	6,922,299	6,628,473	5,943,857	5,474,992	5,071,911
Public Welfare	386,088	632,809	818,265	408,544	442,008	511,598	437,156	459,578	568,188	432,571
Debt service										
Principal	-	-	40,000	205,000	220,000	220,000	230,000	245,000	308,235	315,000
Interest	-	8,444	206,359	204,194	183,856	185,194	176,394	170,400	176,469	161,350
Total expenditures	9,172,054	10,226,764	10,932,711	10,258,267	10,766,635	11,937,840	11,241,989	10,715,551	10,164,243	9,323,216
Excess of revenues										
Over(under) expenditures	(339,529)	(724,044)	(595,441)	(556,004)	(1,329,768)	(579,176)	247,542	(471,017)	680,992	1,476,125
Other Financing Sources (Uses)										
Bond Premium										1,485
Transfers in	733,299	943,713	1,207,020	1,061,416	1,398,009	1,107,940	962,102	1,215,884	1,352,958	915,640
Transfers out	(440,813)	(185,000)	(87,991)	-	(477,588)	(45,000)	(143,970)	(352,193)	(1,436,074)	(679,811)
Total governmental activities	292,486	758,713	1,119,029	1,061,416	920,421	1,062,940	818,132	863,691	(83,116)	237,314
Net Change in fund balances	\$ (47,043)	\$ 34,669	\$ 523,588	\$ 505,412	\$ (409,347)	\$ 483,764	\$ 1,065,674	\$ 392,674	\$ 597,876	\$ 1,713,439

Data Source

Audited Financial Statements

City of Dover, New Hampshire

Changes in Fund Balances, Capital Project Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Intergovernmental	\$ 136,357	\$ 325,750	\$ 150,499	\$ -	\$ 2,612,505	\$ 2,266,042	\$ 20,975	\$ 55,949	\$ 389,578	\$ -
Current service charges	1,770,819	40,000	178,863	1,208,440	-	-	610,628	3,768	-	-
Education	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	270,305	247,107	246,210	239,883	1,309,513	145,575	123,776	422,707	122,166	179,000
Total revenues	2,177,481	612,857	575,572	1,448,323	3,922,018	2,411,617	755,379	482,424	511,744	179,000
Expenditures										
Capital outlay	6,952,065	10,748,911	15,639,184	12,526,380	11,273,246	10,776,848	9,677,731	3,126,293	4,583,188	4,777,511
Debt service										
Principal	-	-	-	-	-	-	-	898,000	-	-
Interest										
Total expenditures	6,952,065	10,748,911	15,639,184	12,526,380	11,273,246	10,776,848	9,677,731	4,024,293	4,583,188	4,777,511
Excess of revenues										
Over(under) expenditures	(4,774,584)	(10,136,054)	(15,063,612)	(11,078,057)	(7,351,228)	(8,365,231)	(8,922,352)	(3,541,869)	(4,071,444)	(4,598,511)
Other Financing Sources (Uses)										
Proceeds from borrowing	8,520,000	16,428,000	18,196,000	-	8,545,000	9,839,000	250,000	4,800,000	-	29,898,310
Bond Premium	-	-	-	-	-	-	-	-	697,521	1,801,690
Transfers in	383,599	186,260	-	-	577,588	-	219,760	612,500	938,000	738,000
Transfers out	-	-	-	-	-	(400,000)	(103,453)	(19,214)	-	-
Total governmental activities	8,903,599	16,614,260	18,196,000	-	9,122,588	9,439,000	366,307	5,393,286	1,635,521	32,438,000
Net Change in fund balances	\$ 4,129,015	\$ 6,478,206	\$ 3,132,388	\$ (11,078,057)	\$ 1,073,769	\$ (8,556,045)	\$ 1,851,417	\$ (2,435,923)	\$ 27,839,489	

Data Source:

Audited Financial Statements

City of Dover, New Hampshire

Combined Utility Fund Revenue, Expenses, and Changes in Fund Net Position
Last Ten Fiscal Years

Fiscal Year	Revenue					Expenses					Increase (Decrease) Total Net Position	Total Net Position
	Intergovernmental	Charges for Services	Other	Transfers In	Total	Operations & Maintenance	Depreciation	Interest Expense	Transfers Out	Total		
2014	\$ 6,243	\$ 10,010,778	\$ 1,400,564	\$ -	\$ 11,417,585	\$ 5,581,599	\$ 3,220,880	\$ 869,352	\$ 122,670	\$ 9,794,501	\$ 1,623,084	\$ 60,103,846
2013	885,997	9,265,928	1,270,693	-	11,422,618	5,469,957	3,178,004	817,676	95,382	9,561,019	1,861,599	58,480,762
2012	-	8,575,866	472,362	-	9,048,228	5,405,306	3,012,690	653,783	89,198	9,160,977	(112,749)	56,619,163
2011	-	8,548,760	378,992	-	8,927,752	5,069,692	2,748,164	823,894	47,880	8,689,630	238,122	56,731,912
2010	-	7,691,639	515,069	-	8,206,708	5,366,058	2,869,111	937,184	-	9,172,353	(965,645)	56,493,790
2009	-	7,729,875	781,269	-	8,511,144	5,113,860	2,708,927	1,012,204	1,607	8,836,598	(325,454)	57,459,438
2008	-	7,858,489	627,483	-	8,485,972	4,718,312	2,637,288	1,091,442	-	8,447,042	38,930	57,784,892
2007	552,375	6,863,012	369,070	-	7,784,457	4,685,872	2,512,605	1,149,966	-	8,348,443	(563,986)	54,972,706
2006	519,346	7,065,852	327,782	-	7,912,980	4,558,650	2,422,858	993,462	26,904	8,001,874	(88,894)	55,536,691
2005	612,576	6,880,875	363,769	-	7,857,220	4,407,360	2,302,636	717,284	9,599	7,436,879	420,341	55,625,585

Includes Water and Sewer Funds

Water Fund Revenue, Expenses, and Changes in Fund Net Position
Last Ten Fiscal Years

Fiscal Year	Revenue					Expenses					Increase (Decrease) Total Net Position	Total Net Position
	Intergovernmental	Charges for Services	Other	Transfers In	Total	Operations & Maintenance	Depreciation	Interest Expense	Transfers Out	Total		
2014	\$ 3	\$ 4,541,393	\$ 407,033	\$ -	\$ 4,948,429	\$ 2,308,757	\$ 887,135	\$ 480,445	\$ 89,129	\$ 3,765,466	\$ 1,182,963	\$ 23,654,278
2013	600,000	4,392,738	635,083	-	5,627,821	2,293,021	877,890	428,263	75,005	3,674,179	1,953,642	22,471,315
2012	-	4,147,280	299,019	-	4,446,299	2,412,373	837,175	369,039	75,552	3,694,139	752,160	20,517,673
2011	-	4,221,145	118,455	-	4,339,600	2,227,709	741,785	444,874	42,059	3,456,427	883,173	19,765,513
2010	-	3,820,888	148,106	-	3,968,994	2,397,882	903,461	444,208	-	3,745,551	223,443	18,882,340
2009	-	3,876,794	129,488	-	4,006,282	2,310,328	575,562	476,735	-	3,362,625	643,657	18,658,901
2008	-	3,864,482	199,090	-	4,063,572	2,263,253	644,602	522,187	-	3,430,042	633,530	18,015,246
2007	-	3,241,820	182,180	-	3,424,000	2,219,625	637,400	447,753	-	3,304,778	119,222	16,110,202
2006	-	3,296,940	133,045	-	3,429,985	2,032,099	646,178	299,074	500	2,977,851	452,134	15,990,979
2005	15,000	3,056,682	150,305	-	3,221,987	1,990,737	602,372	186,733	6,500	2,786,342	435,645	15,538,845

Sewer Fund Revenue, Expenses, and Changes in Fund Net Position
Last Ten Fiscal Years

Fiscal Year	Revenue					Expenses					Increase (Decrease) Total Net Position	Total Net Position
	Intergovernmental	Charges for Services	Other	Transfers In	Total	Operations & Maintenance	Depreciation	Interest Expense	Transfers Out	Total		
2014	\$ 6,240	\$ 5,469,385	\$ 993,531	\$ -	\$ 6,469,156	\$ 3,272,842	\$ 2,333,745	\$ 388,907	\$ 33,541	\$ 6,029,035	\$ 440,121	\$ 36,449,568
2013	285,997	4,873,190	635,610	-	5,794,797	3,176,936	2,300,114	389,413	20,377	5,886,840	(92,043)	\$ 36,009,447
2012	-	4,428,586	173,343	-	4,601,929	2,992,933	2,175,515	284,744	13,646	5,466,838	(864,909)	\$ 36,101,490
2011	-	4,327,615	260,537	-	4,588,152	2,841,983	2,006,379	379,020	5,821	5,233,203	(645,051)	36,966,399
2010	-	3,870,751	366,963	-	4,237,714	2,968,176	1,965,650	492,976	-	5,426,802	(1,189,088)	37,611,450
2009	-	3,853,081	651,781	-	4,504,862	2,803,532	2,133,365	535,469	1,607	5,473,973	(969,111)	38,800,537
2008	-	3,994,007	428,393	-	4,422,400	2,455,059	1,992,686	569,255	-	5,017,000	(594,600)	39,769,646
2007	552,375	3,621,192	186,890	-	4,360,457	2,466,247	1,875,205	702,213	-	5,043,665	(683,208)	38,862,504
2006	519,346	3,768,912	194,737	-	4,482,995	2,526,551	1,776,680	694,388	26,404	5,024,023	(541,028)	39,545,712
2005	597,576	3,824,193	213,464	-	4,635,233	2,416,623	1,700,264	530,551	3,099	4,650,537	(15,304)	40,086,740

Data Source:
Audited Financial Statements

Notes:
(1) Total Net Position as restated for Fiscal Year ending June 30, 2008. Restatement resulting from adjustment of capital asset values and accumulated depreciation for capital contributions.

City of Dover, New Hampshire

General Government Tax Revenues by Source Last Ten Fiscal Years

Fiscal Year	Property Taxes	Current Use Penalties	Boat Tax	Yield Tax	Payment in Lieu of Tax	Excavation Tax	Tax Interest & Penalties	Total
2014	\$ 68,899,121	\$ 96,031	\$ 21,982	\$ 1,851	\$ 71,664	\$ 5,914	\$ 501,572	\$ 69,598,135
2013	66,181,631	267,591	18,283	2,064	76,435	2,547	442,619	66,991,169
2012	64,367,156	95,886	20,449	7,717	68,428	9,892	413,650	64,983,178
2011	60,971,187	186,297	16,903	4,651	75,847	2,083	352,662	61,609,630
2010	59,336,642	459,550	17,366	1,560	54,384	3,600	303,359	60,176,461
2009	57,638,349	229,055	16,177	1,096	78,157	5,484	307,789	58,276,107
2008	54,815,889	376,170	17,595	15,319	33,579	3,581	266,157	55,528,290
2007	51,082,581	507,669	19,957	14,130	62,765	6,513	230,280	51,923,895
2006	48,502,622	481,763	22,389	628	63,553	7,112	195,636	49,273,703
2005	43,776,292	363,102	24,174	1,456	57,145	9,863	193,827	44,425,858

Data Source:
Audited Financial Statements

City of Dover, New Hampshire

Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year	Property Tax Levied for Fiscal Year	Collected within the Fiscal Year of the Levy		Balance at Fiscal Year End of Levy Year	Subsequent Tax Collections	Balance at end of Current Fiscal year	Total Collections to Date		Number of Parcels		
		Amount	% of Levy				Amount	% of Levy	in Levy	Liened	% Liened
2014	\$ 68,263,833	\$ 65,462,206	95.9%	\$ 2,801,627	-	\$ 2,801,627	\$ 65,462,206	95.9%	10,026	280	2.8%
2013	66,147,949	63,043,571	95.3%	3,104,378	2,578,980	525,398	65,622,551	99.2%	9,950	307	3.1%
2012	64,548,459	61,508,390	95.3%	3,040,069	2,667,385	372,684	64,175,775	99.4%	9,899	355	3.6%
2011	61,316,723	58,300,049	95.1%	3,016,674	2,774,388	242,286	61,074,437	99.6%	9,873	366	3.7%
2010	59,722,532	56,637,028	94.8%	3,085,504	3,037,817	47,687	59,674,845	99.9%	9,825	417	4.2%
2009	57,813,956	55,182,839	95.4%	2,631,117	2,612,322	18,795	57,795,161	100.0%	9,808	380	3.9%
2008	55,140,420	52,827,214	95.8%	2,313,206	2,298,366	14,840	55,125,580	100.0%	9,685	295	3.0%
2007	51,305,180	49,264,164	96.0%	2,041,016	2,039,988	1,028	51,304,152	100.0%	9,552	353	3.7%
2006	48,838,109	46,864,721	96.0%	1,973,388	1,973,302	86	48,838,023	100.0%	9,187	278	3.0%
2005	43,833,406	42,209,865	96.3%	1,623,541	1,623,541	-	43,833,406	100.0%	9,103	249	2.7%

Data Source:

Audited Financial Statements, Property Tax Warrants and Reports of Tax Lien Executions

Tax liens are placed within 60 days after the end of the fiscal year. Taxpayers have two years to redeem liens prior to property being tax dedeed.

City of Dover, New Hampshire

Assessed and Estimated Full Value of Real Property Last Ten Fiscal Years

Fiscal Year	Local Assessed Value (1)			Total Assessed Value	Less Exemptions to Assessed Value (1)	Total Taxable Assessed Value (1)	Total Direct Tax Rate per \$1,000 of Assessed Value	Estimated Full Value (2)	Ratio of Total Assessed Value to Total Estimated Full Value
	Residential	Commercial/Industrial	Utilities						
2014	\$ 1,956,116,310	\$ 698,825,840	\$ 42,375,900	\$ 2,697,318,050	\$ 48,017,600	\$ 2,649,300,450	\$ 25.97	\$ 2,850,372,307	94.6%
2013	1,932,326,900	690,054,300	38,603,100	2,660,984,300	48,980,100	2,612,004,200	25.52	2,746,252,625	96.9%
2012	1,924,887,500	678,660,400	38,603,100	2,642,151,000	49,544,400	2,592,606,600	25.12	2,716,654,840	97.3%
2011	1,948,881,800	673,620,000	35,415,000	2,657,916,800	51,381,750	2,606,535,050	23.75	2,774,177,802	95.8%
2010	1,934,577,500	666,109,800	35,400,900	2,636,088,200	52,866,750	2,583,221,450	23.33	2,768,903,096	95.2%
2009	2,094,567,000	685,319,200	35,303,500	2,815,189,700	51,608,150	2,763,581,550	21.10	3,009,995,763	93.5%
2008	2,195,273,500	655,131,100	35,579,100	2,885,983,700	50,914,700	2,835,069,000	19.63	3,028,004,490	95.3%
2007	2,178,722,000	597,125,300	34,773,700	2,810,621,000	45,808,500	2,764,812,500	18.72	2,954,382,748	95.1%
2006	1,992,919,500	546,120,670	33,169,300	2,572,209,470	36,144,400	2,536,065,070	17.29	2,909,166,586	88.4%
2005	1,881,960,500	545,071,520	33,003,800	2,460,035,820	30,528,200	2,429,507,620	16.42	2,599,843,962	94.6%

Data Sources:

(1) State MS-1 Report of Assessed Values

(2) NH Department of Revenue Administration's annual Equalization Survey

City of Dover, New Hampshire

Principal Taxpayers Current Year and Nine Years Ago

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2014 Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Assessed Value</u>	<u>2005 Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Assessed Value</u>
Liberty Mutual Insurance Co	Insurance	\$ 70,130,800	1	2.65 %	\$ 24,389,600	1	1.00 %
Public Service Co of NH	Utility	24,577,500	2	0.93	21,786,800	2	0.90
171 Watson Rd of Dover Holding Corp.	Scholastic Testing	14,766,960	3	0.56	-	-	-
Fortuna North, LLC	Wholesale	13,747,700	4	0.52	-	-	-
Northern Utilities Inc	Gas Utility	13,333,807	5	0.52	10,560,600	6	0.43
851 Central Ave LLC (Current) Shaw's(Previously)	Supermarket	13,073,600	6	0.50	9,053,300	9	0.37
Lilac Gardens (Current) New Meadows (Previously)	Apartments	12,559,600	7	0.49	13,658,800	3	0.56
Sawyers Mills Assoc Inc	Apartments	9,730,500	8	0.37	9,940,700	8	0.41
Dover Retirement Residence LLC	Retirement Community	9,122,130	9	0.34	-	-	-
Holgate Limited Partnership	Comm/Res Rentals	7,382,900	10	0.28	11,626,900	5	0.48
Goss (Current) Heidelberg (Previously)	Manufacturer	-	-	-	11,814,400	4	0.49
Dover Mills Partnership	Developer	-	-	-	9,995,300	7	0.41
CA Investment Trust	Apartments	-	-	-	7,431,500	10	0.31
Total Principal Taxpayers		<u>\$ 188,425,497</u>		<u>7.16 %</u>	<u>\$ 130,257,900</u>		<u>5.36 %</u>
Total Net Assessed Taxable Value		<u><u>\$ 2,649,300,450</u></u>			<u><u>\$ 2,429,507,620</u></u>		

Data Source:
City of Dover Tax Warrant

City of Dover, New Hampshire

Property Tax Rates per \$ 1,000 of Assessed Value Direct and Overlapping Governments Last Ten Fiscal Years

Fiscal Year	City Direct Rates							Overlapping Rate	Estimated Full Value Rate	
	City	Budgetary Use of Fund Balance (1)	Total City (2)	Local School (2)	State School (3)	Total School	Total Direct	County	Total	Rate
2014	\$ 9.99	\$ -	\$ 9.99	\$ 10.54	\$ 2.51	\$ 13.05	\$ 23.04	\$ 2.93	\$ 25.97	\$ 24.10
2013	9.71	-	9.71	10.38	2.55	12.93	22.64	2.88	25.52	24.24
2012	9.54	-	9.54	10.26	2.50	12.76	22.30	2.82	25.12	23.94
2011	8.93	-	8.93	9.57	2.55	12.12	21.05	2.70	23.75	22.26
2010	8.55	-	8.55	9.54	2.52	12.06	20.61	2.72	23.33	21.70
2009	7.57	-	7.57	8.79	2.31	11.10	18.67	2.43	21.10	19.33
2008	7.23	-	7.23	8.02	2.31	10.33	17.56	2.07	19.63	18.33
2007	6.87	(0.15)	6.72	7.56	2.38	9.94	16.66	2.06	18.72	17.47
2006	7.04	-	7.04	7.66	2.59	10.25	17.29	2.13	19.42	16.88
2005	6.91	-	6.91	6.71	2.80	9.51	16.42	1.76	18.18	16.93

Data Source:
NH State Department of Revenue Administration

Notes:

- (1) Reflects the decrease to the City rate as a result of the City Council voting to use a portion of Fund Balance to finance the budget. This is calculated by the City of Dover for informational purposes.
- (2) Debt service is included in the City and Local School rates.
- (3) The NH State Legislature revised Education funding in Fiscal Year 2000, establishing a State Education Property Tax. Although warranted by the state, the taxes are collected by the City and spent for local school purposes. This rate does not apply to utility assessments. Utilities are billed directly by the State of NH.

City of Dover, New Hampshire

Utility Fund Net Budget, Billable Volumes and Rates Last Ten Fiscal Years

Fiscal Year	Amount to be Raised by Rates (1)		Billable Volume Used for Setting Rates (2)		Rates per HCF (4)		
	Water	Sewer	Water	Sewer (3)	Water	Sewer	Combined
2014	\$ 4,500,308	\$ 5,656,509	958,837	866,185	\$ 4.69	\$ 6.53	\$ 11.22
2013	4,361,056	5,317,011	999,253	919,714	4.36	5.78	10.14
2012	3,980,328	5,036,855	999,253	919,714	3.97	5.43	9.40
2011	3,926,131	4,706,175	999,253	933,000	3.93	5.04	8.97
2010	3,847,648	4,426,221	1,019,000	933,000	3.78	4.74	8.52
2009	3,817,555	4,182,454	1,019,000	927,000	3.75	4.51	8.26
2008	3,597,404	4,069,946	1,019,000	927,000	3.53	4.39	7.92
2007	3,179,280	4,023,180	1,019,000	927,000	3.12	4.34	7.46
2006	3,016,240	3,828,510	1,019,000	927,000	2.96	4.13	7.09
2005	2,730,920	3,717,270	1,019,000	927,000	2.68	4.01	6.69

Data Source:
City of Dover Budget and Budget Resolutions

Notes:

- (1) Amount to be raised by rate equals the net budget, i.e., appropriations less other revenue sources.
- (2) Billable Volume is the estimated billable water consumption in hundred cubic feet units (HCF).
- (3) Sewer charges are based on the amount of water consumed.
- (4) One hundred cubic feet (HCF) equals 748 gallons.

City of Dover, New Hampshire

Dover's Share of the Strafford County Tax Apportionment

Last Ten Fiscal Years

(based on percentage of equalized value)

Total Equalized Values				Apportionment of County Tax Levy				
Tax Year	Dover	Strafford County	Dover's %	Fiscal Year	County Tax Levy	Dover's Share	Dover's Share \$ Change	Dover's Share % Change
2012	\$ 2,746,252,625	\$ 9,955,978,829	27.5839540%	2014	\$ 28,175,072	\$ 7,771,799	\$ 250,545	3.3%
2011	2,716,654,840	9,932,175,396	27.3520627%	2013	27,497,936	7,521,254	217,437	3.0%
2010	2,776,723,718	10,188,669,097	27.2530562%	2012	26,800,000	7,303,817	270,546	3.8%
2009	2,771,603,605	10,535,297,254	26.3077874%	2011	26,744,561	7,033,271	2,631	0.0%
2008	3,012,848,041	11,251,423,584	26.7774830%	2010	26,255,790	7,030,640	258,317	3.8%
2007	3,030,963,132	11,365,940,726	26.6670679%	2009	25,395,827	6,772,323	850,102	14.4%
2006	2,957,658,251	11,428,976,216	25.8785931%	2008	22,884,637	5,922,221	172,016	3.0%
2005	2,912,670,592	10,943,501,422	26.6155271%	2007	21,604,701	5,750,205	295,390	5.4%
2004	2,603,256,233	9,798,715,231	26.5673221%	2006	20,532,046	5,454,815	1,117,923	25.8%
2003	2,307,394,165	8,651,293,933	26.6710874%	2005	16,260,649	4,336,892	(302,291)	-6.5%

Data Sources:

NH Department of Revenue Administration Equalization Surveys

County Tax Warrants

Adopted Strafford County Budgets

City of Dover, New Hampshire

Ratios of Long Term Debt Outstanding and Legal Debt Limits
Last Ten Fiscal Years

	2005	2006	2007	2008	Fiscal Year 2009	2010	2011	2012	2013	2014
Debt at June 30										
City Depts. (Includes Arena) (1)	\$ 30,982,814	\$ 39,661,057	\$ 45,784,300	\$ 41,974,543	\$ 48,729,256	\$ 48,276,316	\$ 44,001,511	\$ 43,702,119	\$ 39,269,915	\$ 64,335,473
Hospital	-	-	-	-	-	-	-	-	-	-
School Dept.	20,943,122	24,206,272	31,538,942	29,132,861	27,408,664	31,196,755	28,640,814	26,097,769	23,658,574	21,809,216
Total Governmental Activities	51,925,936	63,867,329	77,323,242	71,107,404	76,137,920	79,473,071	72,642,325	69,799,888	62,928,489	86,144,689
Water Fund	7,788,000	11,103,000	12,578,000	11,573,000	10,763,000	11,344,000	10,334,000	10,083,800	12,505,800	12,358,176
Sewer Fund	14,701,000	14,553,000	13,210,000	11,538,000	11,128,000	10,815,000	8,957,500	10,660,600	9,863,341	11,810,931
Arena Fund	3,542,430	3,298,940	3,055,450	2,813,960	-	-	-	-	-	-
DBIDA Fund	-	2,383,554	2,256,453	2,121,775	1,983,435	1,841,189	1,794,773	-	-	-
Total Debt at June 30	\$ 77,957,366	\$ 95,205,823	\$ 108,423,145	\$ 99,154,139	\$ 100,012,355	\$ 103,473,260	\$ 93,728,598	\$ 90,544,288	\$ 85,297,630	\$ 110,313,796

Base Value for Debt Limits (2)	\$ 2,634,930,749	\$ 2,944,329,836	\$ 2,988,313,185	\$ 3,060,293,656	\$ 3,040,617,437	\$ 2,768,903,096	\$ 2,774,253,902	\$ 2,743,418,578	\$ 2,847,426,767	\$
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Legal Debt Limits (% of Base Value)	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
City - 1.75% thru 1998, 3% 1999 on (3)	\$ 79,047,922	\$ 88,329,895	\$ 89,649,396	\$ 91,808,810	\$ 91,218,523	\$ 83,067,093	\$ 83,225,334	\$ 81,427,620	\$ 82,302,557	\$ 85,422,803
School - 7% (3)	184,445,152	206,103,089	209,181,923	214,220,556	212,843,221	193,823,217	194,192,446	189,997,780	192,039,300	199,319,874
Water - 10% (3)	263,493,075	294,432,984	298,831,319	306,029,366	304,061,744	276,890,310	277,417,780	271,425,399	274,341,858	284,742,677
DBIDA - Industrial Parks (4)	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
DBIDA - Industrial Buildings (5)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
DBIDA - Industrial Project (6)	NA	205,776,758	224,849,680	230,847,080	225,185,544	210,859,736	212,606,024	211,372,080	211,372,080	215,739,676

Debt Against Legal Debt Limits	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
City Depts. (Includes Arena)	30,306,430	37,712,940	42,989,450	39,454,960	40,012,470	40,171,288	36,903,240	37,226,320	33,202,108	45,694,305
School Dept.	20,943,122	24,206,272	31,538,942	29,132,861	27,408,664	31,196,754	28,640,814	26,097,769	23,658,574	21,809,216
Water Fund	7,788,000	11,103,000	12,578,000	11,573,000	10,763,000	11,344,000	10,334,000	10,083,800	12,505,800	12,358,176
DBIDA - Industrial Parks	1,115,000	945,000	1,095,000	845,000	595,000	345,000	100,000	-	-	-
DBIDA - Industrial Buildings	-	-	-	-	-	-	-	-	-	-
DBIDA - Industrial Project	-	2,383,554	1,936,453	1,881,775	1,823,435	1,761,189	1,694,773	-	-	-
Exempt from Legal Debt Limits (7)	17,804,814	18,855,057	18,285,300	16,266,543	19,409,786	18,655,029	16,055,771	17,136,399	15,931,148	30,452,099
Total Debt at June 30	\$ 77,957,366	\$ 95,205,823	\$ 108,423,145	\$ 99,154,139	\$ 100,012,355	\$ 103,473,260	\$ 93,728,598	\$ 90,544,288	\$ 85,297,630	\$ 110,313,796

Unused Capacity of Legal Debt Limits	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
City Depts.	\$ 48,741,492	\$ 50,616,955	\$ 46,659,946	\$ 52,353,850	\$ 51,206,053	\$ 42,895,805	\$ 46,322,094	\$ 44,201,300	\$ 49,100,449	\$ 39,728,498
School Dept.	163,502,030	181,896,817	177,642,981	185,087,695	185,434,557	162,626,463	165,551,632	163,900,011	168,380,726	177,510,658
Water Fund	255,705,075	283,329,984	286,253,319	294,456,366	293,298,744	265,546,310	267,083,780	261,341,599	261,836,058	272,384,501
DBIDA - Industrial Parks	2,885,000	3,055,000	2,905,000	3,155,000	3,405,000	3,655,000	3,900,000	4,000,000	4,000,000	4,000,000
DBIDA - Industrial Buildings	1,000,000	-	-	-	-	-	-	-	-	-
DBIDA - Industrial Project	NA	203,393,203	222,913,227	228,965,305	223,362,109	209,098,547	210,911,251	211,372,080	211,372,080	215,739,676

% of Legal Debt Limits Used	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
City Depts.	38.3%	42.7%	48.0%	43.0%	43.9%	48.4%	44.3%	45.7%	40.3%	53.5%
School Dept.	11.4%	11.7%	15.1%	13.6%	12.9%	16.1%	14.7%	13.7%	12.3%	10.9%
Water Fund	3.0%	3.8%	4.2%	3.8%	3.5%	4.1%	3.7%	3.7%	4.6%	4.3%
DBIDA - Industrial Parks	27.9%	23.6%	27.4%	21.1%	14.9%	8.6%	2.5%	0.0%	0.0%	0.0%
DBIDA - Industrial Buildings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
DBIDA - Industrial Project	0.0%	1.2%	0.9%	0.8%	0.8%	0.8%	0.8%	0.0%	0.0%	0.0%

Data Source
Audited Financial Statements

Notes:

- (1) In Fiscal Year 2009 the Arena Enterprise Fund was dissolved into the General Fund.
- (2) Base Value for Debt Limits computed by the NH Department of Revenue Administration
- (3) Legal debt limit percentage rates set by NH State statute
- (4) Dover Business & Industrial Development Authority - Industrial Parks. Limit set by special legislation. New statute adopted by City Council February 9, 2005 effective for new debt authorizations.
- (5) Dover Business & Industrial Development Authority - Industrial Park Buildings. Limit set by special legislation. New statute adopted by City Council February 9, 2005 effective for new debt authorizations.
- (6) Dover Business & Industrial Development Authority - Bond Limit of general obligation of 8% of local assessed value.
- (7) Debt exempt from limits consists of Hospital and Sewer debt, debt for hazardous waste remediation included in City Departments and debt for Public Parking Improvements and Tax Increment Districts as set per NH State statute.

City of Dover, New Hampshire

Ratios of Outstanding Debt by Debt Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities - General Obligation Debt					Less Hospital Reimbursement		Less State School Aid	Tax Supported Debt	% of Net Debt to Assessed Value	Tax Supported Debt per capita (1)
	City Depts.	Hospital	School Dept.	Total							
2014	\$ 64,335,473	\$ -	\$ 21,809,216	\$ 86,144,689	\$ -	\$ 6,783,120	\$ 79,361,569	3.0%	\$ 2,588		
2013	39,269,915	-	23,658,574	62,928,489	-	7,491,870	55,436,619	2.1%	1,816		
2012	43,702,119	-	26,097,769	69,799,888	-	6,304,708	63,495,180	2.4%	2,093		
2011	44,101,511	-	28,640,814	72,742,325	-	6,919,599	65,822,726	2.5%	2,182		
2010	48,276,316	-	31,196,755	79,473,071	-	7,550,706	71,922,365	2.8%	2,398		
2009	48,729,256	-	27,408,664	76,137,920	-	8,194,361	67,943,559	2.5%	2,310		
2008	41,974,543	-	29,132,861	71,107,404	-	8,679,349	62,428,055	2.2%	2,135		
2007	45,784,300	-	31,538,942	77,323,242	-	8,883,991	68,439,251	2.5%	2,347		
2006	39,661,057	-	24,206,272	63,867,329	-	5,421,046	58,446,283	2.3%	2,009		
2005	30,982,814	-	20,943,122	51,925,936	-	4,240,639	47,685,297	2.0%	1,660		

Fiscal Year	Business-Type Activities - General Obligation Debt					Less State Sewer Aid	Net Debt	Net debt per capita (1)	% of Personal Income (2)
	Water Fund	Sewer Fund	Arena Fund (3)	DBIDA Fund (4)	Total				
2014	\$ 12,358,176	\$ 11,810,931	\$ -	\$ -	\$ 24,169,107	\$ 139,367	\$ 24,029,740	\$ 784	2.5%
2013	12,505,800	9,863,341	-	-	22,369,141	154,726	22,214,415	728	2.3%
2012	10,083,800	10,660,600	-	-	20,744,400	170,169	20,574,231	678	2.2%
2011	10,334,000	8,957,500	-	1,694,773	20,986,273	1,008,275	19,977,998	662	2.2%
2010	11,344,000	10,815,000	-	1,841,189	24,000,189	2,051,383	21,948,806	732	2.4%
2009	10,763,000	11,128,000	-	1,983,435	23,874,435	3,057,565	20,816,870	708	2.4%
2008	11,573,000	11,538,000	2,813,960	2,121,775	28,046,735	3,804,551	24,242,184	829	2.8%
2007	12,578,000	13,210,000	3,055,450	2,256,453	31,099,903	4,141,071	26,958,832	924	3.2%
2006	11,103,000	14,553,000	3,298,940	2,383,554	31,338,494	4,970,673	26,367,821	906	3.2%
2005	7,788,000	14,701,000	3,542,430	-	26,031,430	5,800,276	20,231,154	704	2.6%

Fiscal Year	Total			Percentage of Net Debt to Actual Taxable Value of Property	Net Debt per capita (1)	Total Debt per capita (1)	Total Debt % of Personal Income (2)
	Primary Government	Less State and Hospital	Net Debt				
2014	\$ 110,313,796	\$ 6,922,487	\$ 103,391,309	3.9%	\$ 3,371	\$ 3,597	11.3%
2013	85,297,630	7,646,596	77,651,034	3.0%	2,544	2,795	8.9%
2012	90,544,288	6,474,877	84,069,411	3.2%	2,771	2,984	9.7%
2011	93,728,598	7,927,874	85,800,724	3.3%	2,844	3,107	10.2%
2010	103,473,260	9,602,089	93,871,171	3.6%	3,130	3,451	11.5%
2009	100,012,355	11,251,926	88,760,429	3.2%	3,017	3,400	11.5%
2008	99,154,139	12,483,900	86,670,239	3.1%	2,965	3,392	11.3%
2007	108,423,145	13,025,062	95,398,083	3.5%	3,271	3,718	12.8%
2006	95,205,823	10,391,719	84,814,105	3.3%	2,915	3,272	11.6%
2005	77,957,366	10,040,915	67,916,451	2.8%	2,364	2,714	9.9%

Data Source:
Audited Financial Statements
Assessing Department MS-1 Reports

Notes:

- (1) Per capita ratio for FY2010 is based on 2010 U.S. Census data, all other years based on trended NH Office of Energy and Planning population estimates
- (2) Personal Income ratios based on 2010 US Census amounts and trended NH Office of Energy and Planning estimates..
- (3) In Fiscal Year 2009 the Arena Fund was dissolved into the General Fund
- (4) In Fiscal Year 2012 DBIDA General Obligation Debt was fully paid as part of a real estate sales transaction.

City of Dover, New Hampshire

**Computation of Overlapping Debt
Strafford County Long Term Debt
(Last Ten Calendar Years)**

Direct: City of Dover

End of Fiscal Year	General Obligation Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
2014	\$ 86,144,689	100%	\$ 86,144,689
2013	62,928,489	100%	62,928,489
2012	69,799,888	100%	69,799,888
2011	72,742,325	100%	72,742,325
2010	79,473,071	100%	79,473,071
2009	76,137,920	100%	76,137,920
2008	71,107,404	100%	71,107,404
2007	77,323,242	100%	77,323,242
2006	63,897,329	100%	63,897,329
2005	51,925,936	100%	51,925,936

Overlapping: Strafford County

End of Calendar Year	Net General Obligation Debt Outstanding (1)	Percentage Applicable to Government (2)	Amount Applicable to Government
2013	\$ 16,394,326	27.8504793%	\$ 4,565,898
2012	18,182,190	27.5839540%	5,015,367
2011	19,740,000	27.3520627%	5,399,297
2010	21,535,000	27.2530562%	5,868,946
2009	23,474,863	26.3077874%	6,175,717
2008	21,027,839	26.7774830%	5,630,726
2007	22,762,838	26.6670679%	6,070,181
2006	24,495,948	25.8785931%	6,339,207
2005	24,960,356	26.6155271%	6,643,330
2004	26,361,597	26.5673221%	7,003,570

Total Direct and Overlapping Debt

End of Fiscal Year	Direct Debt	Overlapping Debt	Total Applicable to Government
2014	\$ 86,144,689	\$ 4,565,898	\$ 90,710,587
2013	62,928,489	5,015,367	67,943,856
2012	69,799,888	5,399,297	75,199,185
2011	72,742,325	5,868,946	78,611,271
2010	79,473,071	6,175,717	85,648,788
2009	76,137,920	5,630,726	81,768,646
2008	71,107,404	6,070,181	77,177,585
2007	77,323,242	6,339,207	83,662,449
2006	63,897,329	6,643,330	70,540,659
2005	51,925,936	7,003,570	58,929,506

Data Sources:

(1) Strafford County Audited Financial Statements at calendar year end

(2) The percentage of the overlap is based on County apportionments determined by the NH Department of Revenue Administration. The City's apportionment is determined by the City's equalized property values as a percentage of the total equalized property values for all municipalities within Strafford County.

City of Dover, New Hampshire

Demographic Statistics

Last Ten Fiscal Years

Fiscal Year	Population (1)	Median Family Income (2)	Estimated Total Personal Income (3)	Per Capita Personal Income (2)	City (4)		Unemployment Rates (4)		
					Unemployed	Labor Force	City	State of NH	US
2014	30,669	\$ 82,242	\$ 974,446,137	\$ 31,773	710	18,261	3.9%	5.1%	7.0%
2013	30,521	80,830	956,650,224	31,344	750	18,110	4.2%	5.1%	7.3%
2012	30,343	79,180	938,053,845	30,915	870	18,240	4.8%	5.4%	8.4%
2011	30,165	77,509	919,610,190	30,486	860	17,740	4.8%	5.2%	9.3%
2010	29,987	75,820	901,319,259	30,057	910	17,390	5.2%	5.7%	9.5%
2009	29,417	73,943	871,566,876	29,628	1,072	17,580	6.1%	6.8%	9.8%
2008	29,236	72,066	874,127,164	29,899	638	18,240	3.5%	4.0%	5.7%
2007	29,161	70,189	848,410,134	29,094	579	17,550	3.3%	4.0%	5.0%
2006	29,097	68,312	823,125,033	28,289	539	17,400	3.1%	3.6%	5.1%
2005	28,728	66,435	789,560,352	27,484	504	16,442	3.1%	3.8%	5.5%

Data Sources:

- (1) 2010 data based on 2010 U.S. Census, all other years trended based on NH Office of State Planning population estimates.
- (2) 2010 data based on 2010 U.S. American Community Survey, all other years trended based on U.S. Census data.
- (3) Estimated based on trended population and per capita personal income.
- (4) US Bureau of Labor Statistic - calendar year annual averages not seasonally adjusted.
Reflects calendar year ending during fiscal year (mid-fiscal year).

City of Dover, New Hampshire

Principal Employers Current Year and Nine Years Ago

Employer	Type of Business	2014			2005		
		Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Liberty Mutual Insurance Co	Insurance	2,841	1	15.56 %	1,270	2	7.72 %
City of Dover (FTEs)	Municipality	789	2	4.32	870	3	5.29
Wenworth Douglas Hospital	Hospital	769	3	4.21	1,450	1	8.82
Strafford County	County Government	485	4	2.66	Unknown		
Measured Progress	Scholastic testing	392	5	2.15	300	6	1.82
Vygon USA DBA Churchill Medical	Manufacturer - medical items	107	6	0.59	115	10	0.70
GM Nameplate	Nameplates for auto/cosmetics	79	7	0.43	130	9	0.79
United Parcel Services	Parcel Delivery	76	8	0.42			
Hirel Systems	Manufacturer - Electronics	70	9	0.38			
Certified Retail Solutions	Manufacturer - Retail Systems	57	10	0.31			
Goss (previously Heidelberg Harris)	Manufacturer - Presses				315	4	1.92
Fosters Daily Democrat	Newspaper			-	300	5	1.82
Electrocraft (EAD Motors)	Electric motors & fans				150	7	0.91
ATT	National Passport Center				150	8	0.91
Total Principal Employers		5,665		31.02 %	5,050		30.71 %
Total City Employment (1)		<u>18,261</u>			<u>16,442</u>		

Data Source:

Final Official Statements for City of Dover bond issues and information provided by City's Economic Development Office.

Notes

(1) US Bureau of Labor Statistics calendar year annual average ending during fiscal year.

City of Dover, New Hampshire

Operating Indicators by Function Last Ten Fiscal Years

Function	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Finance										
Taxable property parcels assessed	9,103	9,187	9,552	9,685	9,808	9,825	9,873	9,899	9,950	10,026
Property transfers processed	1,170	1,198	977	781	712	689	740	742	904	839
Motor vehicles registered	30,775	30,210	30,247	29,840	27,665	28,334	29,280	30,838	30,516	30,991
Inspection Services Division										
Number of inspections conducted (1)	623	782	1,214	1,278	4,227	5,112	4,598	5,203	6,211	6,201
Building Permits Issued	572	531	522	398	349	396	358	381	436	396
Estimated construction value in millions	\$ 45.88	\$ 53.58	\$ 74.20	\$ 53.51	\$ 33.74	\$ 29.82	\$ 47.90	\$ 23.78	\$ 50.08	\$ 37.61
Police (2)										
Physical arrests	1,245	1,349	1,469	1,213	908	789	844	819	923	857
Traffic violations	1,313	1,400	1,319	1,686	1,326	1,138	1,134	1,217	1,194	1,532
Parking violations	8,374	8,499	10,507	8,522	7,795	7,720	6,679	10,336	8,420	7,890
Fire and Rescue										
Calls answered	5,147	5,021	5,085	5,146	5,018	5,549	5,347	5,242	5,215	5,154
Emergency Responses	3,197	3,200	3,712	3,923	3,844	4,244	4,859	4,609	4,833	4,899
Fires extinguished	72	101	101	152	277	306	286	353	328	255
Emergency medical responses	2,224	2,175	2,441	2,692	2,349	2,614	2,945	2,880	2,873	2,824
Community services - Public Works										
Refuse collected (tons)	4,996	5,853	5,267	5,407	4,919	3,941	3,546	3,884	4,061	4,030
Recycling (tons)	2,823	3,017	4,255	3,036	2,532	2,518	2,493	2,472	2,529	2,419
Streets resurfaced (miles)	4.5	13.1	8.0	2.6	6.9	3.0	2.9	3.7	4.2	4.6
Public Library										
Volumes in collections	99,321	100,247	103,884	104,004	107,701	104,639	104,974	101,715	99,937	102,090
Total volumes borrowed	270,692	278,396	279,332	290,402	299,346	288,512	296,225	291,515	293,757	286,512
Public Welfare - General Assistance										
Number of contacts	3,935	4,956	4,010	4,763	4,987	6,362	6,308	6,293	5,791	5,029
Assisted cases	650	698	664	685	685	1,651	1,924	1,982	1,839	1,541
Water system:										
Water main breaks	4	2	13	18	16	16	1	4	12	16
Daily average consumption (millions of gallons)	2.3	2.3	2.3	2.3	2.5	2.8	3.0	3.1	3.1	2.3
Peak daily consumption (millions of gallons)	3.4	3.4	3.6	3.6	3.5	3.2	3.7	4.1	3.6	4.6
Sewage System:										
Daily average treatment (millions of gallons)	2.6	2.8	2.8	2.9	3.1	2.6	2.5	2.5	2.4	2.5

Data Source:
Various city departments

Notes

- (1) In FY 2009 the Building Inspection Division and Fire Inspection Division were combined into one Division.
- (2) Calendar year ending during the fiscal year

City of Dover, New Hampshire

Capital Asset Statistics by Function Last Ten Fiscal Years

Function	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police										
Number of stations	2	2	2	2	2	2	2	2	2	2
Number of patrol units	10	10	10	10	9	9	9	9	9	9
Fire and Rescue										
Number of stations	2	2	2	2	3	3	3	3	3	3
Number of ladder trucks	1	1	2	2	2	2	2	2	2	2
Number of pumpers	4	4	3	3	4	4	4	4	4	4
Number of support vehicles	5	5	6	6	6	6	6	6	6	6
Number of ambulances	3	3	3	3	3	3	3	3	3	3
Community Services - Public Works										
Miles of streets	131	132	132	133	133	133	133	133	133	133
Miles of storm drains	64	65	67	67	69	69	69	69	70	70
Number of street lights	1,770	1,773	1,773	1,777	1,776	1,776	1,771	1,771	1,776	1,778
Number of bridges	11	11	11	11	11	12	12	12	12	12
Recreation:										
Community centers	2	2	1	1	1	1	1	1	1	1
Number of parks	18	18	18	18	25	25	25	25	25	25
Park acreage	274	274	274	274	235	235	235	235	235	235
Playgrounds	11	12	12	12	15	15	15	15	15	15
Baseball/softball fields	10	10	10	10	6	6	6	6	6	6
Football/soccer fields	7	7	7	7	2	2	2	2	2	2
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	9	9	9	9	10	10	10	10	10	10
Indoor gyms	2	2	1	1	1	1	1	1	1	1
Indoor ice skating sheets	2	2	2	2	2	2	2	2	2	2
Water system:										
Miles of water mains	148	149	151	155	153	153	153	155	157	158
Number of service connections	7,993	8,040	8,124	8,156	8,218	8,270	8,321	8,490	8,500	8,558
Storage capacity in gallons (millions of gallons)	5	5	5	5	5	5	5	6	6	6
Maximum daily capacity of plant (millions of gallons)	3.4	3.4	4	5	5	5	5	5	5	5
Number of fire hydrants	967	1,050	1,093	1,107	1,107	1,107	1,130	1,156	1,156	1,156
Sewage System:										
Miles of sanitary sewers	117	117	120	120	120	120	122	122	123	123
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Number of service connections	7,154	7,215	7,332	7,398	7,464	7,542	7,569	7,786	7,829	7,900
Maximum daily capacity of treatment (millions of gallons)	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7

Data Source:
Various city departments

City of Dover, New Hampshire

City Government Employees by Function - Full Time Equivalents

Last Ten Fiscal Years

Function	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Executive (1)	13.5	12.6	12.9	13.7	12.7	8.0	8.1	7.8	8.1	8.3
Finance (1)	16.0	16.0	16.0	16.0	16.0	20.0	20.0	20.0	20.3	20.9
Planning (2)	10.0	10.6	10.6	9.6	5.5	4.8	5.5	5.5	5.5	5.5
Total General Government	39.5	39.2	39.5	39.3	34.2	32.8	33.6	33.3	33.9	34.7
Public Safety										
Police - Sworn Officers	54.6	55.7	52.6	50.5	48.4	47.4	47.4	47.4	47.4	47.4
Police - Non-sworn employees	24.5	25.6	27.1	27.6	25.6	26.8	29.4	29.4	28.7	28.9
Total Police Department	79.1	81.3	79.7	78.1	74.0	74.2	76.8	76.8	76.1	76.3
Fire and Rescue (2)	50.3	54.6	54.6	54.6	61.1	61.7	61.7	61.4	60.5	61.2
Total Public Safety	129.5	135.8	134.3	132.7	135.1	135.9	138.5	138.2	136.6	137.5
Public Works										
General Fund functions	43.4	43.8	39.4	38.5	36.6	37.3	35.6	34.6	34.5	34.5
Water	13.5	13.5	13.0	13.0	13.0	11.0	10.5	10.5	10.5	10.5
Sewer 16.0		16.0	16.0	16.0	16.0	17.0	17.0	15.0	15.0	16.0
Fleet maintenance	6.0	6.0	5.7	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Total Public Works	78.9	79.3	74.2	72.5	70.6	70.3	68.1	65.1	65.0	66.0
Culture and Recreation										
Recreation 34.4		33.5	33.1	34.9	34.8	36.2	34.4	34.4	32.7	32.7
Public Library	15.5	15.8	15.8	14.8	13.8	13.5	13.4	13.4	13.9	13.9
Total Culture and Recreation	49.9	49.2	48.9	49.7	48.6	49.7	47.8	47.8	46.6	46.6
Public Welfare										
Welfare 5.3		2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
Total Public Welfare	5.3	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
Total All Functions	303.0	306.4	299.5	297.0	291.3	291.5	290.8	287.2	284.9	287.6
Percent of Total										
General Government	13.0%	12.8%	13.2%	13.2%	11.7%	11.2%	11.6%	11.6%	11.9%	12.1%
Public Safety	42.7%	44.3%	44.8%	44.7%	46.4%	46.6%	47.6%	48.1%	47.9%	47.8%
Public Works	26.0%	25.9%	24.8%	24.4%	24.2%	24.1%	23.4%	22.7%	22.8%	22.9%
Culture and Recreation	16.5%	16.1%	16.3%	16.7%	16.7%	17.1%	16.4%	16.6%	16.4%	16.2%
Public Welfare	1.7%	0.9%	0.9%	0.9%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data Source:

Budgeted Positions per City of Dover Budget. Full time equivalent based on 40 hours per week.

Notes

(1) The City Clerk Office was transferred from Executive Department to Finance Department in FY10.

(2) The Building Inspection Division of the Planning Department was transferred to the Fire and Rescue Department in FY09.

City of Dover, New Hampshire

School Building Information Last Ten Fiscal Years

	2005	2006	2007	2008	Fiscal Year 2009	2010	2011	2012	2013	2014
Garrison Elementary										
Square feet	55,178	65,938	65,938	65,938	65,938	65,938	65,938	65,938	65,938	65,938
Teachers	24.9	25.5	31.5	31.5	33.7	34.4	28.3	27.3	27.3	27.1
Capacity	672.5	672.5	672.5	672.5	672.5	672.5	672.5	672.5	672.5	672.5
Enrollment	400.0	379.0	512.0	523.0	541.0	536.0	555.0	452.0	469.0	470.0
Horne Street Elementary										
Square feet	48,236	48,236	48,236	48,236	48,236	48,236	58,223	58,223	58,223	58,223
Teachers	26.4	24.4	22.4	22.4	25.5	24.2	28.3	28.3	28.3	30.3
Capacity	612.5	612.5	612.5	612.5	612.5	612.5	620.5	620.5	620.5	620.5
Enrollment	447.0	474.0	358.0	370.0	365.0	370.0	400.0	507.0	516.0	534.0
Woodman Park Elementary										
Square feet	73,108	73,108	105,178	105,178	105,178	105,178	105,178	105,178	105,178	105,178
Teachers	29.8	30.8	32.3	32.3	28.9	30.6	32.3	31.3	31.3	32.3
Capacity	477.5	477.5	594.0	594.0	594.0	594.0	594.0	594.0	594.0	594.0
Enrollment	460.0	454.0	468.0	482.0	506.0	537.0	575.0	596.0	617.0	599.0
Totals All Elementary Schools										
Square feet	176,522	187,282	219,352	219,352	219,352	219,352	229,339	229,339	229,339	229,339.0
Teachers	81.1	80.7	86.2	86.2	88.1	89.2	88.9	86.9	86.9	89.7
Capacity	1,762.5	1,762.5	1,879.0	1,879.0	1,879.0	1,879.0	1,887.0	1,887.0	1,887.0	1,887.0
Enrollment	1,307.0	1,307.0	1,338.0	1,375.0	1,412.0	1,443.0	1,530.0	1,555.0	1,602.0	1,603.0
Dover Middle School										
Square feet	175,020	175,020	175,020	175,020	175,020	175,020	175,020	175,020	175,020	175,020
Teachers	67.7	75.0	72.9	72.9	67.7	66.4	67.7	66.7	66.7	67.5
Capacity 1,380.0		1,380.0	1,380.0	1,380.0	1,380.0	1,380.0	1,380.0	1,380.0	1,380.0	1,380.0
Enrollment	1,098.0	1,082.0	1,109.0	1,116.0	1,094.0	1,077.0	1,084.0	1,089.0	1,115.0	1,169.0
Dover High School										
Square feet	234,670	234,670	234,670	234,670	234,670	234,670	234,670	234,670	234,670	234,670
Teachers	110.6	110.4	116.8	116.8	116.8	112.8	113.3	107.3	107.3	103.2
Capacity	1,760.0	1,760.0	1,760.0	1,760.0	1,760.0	1,760.0	1,760.0	1,760.0	1,760.0	1,760.0
Enrollment	1,658.0	1,866.0	1,779.0	1,692.0	1,728.0	1,649.0	1,573.0	1,480.0	1,396.0	1,358.0
Totals All Schools										
Square feet	586,212	596,972	629,042	629,042	629,042	629,042	639,029	639,029	639,029	639,029
Teachers	259.4	266.1	275.9	275.9	272.6	268.4	269.9	260.9	260.9	260.4
Capacity	4,902.5	4,902.5	5,019.0	5,019.0	5,019.0	5,019.0	5,027.0	5,027.0	5,027.0	5,027.0
Enrollment	4,063.0	4,255.0	4,226.0	4,183.0	4,234.0	4,169.0	4,187.0	4,124.0	4,113.0	4,130.0
Food Service - All Schools										
Number Meals Served	351,783	333,139	340,863	335,834	341,272	355,209	358,754	363,718	345,427	344,414
Avg Daily Participation	1,954	1,851	1,894	1,866	1,896	1,973	1,993	2,021	1,939	2,057

Data Source:

School Department - as of official NH Department of Education reporting date: Oct 1st

City of Dover, New Hampshire

School Department Operating Statistics

Last Ten Fiscal Years

Fiscal Year	Operating Budget (1)	Debt Service (1)	Total Budget	Enrollment (2)	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio	Attendance Percentage
2014	\$ 42,263,590	\$ 3,914,453	\$ 46,178,043	4,080	\$ 11,318	0.6%	260.4	15.7	94.9%
2013	42,264,590	3,988,329	46,252,919	4,113	11,246	1.4%	260.9	15.8	94.9%
2012	41,677,206	4,075,515	45,752,721	4,124	11,094	3.9%	260.9	15.8	94.8%
2011	40,468,900	4,245,221	44,714,121	4,187	10,679	-0.2%	269.9	15.5	94.7%
2010	40,699,081	3,934,140	44,633,221	4,169	10,706	5.5%	268.4	15.5	94.6%
2009	39,216,997	3,761,337	42,978,334	4,234	10,151	2.1%	272.6	15.5	94.6%
2008	37,912,706	3,689,854	41,602,560	4,183	9,946	7.8%	275.0	15.2	95.2%
2007	36,203,218	2,799,270	39,002,488	4,226	9,229	6.2%	275.9	15.3	94.6%
2006	34,363,074	2,598,888	36,961,962	4,255	8,687	2.3%	266.1	16.0	94.5%
2005	32,065,504	2,448,119	34,513,623	4,063	8,495	8.0%	259.4	15.7	95.2%

Data Source:

Budget information from City Adopted Budget and non-financial information provided by the School Department.

Notes:

- (1) Budget is for the General Fund only and excludes grant funds and cafeteria fund.
- (2) Enrollment is based on start of year census.

City of Dover, New Hampshire

School Educational and Service Information

Last Ten Fiscal Years

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Dover High School										
Senior Enrollment (1)	355	353	411	393	391	382	350	363	327	315
Status of Seniors (2)										
Graduated	336	335	372	366	352	378	337	345	336	308
Enrolled in four-year college	141	140	167	162	180	177	158	153	141	157
Enrolled in two-year college	74	60	76	84	70	88	63	74	104	76
Enlisted in Armed Forces	10	10	5	18	10	14	11	9	7	13
Post-secondary, workforce or other	104	125	124	102	92	99	105	109	84	69
SAT Mean Scores										
Verbal	518	503	518	512	497	500	495	509	509	501
Math	516	504	520	517	507	508	501	511	521	513
% of Seniors taking test	65%	62%	61%	62%	63%	60%	61%	66%	63%	65%

Data Source:

School Department - as of official NH Department of Education reporting date: Oct 1st

NOTES:

(1) As of Official DOE Reporting Date: Oct 1st. Enrollment includes tuition students.

(2) As of end of fiscal year.