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City of Dover

New Hampshire

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2008

Daniel Lynch
Finance Director

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City of Dover, New Hampshire
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2008

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Prepared by:
The Finance Department

Daniel Lynch
Finance Director

**City of Dover, New Hampshire
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2008**

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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 23, 2009

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 report, including the opinion of the independent auditor, is published to fulfill that requirement for the fiscal year ending June 30, 2008.

This report consists of the 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 Melanson Heath & Company, 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 ending June 30, 2008, 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, 2008, 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 legal requirements, with special emphasis on internal controls and legal 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). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be 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 26,884, based on the 2000 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 in effect for the first half of the fiscal year 2006 was adopted on March 9, 1977. The second half of the fiscal year was governed by a new charter passed on November 8, 2005 and effective January 1, 2006. Only minor changes were made versus the old charter. 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 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 \$10,000 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, 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.

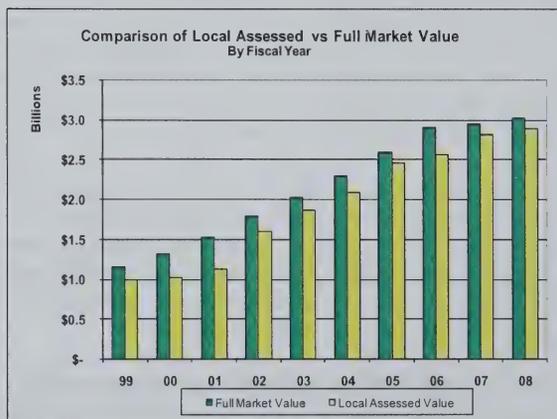
After the original budget is adopted, the City Manager may make appropriation transfers within a non-school department or transfer between non-school departments with City Council approval. After initial adoption, the City Council may amend the budget by two-thirds vote.

Factors Affecting Financial Condition

Local Economy. The local economic environment over the first half of fiscal year 2008 remained relatively sound despite the difficulties being experienced in the overall national economy. During the second half of fiscal year 2008 and into the first half of fiscal year 2009 the local economy showed signs of stress and contraction. Economic development activities in the City have supported existing business retention while also simultaneously attracting new business opportunities in various sectors including healthcare, restaurant and lodging, retail and service industries. This activity coupled with generally stable financial trends in the City's municipal operations has allowed for a slow contraction to the local economy due to the impact of recessionary pressures that have become evident elsewhere in the country.

Economic measures indicative of the health of the local and regional economy are moderating as economic measures decline elsewhere in the country. At mid fiscal year 2008, the New Hampshire total Gross Domestic Product (GDP) was \$57.3 billion, an increase of 2.3 percent from the prior year. This compares to a State-wide GDP that had grown 4.9 percent from mid fiscal year 2007, and 4.0 percent at mid fiscal year 2006. This growth has been curbed during the second half of fiscal year 2008 and the first half of fiscal year 2009. High spikes in energy costs and financial instability in the credit markets started to impact the local economy as indicative of certain financial trends.

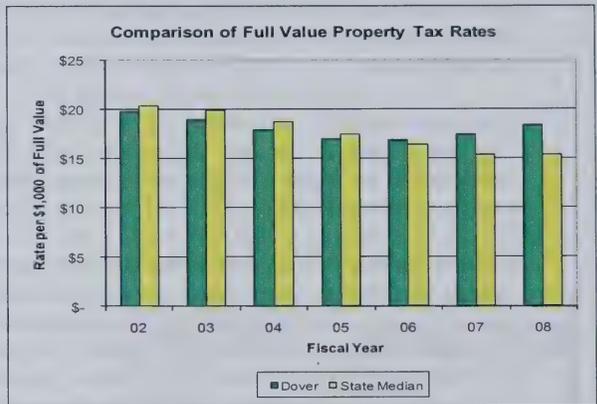
Full market value as determined by the NH Department of Revenue Administration increased 2.5% during the fiscal year. Assessed value as a ratio of full market value was 95.3%. In the second half of fiscal year 2008 the City's assessed property values started to show a softening in values with many residential properties demonstrating depreciation in values based on sales data. As of April 1, 2008 the City's overall residential assessed values demonstrated a 3.72% decline in value.



The recent difficulties in the national credit market have taken a toll on real estate activity throughout New England. While New Hampshire and Dover, in particular, are not immune, the level of decline in real estate transactions during the past year has been one of the smallest in New England. The real estate sales activity in Dover for FY08 was 781 transactions versus 977 for FY07. This level of activity represents transfers of 8.0%

of taxable parcels during FY08 down from 10.2% in FY07. In FY08 foreclosure activity was on the rise with 42 foreclosures recorded at the Strafford County Registry of Deeds, this activity represented over a 100% increase in foreclosure activity over FY07. In conjunction with this activity, the number of taxable parcels increased from 9,552 in FY07 to 9,685 in FY08, a 1.4% increase. This increase in taxable parcels in combination with a slowed appreciation of property values has resulted in the equalized property value per capita increasing from \$101,313 for FY07 to \$103,658 for FY08, up 2.3% for the fiscal year. Recent sale analyses support indications of a depreciation of property values for the current year as of April 1, 2008 (FY09).

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 percentage of uncollected taxes for the current tax levy at the end of fiscal year 2008 remained steady at 4.2% as compared to 4.0% in FY07 (actual amount increasing from \$2.04 million to \$2.31 million). There were 295 parcels from the current tax levy with outstanding taxes that had a lien placed, down from 353 last year. The number of delinquent parcels decreased by 16.4%, however, the dollar amount of the liens remained steady at 1.8% of the tax levy.

With the conclusion of the 2008 fiscal year, the labor force for the Dover region, unadjusted, was 57,700 strong, an increase of 2,000 or 3.5 percent from the prior fiscal year end. Included within these numbers, was a resident Dover labor force of 18,240 increasing by an even higher percentage of 3.9 percent from the prior fiscal year. The annual average for unemployment here in Dover for 2008 was 3.5%. This level is 0.2% above the 2007 local level and remains below both the State and U.S. averages of 4.0% and 5.7% respectively. Meanwhile, the demand for general welfare assistance to local residents during the fiscal year ending in 2008 saw an 11.1% increase. This increase in assistance being the result of assistance requests in the second half of FY08.

The number of motor vehicle permits decreased slightly to 29,840 in FY08 as compared to 30,247 in FY07. The number of building permits decreased from 522 in FY07 to 398 in FY08 and the average permit value decreased from \$142,140 to \$134,357.

Despite a slowing in residential development in Dover and across the country, the City saw continued commercial growth during fiscal year 2008. Planning efforts have continued in anticipation of future residential and multi-use development projects being undertaken.

The commercial activity generated by the Liberty Mutual construction project and related off-site improvements in the area of Indian Brook Drive located in the North-end of the City, has continued and expanded during the past year. A popular local restaurant chain has constructed a new facility and opened adjacent to a soon to be completed long term stay hotel. Also in the area, a 100,000 sq ft office building housing new medical offices related to Wentworth Douglas Hospital is nearing completion and a new inter-city bus terminal conveniently linking area residents to Logan Airport and Boston-area employment opportunities has been constructed and is now operating.

Along the Sixth Street corridor just south of the Liberty Mutual campus, a new fire station has been constructed to improve response times to the North-end of the City and house the administrative offices for the Fire Department and the City's Inspection Services function. The fire station became operational in November of 2008.

Further north of the Liberty campus, construction of an Alzheimer's residential care facility is currently underway and a proposed new 75,000 sq ft retail complex has been presented. Also in the area, arrangements are underway to construct a new office and distribution facility for a children's clothing manufacturer.

In the downtown area, the Children's Museum of NH, has completed renovating the 20,000 square foot Butterfield Building and is now operational. The Museum's activities have far surpassed original expectations in terms of attendance. Visitors have added a family oriented vitality, provided new business opportunities and increased customer traffic within the City's central business district.

In the past year, several small retail establishments have successfully established themselves throughout the downtown including an Italian deli, a coffee house, an electronic photo processing facility, a children's educational/toy store and a women's clothing store.

To further expand the downtown, efforts to redevelop the Cochecho Waterfront parcel continue. Site and building design requirements to be followed by the selected developer continue to be negotiated. The \$75 million privately financed project includes commitments to construct high end residential condominium units, more than 30,000 square feet of new retail and office space, boating facilities and a restaurant along the riverfront over the course of the next 5 to 10 years.

Other development activities underway include construction of a new Centrix Bank office in the downtown area, the renovation of a previously vacant manufacturing facility for the relocation and expansion of a local electronics component manufacturer, the opening of an executive office facility with shared office suites.

Financial Position. The City's General Fund ended Fiscal Year 2008 with an increase to its Undesignated Fund Balance of \$515,983 to \$5.58 million. The General Fund undesignated fund balance at June 30, 2008 was 6.98% of the FY09 budget (6% is the minimum requirement of the City Financial Policies). The Water and Sewer Funds saw decreases in their unrestricted net assets by \$617,814 and \$2,078,969 to \$0.2 million and \$0.8 million, respectively. The Arena Fund unrestricted net deficit increased by \$29,925 to \$2.4 million. The City continues efforts to balance the fund, including scheduled fee increases.

| Unreserved Net Assets | | |
|-----------------------|-------------|-------------|
| Fund | FY07 | FY08 |
| General | 5,068,952 | 5,584,935 |
| Water | 852,301 | 234,487 |
| Sewer | 2,927,444 | 848,475 |
| Arena | (2,375,388) | (2,405,313) |
| Total | 6,473,309 | 4,262,584 |

The liquidity of the General, Water and Sewer Funds is good. This is based on the quick ratio which is a measure of current asset (excluding inventories) divided by current liabilities. A ratio of 1 is considered satisfactory. The General Fund had a quick ratio of 1.79 with Water and Sewer Funds of 0.78 and 1.74, respectively.

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, 2008 the City had utilized 56.0% of its statutory debt limit, the School District utilized 14.6% of its statutory debt limit, and the Water Fund had utilized 3.9% 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, 2008 the percent of the City's more conservative debt policy used was 86.2%, the School was 97.4%. General Fund net debt per capita is at \$2,280, an amount considered reasonable for a municipality the size of Dover. The General Fund's net debt to equalized value remained is 2.88%. The General Fund's net debt service as a percent of budget is 11.4%. Although this measure is higher than the 8% 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. Pay down of General Fund debt over the next 10 years is at 73.0%, above the 65% suggested by policy and is considered aggressive by credit agencies.

The Water and Sewer funds also remained within the City Council self-imposed policy limits with 78.7% and 25.1% used respectively. Water and Sewer debt represents 56.6% and 21.6% of the capital assets. Net debt service to budget in the Water Fund is 23.7% and 29.8% within the Sewer Fund, within the 40% set by policy.

Condition Summary. A well diversified business and job base in Dover and throughout the surrounding communities has contributed to a tempered economic impact being experienced in the community, as compared to national trends.

Although the majority of the City's economic and financial indicators have slowed in growth over the past few years, many remain positive. With the recessionary concerns appearing throughout the country, changes in indicators continue to be monitored and actions taken to preserve the City's economic and financial position. Although energy and credit markets are of major concern, current measures and trends at the local level suggest a slow level of contraction in activity.

Meanwhile, the financial position of the major funds of the City are considered healthy and the continuing cash deficit in the Arena Fund is proposed to be eliminated in the coming fiscal year. Proactive financial management efforts continue to grow reserves in the City's General Fund, invest in capital needs of the community, while simultaneously prioritizing funding and preserving core municipal services.

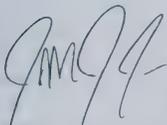
Acknowledgements

This report continues to refine the financial reporting of the City. It is the fifth 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 Post-employment 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 of the City, is incorporated into the financial statements and the footnotes.

The City received the Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year 2004, 2005, 2006 and 2007 CAFR. 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,

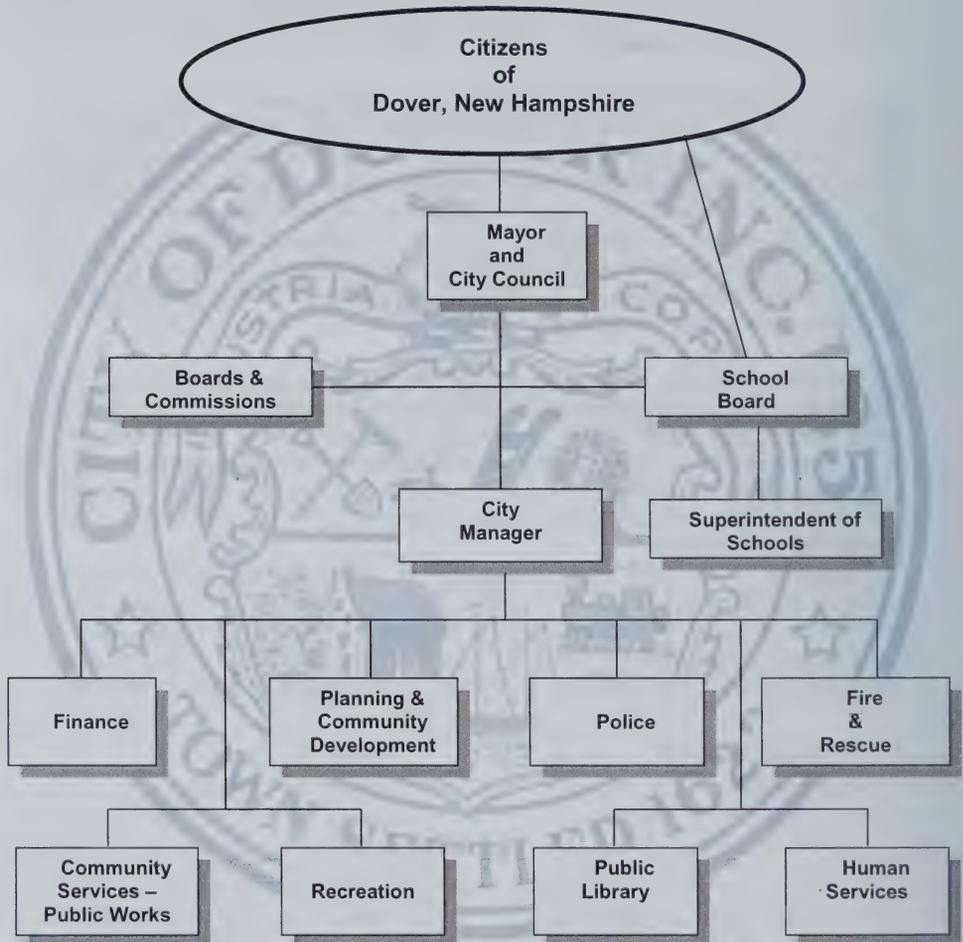


J. Michael Joyal, Jr.
City Manager



Daniel R. Lynch
Finance Director

City of Dover Organizational Chart





City of Dover

New Hampshire

City Council Members

Mayor: Scott Myers

Ward 1: Robert Carrier

Ward 2: Douglas Dede

Ward 3: David Scott

At Large: Karen Weston

Ward 4: Dean Trefethen

Ward 5: Catherine Cheney

Ward 6: Richard P. Callaghan

At Large: Steven McCusker

City Manager

J. Michael Joyal, Jr.

City Departments

Finance

Planning

Police

Fire and Rescue

Community Services

Recreation

Public Library

Human Services

Daniel R. Lynch

Christopher G. Parker

Anthony F. Colarusso, Jr.

Perry Plummer

Douglas W. Steele II

Gary Bannon

Cathy Beaudoin

Janet A. Poulin

School Board

Ward 1: Beth Setear

Ward 2: Britt Ulinski Schuman

Ward 3: Carolyn J. Mebert

Ward 4: Dorothea Hooper

Ward 5: Audra Lurvey

Ward 6: Marjorie Fisher

At Large: Doris Grady

Superintendent of Schools

Dr. John E. O'Connor

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, 2007

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



Oliver S. Cox

President

Jeffrey R. Emswiler

Executive Director

**FINANCIAL
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Management Advisors

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INDEPENDENT AUDITORS' REPORT

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

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, as of and for the year ended June 30, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Dover's management. Our responsibility is to express an opinion 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis, appearing on the following pages, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement

Additional Offices:

and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the City of Dover, New Hampshire's basic financial statements. The introductory section, supplementary statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of 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, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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 express no opinion on them.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2009 on our consideration of the 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Melanson, Heath + Company P.C.

Nashua, New Hampshire
January 23, 2009

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, 2008. 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 \$117,828,398 (i.e., net assets), an increase of \$3,169,397 in comparison to the prior year, as restated.
- As of the close of the current fiscal year, total of assets of governmental activities exceeded liabilities by \$62,764,686 (i.e., net assets), an increase of \$2,987,986 in comparison to the prior year.
- At the end of the current year, total assets of business-type activities exceeded their liabilities by \$55,063,712, an increase of \$181,411 in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$25,128,505, a decrease of \$10,134,185 in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$5,584,935, an increase of \$515,983 in comparison with the prior year.
- Total long-term debt (i.e., bonds payable) at the close of the current fiscal year was \$99,154,139, a decrease of \$9,269,007 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 comprise of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to 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 assets presents information on all assets and liabilities, with the difference between the two reported as net assets. Over time, increases or

decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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, sewer, arena, 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 both funds to demonstrate compliance with these 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, sewer, arena and DBIDA operations.

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.

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, sewer, arena, and DBIDA operations, all of which are considered to be major funds.

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 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 accounting principles generally accepted in the United States of America.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets 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 \$117,828,398, an increase of \$3,169,397 from the prior year.

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

| Amounts presented in 000s | NET ASSETS | | | | | |
|----------------------------|-------------------------|------------|--------------------------|-----------|------------|------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 |
| Current and Other Assets | \$ 45,248 | \$ 35,120 | \$ 19,235 | \$ 16,694 | \$ 64,483 | \$ 51,814 |
| Capital Assets | 113,751 | 123,106 | 68,056 | 68,511 | 181,807 | 191,617 |
| Total Assets | \$ 158,999 | \$ 158,226 | \$ 87,291 | \$ 85,205 | \$ 246,290 | \$ 243,431 |
| Long-term Liabilities | \$ 91,803 | \$ 88,457 | \$ 31,650 | \$ 28,806 | \$ 123,453 | \$ 117,263 |
| Other Liabilities | 7,419 | 7,005 | 759 | 1,335 | 8,178 | 8,340 |
| Total Liabilities | \$ 99,222 | \$ 95,462 | \$ 32,409 | \$ 30,141 | \$ 131,631 | \$ 125,603 |
| Net Assets: | | | | | | |
| Invested in Capital Assets | \$ 57,412 | \$ 60,503 | \$ 49,735 | \$ 51,472 | \$ 107,147 | \$ 111,975 |
| Restricted | 221 | 706 | 3,620 | 5,630 | 3,841 | 6,336 |
| Unrestricted | 2,144 | 1,555 | 1,527 | (2,038) | 3,671 | (483) |
| Total Net Assets | \$ 59,777 | \$ 62,764 | \$ 54,882 | \$ 55,064 | \$ 114,659 | \$ 117,828 |

By far, the largest portion of net assets, \$111,974,297 or 95.0 percent, reflects our 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 assets \$6,336,777 represents resources that are subject to external restrictions on how they may be used. The remaining net balance represents unrestricted net assets and at the end of the fiscal year is a deficit of \$482,676.

The unrestricted net asset balance consists of \$1,555,309 for governmental activities and a deficit of \$2,037,985 for business-type activities. The governmental activities net assets include the reflection of major liabilities of the Tolend Road Landfill mitigation of \$6,263,966, compensated absences of \$3,144,806 and other post employment benefits (OPEB) of \$7,344,315.

The \$6,263,966 for Tolend Road Landfill liability represents the mitigation costs and the post mitigation maintenance and monitoring costs. There has been no change in this liability from the prior year. The City anticipates the mitigation costs to be financed with long-term debt which is included in the City's six year Capital Improvements Program. The maintenance and monitoring costs are expected to be financed within the annual operating budget, as needed.

The \$3,144,806 for compensated absences represents the accrued employee leave benefits, payable as taken or at termination. This is an increase of \$338,889 from the prior year. The City has funded \$513,658 of the liability.

The \$7,344,315 OPEB liability represents the 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 three 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 | 302 | \$134,080 |
| School | 419 | 5,197 |
| Combined | 721 | \$139,277 |

Please refer to the Financial Statement footnote 19 and Required Supplemental Information for more on the OPEB liability.

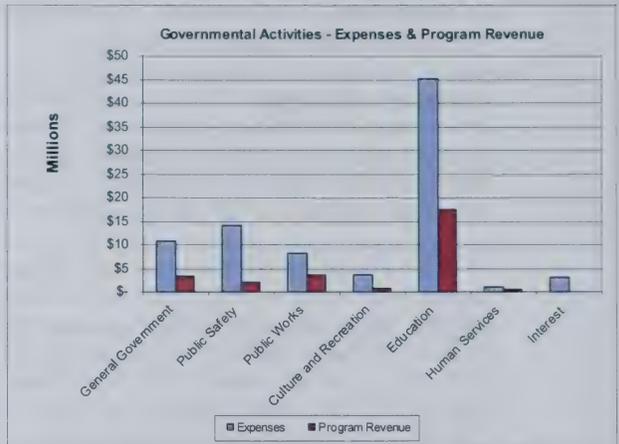
Financial Results. The following is a summary of condensed government-wide financial data of changes in net assets for the current fiscal and prior fiscal years.

| | <u>CHANGE IN NET ASSETS</u> | | | | | |
|------------------------------------|-----------------------------|------------------|-----------------------------|------------------|-------------------|-------------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 |
| Amounts presented in 000s | | | | | | |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 18,876 | \$ 20,324 | \$ 8,877 | \$ 9,847 | \$ 27,753 | \$ 30,171 |
| Operating grants and contributions | 7,100 | 6,582 | - | - | 7,100 | 6,582 |
| Capital grants and contributions | 971 | 1,027 | 552 | 241 | 1,523 | 1,268 |
| General revenues: | | | | | | |
| Property taxes | 52,129 | 55,835 | - | - | 52,129 | 55,835 |
| Motor vehicle registration | 3,927 | 3,803 | - | - | 3,927 | 3,803 |
| Penalties and interest on taxes | 16 | 25 | - | - | 16 | 25 |
| Investment income | 1,812 | 1,110 | 87 | 106 | 1,899 | 1,216 |
| Other | 447 | 209 | - | - | 447 | 209 |
| Total Revenues | <u>85,278</u> | <u>88,915</u> | <u>9,516</u> | <u>10,194</u> | <u>94,794</u> | <u>99,109</u> |
| Expenses: | | | | | | |
| General government | 9,584 | 10,848 | - | - | 9,584 | 10,848 |
| Public safety | 13,974 | 14,091 | - | - | 13,974 | 14,091 |
| Public works | 8,381 | 8,290 | - | - | 8,381 | 8,290 |
| Culture and recreation | 3,656 | 3,468 | - | - | 3,656 | 3,468 |
| Education | 42,505 | 45,032 | - | - | 42,505 | 45,032 |
| Human services | 1,445 | 1,100 | - | - | 1,445 | 1,100 |
| Interest on long-term debt | 2,813 | 3,099 | 1,435 | 1,365 | 4,248 | 4,464 |
| Water operations ⁽¹⁾ | - | - | 2,857 | 2,908 | 2,857 | 2,908 |
| Sewer operations ⁽¹⁾ | - | - | 4,341 | 4,448 | 4,341 | 4,448 |
| Arena operations ⁽¹⁾ | - | - | 1,332 | 1,291 | 1,332 | 1,291 |
| DBIDA operations | - | - | 10 | - | 10 | - |
| Total Expenses | <u>82,358</u> | <u>85,928</u> | <u>9,975</u> | <u>10,012</u> | <u>92,333</u> | <u>95,940</u> |
| Change in Net Assets | 2,920 | 2,987 | (459) | 182 | 2,461 | 3,169 |
| Net Assets - beginning of year | <u>56,857</u> | <u>59,777</u> | <u>55,341</u> | <u>54,882</u> | <u>112,198</u> | <u>114,659</u> |
| Net Assets - end of year | <u>\$ 59,777</u> | <u>\$ 62,764</u> | <u>\$ 54,882</u> | <u>\$ 55,064</u> | <u>\$ 114,659</u> | <u>\$ 117,828</u> |

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

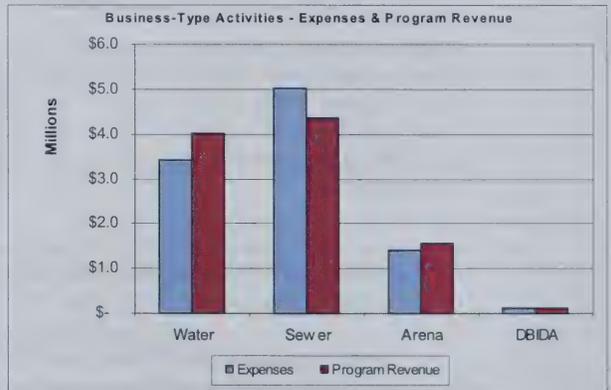
Governmental activities. Governmental activities for the year resulted in an increase in net assets of \$2,987,986. Key elements of this increase are as follows:

- The change in net assets consists mainly of capital grants and contributions and other current revenues used to acquire capital assets less the increase in our OPEB liability.



Business-Type Activities. Business-type activities for the year resulted in an increase in net assets of \$181,411 or .3%. Key elements of this change are as follows:

- The Water Fund increased net assets by \$633,530 or 3.9%. This consists mainly of debt service principal payment exceeds depreciation expense and operating expenses being \$142,422 lower than budget.
- The Sewer Fund had a decrease in net assets of \$594,600 or 1.5%. The change primarily results from depreciation expense exceeding debt principal payments.
- The Arena Fund had an increase in net assets of \$142,541 due mainly to debt service principal payments exceeding depreciation.



D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

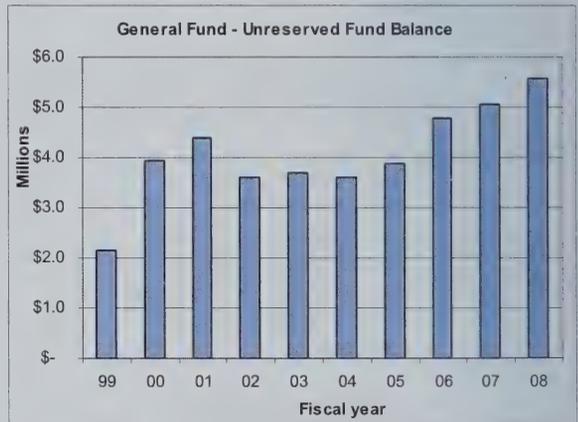
As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

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 \$25,128,505, a decrease of \$10,134,185 in comparison with the prior year. Most of this decrease was attributable to a net Capital Projects decrease of \$10,165,355 and net increase of the General Fund of \$438,460. The net Capital Projects decrease is the result of expenditures of \$10,241,267 when financing sources were issued in the prior year. The General Fund change consists of an increase in the unreserved fund balance of \$515,983 and a decrease in reserved balances of \$77,523.

The general fund is the chief operating fund. At the end of the current fiscal year, unreserved fund balance of the general fund was \$5,584,935, while total fund balance was \$9,533,004.

As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 6.98 percent of total general fund appropriation for fiscal 2009, while total fund balance represents 11.9 percent of that same amount.



The unreserved fund balance of the general fund increased by \$515,983, or 10.2%, during the current fiscal year. Key factors in this change are as follows:

- A net increase to fund balance of \$1,611,896 from net financing sources exceeding budget estimates, consisting of \$485,256 of revenues in excess of budget estimates and \$1,126,640 of unencumbered appropriations. The excess revenue consists mainly of \$484,262 excess investment income revenue. The unencumbered appropriations consisted mainly of \$278,409 for General Government, \$143,351 for Public Works and \$120,169 for

Police. The School Department unencumbered appropriations of \$476,976 offset a shortfall of \$434,954 in education revenue, due mainly to a loss in Tuition revenue.

- A decrease to fund balance of \$330,653 from an increase in uncollected property taxes.
- A decrease to fund balance of \$12,671 from the reserve for advances to the Arena Fund.
- A decrease to fund balance of \$433,151 from the reserve for advances to the McConnell Center Fund.
- A decrease to fund balance of \$340,159 for carryover appropriations reserved for future years capital outlay.

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 \$2,037,985. This amount consists of the Water Fund of \$234,487, the Sewer Fund of \$848,475, the Arena Fund deficit of \$2,405,313 and the Dover Business and Industrial Development Fund (DBIDA) deficit of \$715,634.

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 \$211,570. Major reasons for these amendments include:

- \$48,377 for accepting and expending a grant for energy efficiency improvements to City facilities.
- \$163,193 for funding shortfall in estimate for interest payments for Debt Service as a result of the City's June 2007 bond issue.

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Capital assets for governmental and business-type activities at year-end amounted to \$191,617,415 (net of accumulated depreciation), an increase of approximately \$9,810,958 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 fixed assets by category:

Capital Assets (000s)
(net of depreciation)

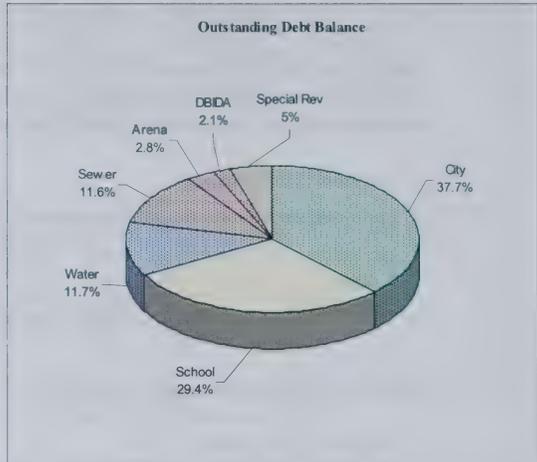
| | Governmental Activities | | Business-Type Activities | | Totals | |
|----------------------------|-------------------------|------------|--------------------------|-----------|------------|------------|
| | 2007 | 2008 | 2007 | 2008 | 2007 | 2007 |
| Land | \$ 13,306 | \$ 13,668 | \$ 2,037 | \$ 2,037 | \$ 15,343 | \$ 15,705 |
| Buildings and improvements | 53,595 | 54,794 | 23,207 | 23,462 | 76,802 | 78,256 |
| Machinery and equipment | 9,903 | 9,042 | 4,738 | 4,450 | 14,641 | 13,492 |
| Infrastructure | 17,838 | 16,253 | 32,772 | 34,048 | 50,610 | 50,301 |
| Construction in Progress | 19,109 | 29,349 | 5,301 | 4,514 | 24,410 | 33,863 |
| Total Assets | \$ 113,751 | \$ 123,106 | \$ 68,055 | \$ 68,511 | \$ 181,806 | \$ 191,617 |

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

- The increase to Land of the governmental activities relates to the City's purchase of open space conservation land of \$361,898.
- The increase to Building and improvements of the governmental activities relates mainly to School improvements of \$548,477, City Hall and Library renovations of \$746,743, Shaws Lane Building improvements of \$125,100 and Butterfield Building improvements of \$633,750. These additions were offset by depreciation on older buildings and improvements.
- There were additions to Machinery and Equipment of the governmental activities for equipment and vehicles of \$88,333, books and collections of \$161,480. These additions were offset by depreciation on older equipment.
- The governmental activities infrastructure change includes an addition of \$585,787 in street and sidewalk improvement projects. These additions were offset by depreciation on older infrastructure.
- The governmental activities construction in progress relates mainly to \$9,023,690 for the Tolend Road Landfill hazardous landfill mitigation project, \$3,434,828 for the Cochecho River Dredge Cell project, \$7,838,276 for school improvements, \$5,969,971 for street improvements, and \$1,373,302 for the North End Fire Station.
- There were additions to business-type activities infrastructure improvements of \$1,226,846 related to Varney Brook Sewer Forcemain, and \$672,280 for Inflow and Infiltration Improvements.
- There was \$4,514,532 of business-type activities construction in progress at the end of the year mainly related to the Water Fund of \$2,532,859 in Bouchard Well and \$1,732,089 in Water Main Replacement.

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

Long-term debt. At the end of the current fiscal year, total long-term debt outstanding was \$99,154,139, a decrease of \$9,269,007 over the previous fiscal year end. All the long term debt was backed by the full faith and credit of the City except for the balance of an FY06 Dover Business and Industrial Development Authority flow through loan to a private firm from the New Hampshire Business Finance Authority of \$1,881,775.



Long-term Debt (000s)

| | Governmental Activities | | Business-Type Activities | | Totals | |
|--------------------------|-------------------------|-----------|--------------------------|-----------|------------|-----------|
| | 2007 | 2008 | 2007 | 2008 | 2006 | 2007 |
| General Obligation Bonds | \$ 76,730 | \$ 70,599 | \$ 31,100 | \$ 28,047 | \$ 107,830 | \$ 98,646 |
| Other Long Term Debt | 593 | 508 | - | - | 593 | 508 |
| Total Long-term Debt | \$ 77,323 | \$ 71,107 | \$ 31,100 | \$ 28,047 | \$ 108,423 | \$ 99,154 |

During the fiscal year, the City did not issue general obligation serial bonds.

In August of 1999 the City received a bond rating upgrade from Moody's Investor Services to a Baa1. The City received a second upgrade to A3 in May 2001 and a third in June 2003 to A2. The City also received an upgrade to A2 from Moody's and a rating from Standard & Poor's of A+ in June 2003. Both ratings were sustained in June 2004. In June 2005 the City received dual rating upgrades to A1 from Moody's and AA- from Standard & Poor's. Both ratings were sustained in 2006 and reaffirmed in 2007. In November 2008, \$9,970,000 of general obligation bonds were issued. Moody's rating remained the same at A1. Standard & Poor's upgraded the City's rating to AA.

Additional information on long term debt can be found in Note 13 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 | | | Increase | |
|---------------------|----------------------|----------------------|---------------------|-------------|
| | FY08 | FY09 | (Decrease) | % Change |
| City | \$ 29,264,198 | \$ 30,204,820 | \$ 940,622 | 3.2% |
| School | 41,602,560 | 42,978,335 | 1,375,775 | 3.3% |
| County | 5,922,221 | 6,772,323 | 850,102 | 14.4% |
| Total Budget | <u>\$ 76,788,979</u> | <u>\$ 79,955,478</u> | <u>\$ 3,166,499</u> | <u>4.1%</u> |

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

| Property Tax Levies | | | Increase | |
|---------------------|----------------------|----------------------|---------------------|-------------|
| | FY08 | FY09 | (Decrease) | % Change |
| City | \$ 19,974,876 | \$ 20,343,274 | \$ 368,398 | 1.8% |
| School - Local | 22,735,976 | 24,296,444 | 1,560,468 | 6.9% |
| School - State | 6,476,696 | 6,292,003 | (184,693) | -2.9% |
| Total School | <u>29,212,672</u> | <u>30,588,447</u> | <u>1,375,775</u> | <u>4.7%</u> |
| County | 5,872,169 | 6,722,271 | 850,102 | 14.5% |
| Total Tax Levy | <u>\$ 55,059,717</u> | <u>\$ 57,653,992</u> | <u>\$ 2,594,275</u> | <u>4.7%</u> |

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 | | | Increase | |
|--------------------|--------------|--------------|-------------|-------------|
| | FY08 | FY09 | (Decrease) | % Change |
| City | 7.23 | 7.57 | 0.34 | 4.7% |
| School - Local | 8.02 | 8.79 | 0.77 | 9.6% |
| School - State | 2.31 | 2.31 | - | 0.0% |
| Total School | <u>10.33</u> | <u>11.10</u> | <u>0.77</u> | <u>7.5%</u> |
| County | 2.07 | 2.43 | 0.36 | 17.4% |
| Total Tax Rate | <u>19.63</u> | <u>21.10</u> | <u>1.47</u> | <u>7.5%</u> |

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 | | | Increase | % Change |
|---------------------|---------------------|---------------------|-------------------|-------------|
| | FY08 | FY09 | (Decrease) | |
| Water Fund | \$ 3,938,519 | \$ 4,158,670 | \$ 220,151 | 5.6% |
| Sewer Fund | 5,518,186 | 5,575,072 | 56,886 | 1.0% |
| Total Utility Funds | <u>\$ 9,456,705</u> | <u>\$ 9,733,742</u> | <u>\$ 277,037</u> | <u>2.9%</u> |

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 | | | Increase | % Change |
|----------------|-------------|-------------|-------------|-------------|
| | FY08 | FY09 | (Decrease) | |
| Water Fund | 3.53 | 3.75 | 0.22 | 6.2% |
| Sewer Fund | 4.39 | 4.51 | 0.12 | 2.7% |
| Combined Rates | <u>7.92</u> | <u>8.26</u> | <u>0.34</u> | <u>4.3%</u> |

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.ci.dover.nh.us

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CITY OF DOVER, NEW HAMPSHIRE

STATEMENT OF NET ASSETS

JUNE 30, 2008

| | Governmental Activities | Business-Type Activities | Total |
|-----------------------------------------------------------------------|----------------------------|-----------------------------|-----------------------|
| ASSETS | | | |
| Current: | | | |
| Cash and short-term investments | \$ 31,891,683 | \$ 3,704,349 | \$ 35,596,032 |
| Investments | 2,575,371 | - | 2,575,371 |
| Receivables, net of allowance for uncollectibles: | | | |
| Property taxes | 2,810,094 | - | 2,810,094 |
| User fees | - | 1,946,476 | 1,946,476 |
| Departmental and other | 793,136 | - | 793,136 |
| Intergovernmental | 952,513 | 939,352 | 1,891,865 |
| Internal balances | (6,696,112) | 6,696,112 | - |
| Capital lease receivable | - | 58,340 | 58,340 |
| Inventory | 81,914 | 319,883 | 401,797 |
| Other assets | 15,109 | - | 15,109 |
| Total current assets | <u>32,423,708</u> | <u>13,664,512</u> | <u>46,088,220</u> |
| Noncurrent: | | | |
| Receivables, net of allowance for uncollectibles: | | | |
| Intergovernmental | - | 2,048,682 | 2,048,682 |
| Loans | 396,564 | - | 396,564 |
| Internal balances | 2,299,881 | (2,299,881) | - |
| Investment in land | - | 1,256,731 | 1,256,731 |
| Capital lease receivable | - | 2,023,717 | 2,023,717 |
| Capital assets: | | | |
| Land and construction in progress | 43,017,695 | 6,551,258 | 49,568,953 |
| Other capital assets, net of accumulated depreciation | 80,088,632 | 61,959,830 | 142,048,462 |
| Total non-current assets | <u>125,802,772</u> | <u>71,540,337</u> | <u>197,343,109</u> |
| TOTAL ASSETS | 158,226,480 | 85,204,849 | 243,431,329 |
| LIABILITIES | | | |
| Current: | | | |
| Accounts payable | 1,744,763 | 716,047 | 2,460,810 |
| Accrued liabilities | 2,829,135 | 214,059 | 3,043,194 |
| Retainage payable | 657,762 | 215,711 | 873,473 |
| Due to fiduciary funds | 1,549,494 | - | 1,549,494 |
| Unearned revenue | - | 189,100 | 189,100 |
| Other current liabilities | 223,480 | - | 223,480 |
| Current portion of long-term liabilities: | | | |
| Claims liability | 238,668 | - | 238,668 |
| Bonds and loans payable | 6,089,954 | 3,021,830 | 9,111,784 |
| Compensated absences | 147,192 | 158,213 | 305,405 |
| Total current liabilities | <u>13,480,448</u> | <u>4,514,960</u> | <u>17,995,408</u> |
| Noncurrent: | | | |
| Claims liability, net of current portion | 358,001 | - | 358,001 |
| Bonds and loans payable, net of current portion | 65,017,450 | 25,024,905 | 90,042,355 |
| Compensated absences, net of current portion | 2,997,614 | - | 2,997,614 |
| OPEB liability | 7,344,315 | 601,272 | 7,945,587 |
| Liability for hazardous waste-site cleanup, net of current portion | 6,263,966 | - | 6,263,966 |
| Total non-current liabilities | <u>81,981,346</u> | <u>25,626,177</u> | <u>107,607,523</u> |
| TOTAL LIABILITIES | 95,461,794 | 30,141,137 | 125,602,931 |
| NET ASSETS | | | |
| Invested in capital assets, net of related debt | 60,502,720 | 51,471,577 | 111,974,297 |
| Restricted for: | | | |
| Debt service | - | 1,877,057 | 1,877,057 |
| Capital projects | 181,578 | 3,753,063 | 3,934,641 |
| State and federal grants | 525,079 | - | 525,079 |
| Unrestricted | 1,555,309 | (2,037,985) | (482,676) |
| TOTAL NET ASSETS | \$ 62,764,686 | \$ 55,063,712 | \$ 117,828,398 |

See notes to financial statements.

CITY OF DOVER, NEW HAMPSHIRE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

| | | Program Revenues | | |
|----------------------------------|-------------------------|------------------------------------------|----------------------------------------|--------------|
| Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Governmental Activities: | | | | |
| General government | \$ 10,848,311 | \$ 1,149,111 | \$ 2,239,824 | \$ - |
| Public safety | 14,090,578 | 1,336,480 | 834,417 | - |
| Public works | 8,289,627 | 2,936,784 | 8,840 | 675,521 |
| Culture and recreation | 3,468,304 | 650,656 | 17,787 | - |
| Education | 45,032,173 | 14,070,236 | 3,466,086 | - |
| Human services | 1,099,641 | 180,465 | 15,530 | 351,294 |
| Interest | 3,098,791 | - | - | - |
| Total Governmental Activities | 85,927,425 | 20,323,732 | 6,582,484 | 1,026,815 |
| Business-Type Activities: | | | | |
| Water services | 3,430,042 | 4,011,562 | - | - |
| Sewer services | 5,017,000 | 4,129,003 | - | 240,877 |
| Arena services | 1,427,762 | 1,568,828 | - | - |
| DBIDA services | 138,441 | 138,353 | - | - |
| Total Business-Type Activities | 10,013,245 | 9,847,746 | - | 240,877 |
| Total | \$ 95,940,670 | \$ 30,171,478 | \$ 6,582,484 | \$ 1,267,692 |

General Revenues:

Property tax
Motor vehicle registration tax
Penalties and interest
Unrestricted investment earnings
Other revenue

Total general revenues

Change in Net Assets

Net Assets:

Beginning of year

End of year

See notes to financial statements.

Net (Expenses) Revenues and Changes in Net Assets

| <u>Governmental</u> <u>Activities</u> | <u>Business-</u> <u>Type</u> <u>Activities</u> | <u>Total</u> |
|------------------------------------------|------------------------------------------------------|-----------------------|
| \$ (7,459,376) | \$ - | \$ (7,459,376) |
| (11,919,681) | - | (11,919,681) |
| (4,668,482) | - | (4,668,482) |
| (2,799,861) | - | (2,799,861) |
| (27,495,851) | - | (27,495,851) |
| (552,352) | - | (552,352) |
| <u>(3,098,791)</u> | <u>-</u> | <u>(3,098,791)</u> |
| | | |
| <u>(57,994,394)</u> | <u>-</u> | <u>(57,994,394)</u> |
| | | |
| - | 581,520 | 581,520 |
| - | (647,120) | (647,120) |
| - | 141,066 | 141,066 |
| <u>-</u> | <u>(88)</u> | <u>(88)</u> |
| | | |
| <u>-</u> | <u>75,378</u> | <u>75,378</u> |
| | | |
| (57,994,394) | 75,378 | (57,919,016) |
| | | |
| 55,835,213 | - | 55,835,213 |
| 3,803,303 | - | 3,803,303 |
| 25,037 | - | 25,037 |
| 1,110,037 | 106,033 | 1,216,070 |
| <u>208,790</u> | <u>-</u> | <u>208,790</u> |
| | | |
| <u>60,982,380</u> | <u>106,033</u> | <u>61,088,413</u> |
| | | |
| 2,987,986 | 181,411 | 3,169,397 |
| | | |
| <u>59,776,700</u> | <u>54,882,301</u> | <u>114,659,001</u> |
| | | |
| <u>\$ 62,764,686</u> | <u>\$ 55,063,712</u> | <u>\$ 117,828,398</u> |

CITY OF DOVER, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2008

| | <u>General</u> | <u>CIP FY08</u> | <u>CIP FY07</u> | <u>Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|---------------------------------------------------|----------------------|---------------------|---------------------|--------------------------------------------|-----------------------------------------|
| ASSETS | | | | | |
| Cash and short-term investments | \$ 30,107,180 | \$ - | \$ - | \$ 1,784,503 | \$ 31,891,683 |
| Investments | - | - | - | 2,575,371 | 2,575,371 |
| Receivables, net of allowance for uncollectibles: | | | | | |
| Taxes | 2,810,094 | - | - | - | 2,810,094 |
| Departmental and other | 505,315 | - | - | 228,568 | 733,883 |
| Intergovernmental | 163,115 | - | - | 789,398 | 952,513 |
| Loans | - | - | - | 396,564 | 396,564 |
| Due from other funds | - | 6,410,086 | 2,445,981 | 5,229,375 | 14,085,442 |
| Advances to other funds | 2,733,032 | - | - | - | 2,733,032 |
| Inventory | - | - | - | 26,333 | 26,333 |
| Other assets | 15,109 | - | - | - | 15,109 |
| TOTAL ASSETS | \$ 36,333,845 | \$ 6,410,086 | \$ 2,445,981 | \$ 11,030,112 | \$ 56,220,024 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ 579,941 | \$ 598,139 | \$ 270,926 | \$ 263,036 | \$ 1,712,042 |
| Accrued liabilities | 2,360,521 | 283 | - | 28,388 | 2,389,192 |
| Retainage payable | 29,114 | 142,958 | 457,950 | 27,739 | 657,761 |
| Deferred revenues | 1,724,743 | - | - | 402,501 | 2,127,244 |
| Due to other funds | 21,823,054 | - | - | 1,605,178 | 23,428,232 |
| Advances from other fund | - | - | - | 433,151 | 433,151 |
| Compensated absences | 59,988 | - | - | 60,429 | 120,417 |
| Other liabilities | 223,480 | - | - | - | 223,480 |
| TOTAL LIABILITIES | 26,800,841 | 741,380 | 728,876 | 2,820,422 | 31,091,519 |
| Fund Balances: | | | | | |
| Reserved for: | | | | | |
| Encumbrances | 643,717 | 3,704,652 | 2,105,438 | 2,324,705 | 8,778,512 |
| Inventory | - | - | - | 26,333 | 26,333 |
| Expenditures | - | - | - | 20,000 | 20,000 |
| Advances | 2,733,032 | - | - | - | 2,733,032 |
| Other specific purposes | 571,320 | - | - | - | 571,320 |
| Unreserved: | | | | | |
| Undesignated, reported in: | | | | | |
| General fund | 5,584,935 | - | - | - | 5,584,935 |
| Special revenue funds | - | - | - | 5,344,127 | 5,344,127 |
| Capital project funds | - | 1,964,054 | (388,333) | 494,525 | 2,070,246 |
| TOTAL FUND BALANCES | 9,533,004 | 5,668,706 | 1,717,105 | 8,209,690 | 25,128,505 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 36,333,845 | \$ 6,410,086 | \$ 2,445,981 | \$ 11,030,112 | \$ 56,220,024 |

See notes to financial statements.

CITY OF DOVER, NEW HAMPSHIRE

RECONCILIATION OF TOTAL GOVERNMENTAL FUND
BALANCES TO NET ASSETS OF GOVERNMENTAL
ACTIVITIES IN THE STATEMENT OF NET ASSETS

JUNE 30, 2008

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| Total governmental fund balances | \$ 25,128,505 |
| <ul style="list-style-type: none"> • Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | 123,106,327 |
| <ul style="list-style-type: none"> • Revenues are reported on the accrual basis of accounting and are not deferred until collection. | 2,127,244 |
| <ul style="list-style-type: none"> • Internal service funds are used by management to account for Dover Net, Central Stores, fleet maintenance and workers' compensation activities. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Assets. | 546,953 |
| <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. | (431,044) |
| <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: <ul style="list-style-type: none"> Bonds payable Compensated absences Liability for hazardous waste-site cleanup OPEB liability | (71,107,404) (2,997,614) (6,263,966) <u>(7,344,315)</u> |
| Net assets of governmental activities | \$ <u>62,764,686</u> |

See notes to financial statements.

CITY OF DOVER, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2008

| | General | CIP FY08 | CIP FY07 | Nonmajor Governmental Funds | Total Governmental Funds |
|--------------------------------------------------------------|---------------------|---------------------|---------------------|-----------------------------------|--------------------------------|
| Revenues: | | | | | |
| Taxes | \$ 55,152,120 | \$ - | \$ - | \$ 376,167 | \$ 55,528,287 |
| Licenses and permits | 4,456,916 | - | - | 1,430 | 4,458,346 |
| Intergovernmental | 2,761,290 | - | - | 4,153,583 | 6,914,873 |
| Current services | 1,220,717 | - | - | 6,051,741 | 7,272,458 |
| Education | 11,954,934 | - | - | - | 11,954,934 |
| Miscellaneous | 1,888,508 | 1,816 | 74,096 | 491,753 | 2,456,173 |
| Total Revenues | <u>77,434,485</u> | <u>1,816</u> | <u>74,096</u> | <u>11,074,674</u> | <u>88,585,071</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | 4,691,917 | - | - | 972,202 | 5,664,119 |
| Public safety | 11,396,359 | 1,348,353 | - | 1,423,210 | 14,167,922 |
| Public works | 4,665,096 | 1,272,808 | 1,190,378 | 2,878,648 | 10,006,930 |
| Culture and recreation | 2,301,415 | 226,156 | - | 573,249 | 3,100,820 |
| Education | 37,141,062 | 870,582 | 5,332,990 | 5,878,333 | 49,222,967 |
| Human services | 658,979 | - | - | 408,544 | 1,067,523 |
| Intergovernmental | 5,922,221 | - | - | - | 5,922,221 |
| Debt service | 9,157,560 | - | - | 409,194 | 9,566,754 |
| Total Expenditures | <u>75,934,609</u> | <u>3,717,899</u> | <u>6,523,368</u> | <u>12,543,380</u> | <u>98,719,256</u> |
| Excess (deficiency) of revenues over (under) expenditures | 1,499,876 | (3,716,083) | (6,449,272) | (1,468,706) | (10,134,185) |
| Other Financing Sources (Uses): | | | | | |
| Transfers in | 32,000 | - | - | 1,061,416 | 1,093,416 |
| Transfers out | (1,093,416) | - | - | - | (1,093,416) |
| Total Other Financing Sources (Uses) | <u>(1,061,416)</u> | <u>-</u> | <u>-</u> | <u>1,061,416</u> | <u>-</u> |
| Net change in fund balances | 438,460 | (3,716,083) | (6,449,272) | (407,290) | (10,134,185) |
| Fund Balances, at Beginning of Year | <u>9,094,544</u> | <u>9,384,789</u> | <u>8,166,377</u> | <u>8,616,980</u> | <u>35,262,690</u> |
| Fund Balances, at End of Year | <u>\$ 9,533,004</u> | <u>\$ 5,668,706</u> | <u>\$ 1,717,105</u> | <u>\$ 8,209,690</u> | <u>\$ 25,128,505</u> |

See notes to financial statements.

CITY OF DOVER, NEW HAMPSHIRE

RECONCILIATION OF THE STATEMENT OF REVENUES
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2008

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (10,134,185)

- Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

| | |
|--------------------------|-------------|
| Capital outlay purchases | 14,066,205 |
| Depreciation | (4,710,770) |

- Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., property taxes) differ between the two statements. This amount represents the net change in deferred revenue. 277,684

- The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net assets:

| | |
|--------------------|-----------|
| Repayments of debt | 6,215,838 |
|--------------------|-----------|

- In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due. 47,911

- Some expenses reported in the Statement of Activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

| | |
|------------------------------------------------|-------------|
| Decrease in liability for compensated absences | (343,577) |
| Increase in OPEB liability | (2,566,471) |

- Internal service funds are used by management to account for Dover Net, Central Stores, fleet maintenance and workers' compensation activities. The net activity of internal service funds is reported with Governmental Activities. 135,351

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 2,987,986

See notes to financial statements.

CITY OF DOVER, NEW HAMPSHIRE

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

For the Year Ended June 30, 2008

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--------------------------------------------------------------------------|------------------|---------------|-------------------|-----------------------------------------------------------|
| | Original | Final | | |
| Revenues and Other Sources: | | | | |
| Taxes | \$ 55,331,727 | \$ 55,331,727 | \$ 55,395,948 | \$ 64,221 |
| Licenses and permits | 4,467,343 | 4,467,033 | 4,456,916 | (10,117) |
| Intergovernmental | 2,314,412 | 2,314,412 | 2,373,590 | 59,178 |
| Current services | 1,206,593 | 1,206,553 | 1,220,717 | 14,164 |
| Education | 12,389,888 | 12,389,888 | 11,954,934 | (434,954) |
| Miscellaneous | 1,047,017 | 1,095,744 | 1,888,508 | 792,764 |
| Other financing sources | 32,000 | 195,193 | 195,193 | - |
| Total Revenues and Other Sources | 76,788,980 | 77,000,550 | 77,485,806 | 485,256 |
| Expenditures and Other Uses: | | | | |
| General Government | | | | |
| City Council | 171,606 | 171,606 | 165,260 | 6,346 |
| Executive | 993,793 | 973,793 | 880,879 | 92,914 |
| Finance | 1,115,768 | 1,148,269 | 1,107,325 | 40,944 |
| Planning | 869,031 | 869,031 | 814,858 | 54,173 |
| Misc. General Government | 793,300 | 809,177 | 725,145 | 84,032 |
| Total General Government | 3,943,498 | 3,971,876 | 3,693,467 | 278,409 |
| Public Safety | | | | |
| Police | 6,666,575 | 6,436,391 | 6,316,222 | 120,169 |
| Fire | 5,408,171 | 5,466,171 | 5,465,009 | 1,162 |
| Total Public Safety | 12,074,746 | 11,902,562 | 11,781,231 | 121,331 |
| Community Services - Public Works | | | | |
| | 4,832,705 | 4,832,705 | 4,689,354 | 143,351 |
| Culture and Recreation | | | | |
| Community Services - Recreation | 1,346,809 | 1,366,809 | 1,365,082 | 1,727 |
| Public Library | 1,136,872 | 1,136,872 | 1,079,638 | 57,234 |
| Total Culture and Recreation | 2,483,681 | 2,503,681 | 2,444,720 | 58,961 |
| Human Services | | | | |
| | 697,239 | 697,239 | 670,877 | 26,362 |
| Education | | | | |
| | 37,912,706 | 37,912,706 | 37,435,730 | 476,976 |
| Debt Service | | | | |
| Principal | 5,438,756 | 5,716,190 | 5,989,588 | (273,398) |
| Interest | 3,383,428 | 3,441,370 | 3,146,722 | 294,648 |
| Total Debt Service | 8,822,184 | 9,157,560 | 9,136,310 | 21,250 |
| Intergovernmental | | | | |
| | 5,922,221 | 5,922,221 | 5,922,221 | - |
| Transfers | | | | |
| | 100,000 | 100,000 | 100,000 | - |
| Total Expenditures and Other Uses | 76,788,980 | 77,000,550 | 75,873,910 | 1,126,640 |
| Excess of revenues and other sources over expenditures and other use: | \$ - | \$ - | \$ 1,611,896 | \$ 1,611,896 |

See accompanying notes to financial statements.

CITY OF DOVER, NEW HAMPSHIRE

PROPRIETARY FUNDS

STATEMENT OF NET ASSETS

JUNE 30, 2008

| | Business-Type Activities Enterprise Funds | | | | Total | Governmental |
|----------------------------------------------------------|----------------------------------------------|----------------------|-----------------------|---------------------|----------------------|------------------------------|
| | Water Fund | Sewer Fund | Arena Fund | DBIDA Fund | | Internal Service Funds |
| ASSETS | | | | | | |
| Current: | | | | | | |
| Cash and short-term investments | \$ 1,837,142 | \$ 1,822,312 | \$ 38,476 | \$ 6,419 | \$ 3,704,349 | \$ - |
| User fees, net of allowance for uncollectibles | | | | | | |
| Billed | 393,579 | 452,965 | 46,896 | - | 893,440 | - |
| Unbilled | 549,477 | 503,559 | - | - | 1,053,036 | - |
| Departmental and other receivables | - | - | - | - | - | 59,254 |
| Intergovernmental receivables | - | 939,352 | - | - | 939,352 | - |
| Capital lease receivable | - | - | - | 58,340 | 58,340 | - |
| Due from other funds | 2,671,345 | 4,086,650 | 813 | - | 6,758,808 | 1,097,184 |
| Inventory | 264,785 | 49,308 | 5,790 | - | 319,883 | 55,581 |
| | <u>5,716,328</u> | <u>7,854,146</u> | <u>91,975</u> | <u>64,759</u> | <u>13,727,208</u> | <u>1,212,019</u> |
| Total current assets | 5,716,328 | 7,854,146 | 91,975 | 64,759 | 13,727,208 | 1,212,019 |
| Noncurrent: | | | | | | |
| Investment in land | - | - | - | 1,256,731 | 1,256,731 | - |
| Intergovernmental receivable | - | 2,048,682 | - | - | 2,048,682 | - |
| Capital lease receivable | - | - | - | 2,023,717 | 2,023,717 | - |
| Capital assets: | | | | | | |
| Land and construction in progress | 4,985,641 | 1,293,148 | 251,890 | 20,579 | 6,551,258 | - |
| Other capital assets, net of accumulated depreciation | 18,790,625 | 39,349,369 | 3,819,836 | - | 61,959,830 | - |
| | <u>23,776,266</u> | <u>42,691,199</u> | <u>4,071,726</u> | <u>3,301,027</u> | <u>73,840,218</u> | <u>-</u> |
| Total noncurrent assets | 23,776,266 | 42,691,199 | 4,071,726 | 3,301,027 | 73,840,218 | - |
| TOTAL ASSETS | 29,492,594 | 50,545,345 | 4,163,701 | 3,365,786 | 87,567,426 | 1,212,019 |
| LIABILITIES | | | | | | |
| Current: | | | | | | |
| Accounts payable | 542,931 | 154,024 | 19,092 | - | 716,047 | 32,699 |
| Accrued liabilities | 43,573 | 149,377 | 16,128 | 4,981 | 214,059 | 8,923 |
| Retainage payable | 155,415 | 60,296 | - | - | 215,711 | - |
| Unearned revenue | - | 111,832 | 62,357 | 14,911 | 189,100 | - |
| Due to other funds | - | - | - | 62,696 | 62,696 | - |
| Current portion of long-term liabilities: | | | | | | |
| Claims liability | - | - | - | - | - | 238,668 |
| Bonds payable | 985,000 | 1,660,000 | 238,490 | 138,340 | 3,021,830 | - |
| Compensated absences | 66,563 | 78,812 | 12,838 | - | 158,213 | 26,775 |
| | <u>1,793,482</u> | <u>2,214,341</u> | <u>348,905</u> | <u>220,928</u> | <u>4,577,656</u> | <u>307,065</u> |
| Total current liabilities | 1,793,482 | 2,214,341 | 348,905 | 220,928 | 4,577,656 | 307,065 |
| Noncurrent: | | | | | | |
| Claims liability, net of current portion | - | - | - | - | - | 358,001 |
| Advance from other fund | - | - | 2,299,881 | - | 2,299,881 | - |
| Bonds payable, net of current portion | 10,588,000 | 9,878,000 | 2,575,470 | 1,983,435 | 25,024,905 | - |
| OPEB liability | 367,380 | 185,100 | 48,792 | - | 601,272 | - |
| | <u>10,955,380</u> | <u>10,063,100</u> | <u>4,924,143</u> | <u>1,983,435</u> | <u>27,926,058</u> | <u>358,001</u> |
| Total noncurrent liabilities | 10,955,380 | 10,063,100 | 4,924,143 | 1,983,435 | 27,926,058 | 358,001 |
| TOTAL LIABILITIES | 12,748,862 | 12,277,441 | 5,273,048 | 2,204,363 | 32,503,714 | 665,066 |
| NET ASSETS | | | | | | |
| Invested in capital assets, net of related debt | 14,651,928 | 35,561,883 | 1,257,766 | - | 51,471,577 | - |
| Restricted for debt service | - | - | - | 1,877,057 | 1,877,057 | - |
| Restricted for capital outlay | 1,857,317 | 1,857,546 | 38,200 | - | 3,753,063 | 181,578 |
| Unrestricted | 234,487 | 848,475 | (2,405,313) | (715,634) | (2,037,985) | 365,375 |
| | <u>16,743,732</u> | <u>38,267,904</u> | <u>(1,109,347)</u> | <u>1,161,423</u> | <u>55,063,712</u> | <u>546,953</u> |
| TOTAL NET ASSETS | \$ 16,743,732 | \$ 38,267,904 | \$ (1,109,347) | \$ 1,161,423 | \$ 55,063,712 | \$ 546,953 |

See notes to financial statements.

CITY OF DOVER, NEW HAMPSHIRE
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2008

| | Business-Type Activities Enterprise Funds | | | | Total | Governmental Activities |
|------------------------------------------------|----------------------------------------------|---------------|----------------|---------------|---------------|------------------------------|
| | Water Fund | Sewer Fund | Arena Fund | DBIDA Fund | | Internal Service Funds |
| Operating Revenues: | | | | | | |
| Charges for services | \$ 3,864,482 | \$ 3,994,007 | \$ 1,480,636 | \$ - | \$ 9,339,125 | \$ 1,310,671 |
| Investment fees | 90,067 | 125,267 | - | - | 215,334 | - |
| Other revenue | 57,013 | 9,729 | 88,192 | 138,353 | 293,287 | 102,428 |
| Total Operating Revenues | 4,011,562 | 4,129,003 | 1,568,828 | 138,353 | 9,847,746 | 1,413,099 |
| Operating Expenses: | | | | | | |
| Personal services | 1,416,077 | 1,225,936 | 551,641 | - | 3,193,654 | 602,012 |
| Purchased services | 181,057 | 208,397 | 112,880 | 481 | 502,815 | 313,950 |
| Supplies | 531,925 | 868,425 | 399,111 | - | 1,799,461 | 40,990 |
| Minor equipment | 13,355 | 21,228 | - | - | 34,583 | 83,922 |
| Depreciation | 644,602 | 1,992,686 | 140,282 | - | 2,777,570 | - |
| Other expenses | 120,839 | 131,073 | 86,860 | - | 338,772 | 245,874 |
| Total Operating Expenses | 2,907,855 | 4,447,745 | 1,290,774 | 481 | 8,646,855 | 1,286,748 |
| Operating Income (Loss) | 1,103,707 | (318,742) | 278,054 | 137,872 | 1,200,891 | 126,351 |
| Nonoperating Revenues (Expenses): | | | | | | |
| Intergovernmental revenue | - | - | - | - | - | 9,000 |
| Investment income | 52,010 | 52,520 | 1,475 | 28 | 106,033 | - |
| Interest expense | (522,187) | (569,255) | (136,988) | (137,960) | (1,366,390) | - |
| Total Nonoperating Revenues (Expenses), Net | (470,177) | (516,735) | (135,513) | (137,932) | (1,260,357) | 9,000 |
| Capital Contributions | - | 240,877 | - | - | 240,877 | - |
| Change in Net Assets | 633,530 | (594,600) | 142,541 | (60) | 181,411 | 135,351 |
| Net Assets at Beginning of Year | 16,110,202 | 38,862,504 | (1,251,888) | 1,161,483 | 54,882,301 | 411,602 |
| Net Assets at End of Year | \$ 16,743,732 | \$ 38,267,904 | \$ (1,109,347) | \$ 1,161,423 | \$ 55,063,712 | \$ 546,953 |

See notes to financial statements.

CITY OF DOVER, NEW HAMPSHIRE

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2008

| | Business-Type Activities Enterprise Funds | | | | | Governmental Activities |
|-----------------------------------------------------------------------------------------------------------|----------------------------------------------|---------------|---------------|---------------|--------------|------------------------------|
| | Water Fund | Sewer Fund | Arena Fund | DBIDA Fund | Total | Internal Service Funds |
| <u>Cash Flows From Operating Activities:</u> | | | | | | |
| Receipts from customers and users for services | \$ 3,679,025 | \$ 3,791,188 | \$ 1,588,725 | \$ 138,353 | \$ 9,197,291 | \$ 1,420,224 |
| Receipts from customers and users for investment fees | 90,067 | 125,267 | - | - | 215,334 | - |
| Payments to vendors and contractors | (226,601) | (1,181,071) | (590,435) | (481) | (1,998,588) | (474,870) |
| Payments of employee salaries and benefits | (1,297,236) | (1,149,391) | (535,416) | - | (2,982,043) | (855,943) |
| Receipts for interfund service provided | - | - | (12,829) | - | (12,829) | (64,096) |
| Payments for interfund service provided | 2,019,469 | 533,678 | - | 75,644 | 2,628,791 | (34,315) |
| Net Cash Provided By Operating Activities | 4,264,724 | 2,119,671 | 450,045 | 213,516 | 7,047,956 | (9,000) |
| <u>Cash Flows From Noncapital Financing Activities:</u> | | | | | | |
| Intergovernmental subsidy | - | 1,699,684 | - | - | 1,699,684 | 9,000 |
| Net Cash Provided By Noncapital Financing Activities | - | 1,699,684 | - | - | 1,699,684 | 9,000 |
| <u>Cash Flows From Capital and Related Financing Activities:</u> | | | | | | |
| Capital lease payments received | - | - | - | 54,678 | 54,678 | - |
| Purchases of capital assets and land for investment | (2,182,771) | (980,764) | (69,283) | (3,135) | (3,235,953) | - |
| Principal payments on bonds and notes | (1,005,000) | (1,672,000) | (241,490) | (127,101) | (3,045,591) | - |
| Interest expense | (517,626) | (627,337) | (139,272) | (137,957) | (1,422,192) | - |
| Net Cash Provided By (Used For) Capital and Related Financing Activities | (3,705,397) | (3,280,101) | (450,045) | (213,515) | (7,649,058) | - |
| <u>Cash Flows From Investing Activities:</u> | | | | | | |
| Investment income | 52,010 | 52,520 | 1,475 | 28 | 106,033 | - |
| Net Cash Provided By Investing Activities | 52,010 | 52,520 | 1,475 | 28 | 106,033 | - |
| Net Change in Cash and Short-Term Investments | 611,337 | 591,774 | 1,475 | 29 | 1,204,615 | - |
| Cash and Short Term Investments, Beginning of Year | 1,225,805 | 1,230,538 | 37,001 | 6,390 | 2,499,734 | - |
| Cash and Short Term Investments, End of Year | \$ 1,837,142 | \$ 1,822,312 | \$ 38,476 | \$ 6,419 | \$ 3,704,349 | \$ - |
| <u>Reconciliation of Operating Income to Net Cash Provided by (Used For) Operating Activities:</u> | | | | | | |
| Operating income (loss) | \$ 1,103,707 | \$ (318,742) | \$ 278,054 | \$ 137,872 | \$ 1,200,891 | \$ 126,351 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: | | | | | | |
| Depreciation | 644,602 | 1,992,686 | 140,282 | - | 2,777,570 | - |
| Changes in assets and liabilities: | | | | | | |
| User fees | (242,470) | (212,540) | (42,460) | - | (497,470) | - |
| Inventory | - | - | (1,840) | - | (1,840) | 3,811 |
| Departmental and other receivables | - | - | - | - | - | 7,125 |
| Interfund receivables and payables | 2,108,169 | 643,278 | 12,171 | 75,644 | 2,839,262 | (98,411) |
| Other assets | - | - | - | - | - | 3,827 |
| Accounts payable | 505,711 | 41,780 | (14,744) | - | 532,747 | (18,951) |
| Accrued liabilities | 3,365 | 113 | (972) | - | 2,506 | (34,149) |
| Unearned revenue | - | - | 62,357 | - | 62,357 | - |
| Retainage payable | 26,164 | (103,336) | - | - | (77,172) | - |
| Compensated absences | (12,905) | 11,749 | 147 | - | (1,009) | 1,397 |
| OPEB liability | 128,381 | 64,683 | 17,050 | - | 210,114 | - |
| Net Cash Provided By (Used For) Operating Activities | \$ 4,264,724 | \$ 2,119,671 | \$ 450,045 | \$ 213,516 | \$ 7,047,956 | \$ (9,000) |

See notes to financial statements.

CITY OF DOVER, NEW HAMPSHIRE
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET ASSETS
 JUNE 30, 2008

| | <u>Agency Funds</u> | <u>Private Purpose Trust Funds</u> |
|----------------------------------------------|-------------------------|------------------------------------------------|
| <u>ASSETS</u> | | |
| Cash and short term investments | \$ 344,372 | \$ - |
| Due from other funds | <u>847,806</u> | <u>701,688</u> |
| Total Assets | 1,192,178 | 701,688 |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| Other liabilities | <u>1,192,178</u> | <u>-</u> |
| Total Liabilities | <u>1,192,178</u> | <u>-</u> |
| <u>NET ASSETS</u> | | |
| Total Net Assets Held in Trust | \$ <u><u>-</u></u> | \$ <u><u>701,688</u></u> |

See notes to financial statements.

CITY OF DOVER, NEW HAMPSHIRE
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2008

| | <u>Private Purpose Trust Funds</u> |
|------------------------|--------------------------------------------|
| Additions: | |
| Contributions | \$ 53,994 |
| Investment income | <u>42,504</u> |
| Total additions | 96,498 |
| Deductions: | |
| Disbursements by agent | <u>14,901</u> |
| Total deductions | <u>14,901</u> |
| Net increase | 81,597 |
| Net assets: | |
| Beginning of year | <u>620,091</u> |
| End of year | <u><u>\$ 701,688</u></u> |

See notes to financial statements.

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CITY OF DOVER, NEW HAMPSHIRE

Notes to Financial Statements

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:

A. Reporting Entity

The government is a municipal corporation governed by an elected mayor, eight-member council and an appointed City Manager. As required by generally accepted accounting principles, these financial statements present the government and applicable component units for which the government is considered to be financially accountable. In fiscal year 2008, it was determined that no entities met the required GASB-39 criteria of component units.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) 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.

C. 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.

Amounts reported as *program revenues* include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes and excises.

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 a 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 fund:

- 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 *CIP FY08* is 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.
- The *CIP FY07* is 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.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 non-operating revenues and expenses.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

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 *Arena Fund* accounts for the operations of the Dover Ice Arena.
- The *Dover Business and Industrial Development Authority Fund* (DBIDA) accounts for the economic development projects of the DBIDA, which operates under RSA 162-G.

Additionally, the government reports the following fund type:

- Internal service funds account for data processing, fleet management services, and workers compensation administration and claims, 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:

- The private-purpose trust fund is used to account for trust arrangements, under which principal and investment income exclusively benefit individuals, private organizations, or other governments.

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.

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.

D. 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 (NHPDIP) 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 NHPDIP 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.

Trust Funds

Under New Hampshire RSA 34:5, capital reserve funds of the City shall be invested only by deposit in some savings bank 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.

E. 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 account in applicable governmental funds to indicate the portion not available for appropriation and not available as expendable financial resources.

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

F. Inventories

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed. No significant inventory balances were on hand in governmental funds.

G. 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 \$10,000 and an estimated useful life in excess of two 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.

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

| <u>Assets</u> | <u>Years</u> |
|----------------------------|--------------|
| Buildings | 20 - 40 |
| Building improvements | 40 |
| Building systems | 15 - 24 |
| Infrastructure | 20 - 60 |
| Water/sewer infrastructure | 24 - 50 |
| Vehicles | 8 - 15 |
| Office equipment | 7 - 20 |
| Computer equipment | 5 - 10 |
| Land improvements | 15 - 20 |
| Machinery and equipment | 5 - 15 |
| Books and collections | 5 |

H. Compensated Absences

Depending on the union, 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.

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, 2008 was \$513,658. The vested portion attributable to enterprise fund employees has been recorded in the respective fund.

I. 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 assets.

J. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

K. 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.

2. Stewardship, Compliance and Accountability

A. Budgetary Information

The City Manager submits his proposed operating budget to the City Council on or before April 1. The operating budget includes proposed expenditures and the means of financing them. Annual budgets are adopted for the general fund, various special revenue funds, and proprietary funds. Special revenue funds with annually adopted budgets are: parking activity, residential solid waste, library fines, tuition programs, school alternative education, school facilities, McConnell Center, police DHA fund and school cafeteria. Proprietary funds with annually adopted budgets are water, sewer, and arena funds. Public hearings are conducted to obtain comments on the proposed budget. The final budget must be adopted by June 15, 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 head 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.

B. Budgetary Basis

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

C. 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.

| <u>General Fund</u> | <u>Revenues and other financing sources</u> | <u>Expenditures and other financing uses</u> | Excess (deficiency) of revenues and other financing sources over (under) expenditures and other <u>financing uses</u> |
|----------------------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| Revenues/Expenditures (GAAP basis) | \$ 77,434,485 | \$ 75,934,609 | \$ 1,499,876 |
| Other financing sources/ uses (GAAP basis) | 32,000 | 1,093,416 | (1,061,416) |
| Subtotal (GAAP basis) | <u>77,466,485</u> | <u>77,028,025</u> | <u>438,460</u> |
| Adjust property tax revenue to accrual basis | 243,828 | - | 243,828 |
| Reverse beginning of year appropriation carryforwards from expenditures | - | (1,388,882) | 1,388,882 |
| Reverse on-behalf payments | (387,700) | (387,700) | - |
| Add end of year appro- priation carryforwards to expenditures | - | 643,717 | (643,717) |
| Use of fund balance | 163,193 | - | 163,193 |
| To reverse amortized debt | <u>-</u> | <u>(21,250)</u> | <u>21,250</u> |
| Budgetary Basis | <u>\$ 77,485,806</u> | <u>\$ 75,873,910</u> | <u>\$ 1,611,896</u> |

D. Excess of Expenditures Over Appropriations

Expenditures exceeded appropriations in the following areas:

General Fund:

 Debt service principal \$ (273,398)

Nonmajor Governmental Funds:

 Special Revenue Funds:

 School Alternative Education \$ (14,789)
 McConnell Center (277,395)
 School Cafeteria (130,738)

Internal Service Funds:

Fleet Maintenance \$ (22,028)

E. Deficit Fund Equity

The individual projects within the following funds had deficits as of June 30, 2008:

Nonmajor Governmental Funds:

Special Revenue Funds:

| | |
|-----------------------|------------------|
| Community Development | \$ (87,597) (A) |
| Homeland Security | (36,290) (A) |
| Police DHA | (3,296) (A) |
| Police DOT | (12,658) (A) |
| Police Tobacco | (2,522) (A) |
| Dover Main Street | (1,391) (A) |
| McConnell Center | (429,702) (B) |

Capital Project Funds:

| | |
|----------------------|------------------|
| CIP FY09 | \$ (12,771) (B) |
| CIP FY00 | (32,015) (B) |
| Cocheco River Dredge | (155,317) (C) |

The following fund had a deficit as of June 30, 2008:

Proprietary Fund:

Arena Fund \$ (1,109,347) (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.
- (C) The deficit will be funded by future grant reimbursements and fees charged for placement of dredge spoils.

3. Cash and Investments

A. 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 investments were exposed to custodial credit risk.

City Funds

The City's Investment Policy requires the use of security broker/dealers be based on creditworthiness (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 US 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 US Government Obligations, US Government Agency Obligations or State of NH 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 US Government Obligations, US Government Agency Obligations or State of NH Obligations.

Maximum maturity for an investment of City funds is six months. As of June 30, 2008, the City's bank balance of \$40,056,426 was fully insured and collateralized, including \$5,083,279 in repurchase agreements held in underlying securities by the investment's counterparty, and in the name of the City.

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 US Government or the state, county, town, city, school district or water and sewer district.

- Stocks and bonds as are legal for investment by NH savings banks.
- Shares of mutual funds or money market mutual funds.

Investment depositories must meet the following criteria:

- Minimum total assets of \$100 million.
- Minimum ratio of equity capital to total assets of 6%.
- Maximum ratio of non-performing assets to equity of 35%.
- Minimum of an average rating by a bank rating service.

The \$2,575,371 investments of the Trust Funds are all mutual funds, which are exempt from the rating and duration of time disclosure requirements.

B. 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. During fiscal year 2008 the trust investments were held in mutual funds. The mutual fund investment criteria are listed below:

- The fund is a no load, open-ended fund, and does not charge 12b-1 expenses.
- The fund is qualified for sale in the State of New Hampshire with the Securities Regulations Bureau of the NH Secretary of State.
- The fund is registered with the SEC.
- A prospectus is available to the trustees outlining the investment philosophy of the fund and the major holdings in the fund.
- The fund has a Morningstar rating of four stars or better.
- The fund can invest in equities or bonds or both.
- Price/Earnings & Price/Book ratios should be reasonable within the given market conditions and sectors.
- If the fund invests mainly in fixed income securities or is mixed with equities, the average credit quality of the fixed income securities should be A or higher.
- No investment shall be made into high yield bond funds.

C. Concentration of Credit Risk

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 US 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:

- 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% (cost basis) shall be invested in any one sector.
- About 10% of the portfolio should be kept in more liquid money market accounts.

D. 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 Treasurer 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 Treasurer shall review and, if appropriate, proceed to liquidate any securities having comparable credit risks.

Information about the sensitivity of the fair values of the Trust's investments to market interest rate fluctuations is not provided, since all investments are held in mutual funds.

E. 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.ci.dover.nh.us.

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.

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, 2008 are comprised of (in thousands):

| | |
|---------------------------|-----------------|
| Unredeemed taxes: | |
| Levy of fiscal year 2008 | \$ 2,313 |
| Levy of fiscal year 2007 | 454 |
| Levy of fiscal year 2006 | 162 |
| Allowance for abatements | <u>(158)</u> |
| Subtotal | 2,771 |
| Other taxes: | |
| Other miscellaneous taxes | <u>39</u> |
| Total | <u>\$ 2,810</u> |

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.

| | <u>Ambulance</u> | <u>Police Detail</u> | <u>Current Use</u> | <u>Other</u> | <u>Total</u> |
|------------------------------------------|-------------------|--------------------------|------------------------|-------------------|-------------------|
| Gross | \$ 660,659 | \$ 42,207 | \$ 105,701 | \$ 246,266 | \$ 1,054,833 |
| Less: Allowance for doubtful accounts | <u>(261,697)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(261,697)</u> |
| Total | <u>\$ 398,962</u> | <u>\$ 42,207</u> | <u>\$ 105,701</u> | <u>\$ 246,266</u> | <u>\$ 793,136</u> |

6. Intergovernmental Receivables

Intergovernmental receivables of \$163,115 reported in the general fund represents tuition revenue received from area school districts in July and August 2008. The balance of \$789,398 reported in the nonmajor governmental funds represents amounts to be received on various expenditure driven grants.

The New Hampshire Department of Environmental Services annually reimburses the City for a portion of the principal and interest payments on Sanitary Sewer Fund 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 | <u>Reimbursement For</u> | | | |
|-------------------|--------------------------|------------------|-------------------|---------------------|
| | <u>June 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2009 | \$ | 835,833 | \$ 182,677 | \$ 1,018,510 |
| 2010 | | 835,833 | 126,094 | 961,927 |
| 2011 | | 835,833 | 69,496 | 905,329 |
| 2012 | | 343,095 | 12,884 | 355,979 |
| 2013 | | 5,711 | 1,323 | 7,034 |
| Thereafter | | <u>28,210</u> | <u>3,779</u> | <u>31,989</u> |
| Total | \$ | <u>2,884,515</u> | \$ <u>396,253</u> | \$ <u>3,280,768</u> |

In the Sewer Enterprise fund the City has accrued \$103,519 of interest due in fiscal year 2009, along with all principal as Intergovernmental Receivables at June 30, 2008.

7. Loans Receivable

Loans receivable of \$396,564 in nonmajor governmental funds represent the uncollected balance of community development loans.

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 payable to the general fund from Arena and McConnell Center 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, 2008 balances in interfund receivable and payable accounts:

| <u>Fund</u> | <u>Due From Other Funds</u> | <u>Due To Other Funds</u> | <u>Advance To Other Funds</u> | <u>Advance From Other Funds</u> |
|-----------------------------|---------------------------------|-------------------------------|-----------------------------------|-------------------------------------|
| General Fund | \$ - | \$ 21,823,054 | \$ 2,733,032 | \$ - |
| CIP FY08 | 6,410,086 | - | - | - |
| CIP FY07 | 2,445,981 | - | - | - |
| Nonmajor Govt l Funds | 5,229,375 | 1,605,178 | - | 433,151 |
| Major Proprietary Funds: | | | | |
| Enterprise Funds: | | | | |
| Water | 2,671,345 | - | - | - |
| Sewer | 4,086,650 | - | - | - |
| Arena | 813 | - | - | 2,299,881 |
| DBIDA | - | 62,696 | - | - |
| Nonmajor Proprietary Funds: | | | | |
| Internal Service Funds | 1,097,184 | - | - | - |
| Fiduciary Funds: | | | | |
| Agency Funds | 847,806 | - | - | - |
| Private Purpose Funds | 701,688 | - | - | - |
| Total | \$ <u>23,490,928</u> | \$ <u>23,490,928</u> | \$ <u>2,733,032</u> | \$ <u>2,733,032</u> |

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.

9. Capital Assets

Capital asset activity for the year ended June 30, 2008 was as follows
(reported in thousands):

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|----------------------------------------------|------------------------------|------------------|-------------------|---------------------------|
| Governmental Activities: | | | | |
| Capital assets, being depreciated: | | | | |
| Buildings and improvements | \$ 77,742 | \$ 2,843 | \$ - | \$ 80,585 |
| Machinery, equipment, and furnishings | 23,628 | 544 | (60) | 24,112 |
| Infrastructure | <u>53,010</u> | <u>77</u> | <u>-</u> | <u>53,087</u> |
| Total capital assets, being depreciated | 154,380 | 3,464 | (60) | 157,784 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | (24,147) | (1,644) | - | (25,791) |
| Machinery, equipment, and furnishings | (13,725) | (1,405) | 60 | (15,070) |
| Infrastructure | <u>(35,172)</u> | <u>(1,662)</u> | <u>-</u> | <u>(36,834)</u> |
| Total accumulated depreciation | <u>(73,044)</u> | <u>(4,711)</u> | <u>60</u> | <u>(77,695)</u> |
| Total capital assets, being depreciated, net | 81,336 | (1,247) | - | 80,089 |
| Capital assets, not being depreciated: | | | | |
| Land | 13,306 | 362 | - | 13,668 |
| Construction in progress | <u>19,109</u> | <u>12,524</u> | <u>(2,284)</u> | <u>29,349</u> |
| Total capital assets, not being depreciated | <u>32,415</u> | <u>12,886</u> | <u>(2,284)</u> | <u>43,017</u> |
| Governmental activities capital assets, net | <u>\$ 113,751</u> | <u>\$ 11,639</u> | <u>\$ (2,284)</u> | <u>\$ 123,106</u> |
| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
| Business-Type Activities: | | | | |
| Capital assets, being depreciated: | | | | |
| Buildings and improvements | \$ 40,413 | \$ 1,453 | \$ - | \$ 41,866 |
| Machinery, equipment, and furnishings | 9,657 | 246 | (71) | 9,832 |
| Infrastructure | <u>50,496</u> | <u>2,321</u> | <u>-</u> | <u>52,817</u> |
| Total capital assets, being depreciated | 100,566 | 4,020 | (71) | 104,515 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | (17,206) | (1,198) | - | (18,404) |
| Machinery, equipment, and furnishings | (4,919) | (534) | 71 | (5,382) |
| Infrastructure | <u>(17,724)</u> | <u>(1,045)</u> | <u>-</u> | <u>(18,769)</u> |
| Total accumulated depreciation | <u>(39,849)</u> | <u>(2,777)</u> | <u>71</u> | <u>(42,555)</u> |
| Total capital assets, being depreciated, net | 60,717 | 1,243 | - | 61,960 |
| Capital assets, not being depreciated: | | | | |
| Land | 2,037 | - | - | 2,037 |
| Construction in progress | <u>5,301</u> | <u>3,164</u> | <u>(3,951)</u> | <u>4,514</u> |
| Total capital assets, not being depreciated | <u>7,338</u> | <u>3,164</u> | <u>(3,951)</u> | <u>6,551</u> |
| Business-type activities capital assets, net | <u>\$ 68,055</u> | <u>\$ 4,407</u> | <u>\$ (3,951)</u> | <u>\$ 68,511</u> |

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

| | |
|-------------------------------------------------------|-----------------|
| Governmental Activities: | |
| General government | \$ 25 |
| Public safety | 308 |
| Public works | 2,446 |
| Education | 1,561 |
| Culture and recreation | 369 |
| Human services | <u>2</u> |
| Total depreciation expense - governmental activities | <u>\$ 4,711</u> |
| Business-Type Activities: | |
| Water | \$ 644 |
| Sewer | 1,993 |
| Arena | <u>140</u> |
| Total depreciation expense - business-type activities | <u>\$ 2,777</u> |

Construction Commitments:

Active construction in progress at June 30, 2008 and commitments outstanding consist of the following:

| <u>Government Activities</u> | <u>Construction in Progress</u> | <u>Remaining Commitments</u> |
|---------------------------------------|-------------------------------------|----------------------------------|
| Tolend Rd | \$ 9,023,691 | \$ 3,615,801 |
| Woodman Park School | 7,140,915 | 1,407,434 |
| Cochecho Dredge Cell | 3,434,828 | 641,561 |
| Street Improvements | 3,025,801 | 80,631 |
| Glenwood Ave Improvements | 1,592,801 | 143,771 |
| Fire Station North End | 1,373,302 | 1,769,857 |
| Sixth Street and Indian Brook Drive | 1,351,371 | 227,598 |
| Dover High School and Garrison School | 559,527 | 939,727 |
| McConnell Center Renovations | 409,290 | 32,839 |
| TIP - Cochecho River Bridge | 271,713 | 6,499 |
| Signalizations | 237,934 | 1,193,758 |
| McConnell Building Improvements | 224,958 | 38,867 |
| Drainage | 150,553 | 4,273 |
| Horne Street School | 137,834 | 6,000 |
| Henry Law Avenue Reconstruction | 131,223 | 809,120 |
| Sidewalks | 96,572 | 290,914 |
| Various other construction projects | <u>188,177</u> | <u>414,033</u> |
| Total Governmental Activities | <u>\$ 29,350,490</u> | <u>\$ 11,622,683</u> |

| <u>Business-Type Activities</u> | <u>Construction in Progress</u> | <u>Remaining Commitments</u> |
|-------------------------------------------|-------------------------------------|----------------------------------|
| Water Meter Replacement | \$ 1,732,089 | \$ 345,561 |
| Water - bouchard Well & Treatment Plant | 2,532,859 | 95,488 |
| Various other water construction projects | 32,162 | 39,288 |
| Sewer - WWTP UV Unit Upgrade | 95,479 | 44,112 |
| Various other sewer construction projects | 101,364 | 193,981 |
| DBIDA Enterprise Park | 20,579 | 100 |
| Total Business Type Activities | <u>\$ 4,514,532</u> | <u>\$ 718,530</u> |

10. Accounts Payable

Accounts payable represents fiscal year 2008 invoices paid in the subsequent fiscal year.

11. Accrued Liabilities

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

12. Deferred Revenue

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

The balance of the General Fund deferred revenues account is equal to the sum of all delinquent taxes at June 30, 2008 less property and unredeemed tax collections for the subsequent 60 days.

13. Long-Term Debt

A. 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 general fund, and also water, sewer, arena, internal service, and other special revenue funds.

B. 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 assets invested in capital assets net of related debt. General obligation bonds and loans currently outstanding are as follows:

| <u>Description</u> | <u>Original Issue Amount</u> | <u>Rate</u> | <u>Maturity Date</u> | <u>Balance</u> |
|----------------------------------------|------------------------------|-------------|----------------------|----------------------|
| Bonds Payable: | | | | |
| WWTP-State guaranteed 1991 | \$ 10,500,000 | 6.6983% | 07/15/11 | \$ 2,100,000 |
| WWTP-State guaranteed 1991 | 7,300,000 | 6.5746% | 01/15/12 | 1,460,000 |
| WWTP-State guaranteed 1992 | 450,000 | 5.5966% | 01/15/12 | 80,000 |
| Public improvements 1993 | 1,188,338 | 5.4153% | 08/15/08 | 80,000 |
| Public improvements 1994 | 3,043,000 | 5.6100% | 08/15/09 | 350,000 |
| Public improvements 1995 | 3,356,711 | 5.3259% | 08/15/10 | 615,000 |
| Public improvements 1996 | 3,885,092 | 5.6554% | 08/15/11 | 790,000 |
| Energy conservation 1996 | 875,055 | 5.4059% | 01/15/12 | 83,960 |
| Public improvements 1997 | 1,002,327 | 4.8400% | 08/15/12 | 200,000 |
| Public improvements 1999 | 4,137,500 | 4.1900% | 01/15/13 | 1,375,000 |
| Public improvements 1999 | 2,179,901 | 5.5100% | 01/15/15 | 985,000 |
| New Middle School 1999 | 15,741,027 | 5.5800% | 01/15/20 | 7,289,861 |
| Public improvements 2001 | 22,991,400 | 4.4506% | 06/15/21 | 12,740,000 |
| Public improvements 2002 | 2,240,600 | 4.2300% | 06/15/22 | 1,375,000 |
| Public improvements 2003 | 14,280,000 | 3.1668% | 06/15/24 | 9,780,000 |
| Public improvements 2004 | 9,816,000 | 4.1148% | 06/15/25 | 7,840,000 |
| Public improvements 2005 | 10,740,000 | 3.8405% | 06/15/26 | 9,290,000 |
| Public improvements 2006 | 22,348,000 | 4.2313% | 06/15/27 | 20,840,000 |
| Public improvements 2007 | 20,646,000 | 4.5000% | 06/15/27 | <u>19,490,000</u> |
| Total bonds payable | | | | 96,763,821 |
| Other Long-Term Debt: | | | | |
| State revolving loan - Tolend landfill | 1,271,357 | 3.5625% | 09/01/13 | 508,543 |
| BFA Loan | 2,000,000 | 6.5000% | 03/02/26 | <u>1,881,775</u> |
| Total Other Debt Outstanding | | | | <u>2,390,318</u> |
| Total Long-Term Debt | | | | <u>\$ 99,154,139</u> |

C. Future Debt Service

The annual principal and interest payments to retire all general obligation long-term debt outstanding as of June 30, 2008 are as follows:

| <u>Governmental</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------------|----------------------|----------------------|-----------------------|
| 2009 | \$ 6,089,954 | \$ 3,164,934 | \$ 9,254,888 |
| 2010 | 5,917,359 | 2,994,951 | 8,912,310 |
| 2011 | 5,685,756 | 2,835,126 | 8,520,882 |
| 2012 | 5,468,702 | 2,684,965 | 8,153,667 |
| 2013 | 5,250,002 | 2,536,864 | 7,786,866 |
| 2014 - 2018 | 22,446,599 | 10,473,213 | 32,919,812 |
| 2019 - 2023 | 13,749,032 | 4,824,847 | 18,573,879 |
| 2024 - 2028 | <u>6,500,000</u> | <u>682,100</u> | <u>7,182,100</u> |
| Total | \$ <u>71,107,404</u> | \$ <u>30,197,000</u> | \$ <u>101,304,404</u> |

| <u>Business-Type</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|----------------------|----------------------|---------------------|----------------------|
| 2009 | \$ 3,021,830 | \$ 1,271,866 | \$ 4,293,696 |
| 2010 | 3,015,737 | 1,126,853 | 4,142,590 |
| 2011 | 2,924,906 | 983,850 | 3,908,756 |
| 2012 | 2,704,352 | 843,493 | 3,547,845 |
| 2013 | 1,755,610 | 728,308 | 2,483,918 |
| 2014 - 2018 | 9,293,300 | 2,372,223 | 11,665,523 |
| 2019 - 2023 | 4,001,000 | 741,571 | 4,742,571 |
| 2024 - 2028 | <u>1,330,000</u> | <u>136,810</u> | <u>1,466,810</u> |
| Total | \$ <u>28,046,735</u> | \$ <u>8,204,974</u> | \$ <u>36,251,709</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.

D. Bond Authorizations

Long-term debt authorizations which have not been issued or rescinded as of June 30, 2008 are as follows:

| <u>Purpose</u> | <u>Amount</u> |
|------------------------------|----------------------|
| Varney Brook Forcemain | \$ 900,000 |
| Enterprise Park Building Pjt | 2,000,000 |
| Tolend Rd. Landfill Remedia | 5,500,000 |
| Street Recon-Paul/Wallingft | 250,000 |
| Water Main - Paul/Wallingft | 175,000 |
| Rizzo - Downtown Parking | 500,000 |
| Open Sapce Acquisition | 1,000,000 |
| TIP Cocheco River Bridge | 200 |
| Street Recon - Broadway | 200,000 |
| Public Improvements FY09 | <u>6,095,000</u> |
| Total | \$ <u>16,620,200</u> |

E. 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, 2008 and related limitations. These limits are based on the tax year 2007 base valuations for debt limits of \$3,030,293,656 provided by the State Department of Revenue Administration.

| <u>Purpose</u> | <u>Percent of State Assessed Value</u> | <u>Maximum Debt Limit</u> | <u>Applicable Bonds Outstanding at June 30, 2008</u> |
|---------------------------|----------------------------------------|---------------------------|------------------------------------------------------|
| Municipal | 3% | \$ 91,808,810 | \$ 39,454,960 |
| School | 7% | 214,220,556 | 29,132,861 |
| Water | 10% | 306,029,366 | 11,573,000 |
| DBIDA - IP | 0% | 4,000,000 * | 845,000 |
| DBIDA - IB | 0% | 1,000,000 | - |
| DBIDA - Projects | 8% | 230,878,696 | 1,881,775 |
| Not subject to limitation | 0% | - | <u>16,266,543</u> |
| | <u>Total</u> | | <u>\$ 99,154,139</u> |

* Debt limit is set by special legislation.

F. Changes in General Long-Term Liabilities

During the year ended June 30, 2008, the following changes occurred in long-term liabilities (in thousands):

| | <u>Total Balance 07/01/07</u> | <u>Additions</u> | <u>Reductions</u> | <u>Total Balance 06/30/08</u> | <u>Less Current Portion</u> | <u>Long-Term Portion 06/30/08</u> |
|--------------------------------------------|-------------------------------|------------------|-------------------|-------------------------------|-----------------------------|-----------------------------------|
| <u>Governmental Activities</u> | | | | | | |
| Claims liability | \$ 632 | \$ - | \$ (35) | \$ 597 | \$ (239) | \$ 358 |
| Bonds and loans payable | 77,323 | - | (6,216) | 71,107 | (6,090) | 65,017 |
| Other: | | | | | | |
| Compensated absences | 2,806 | 854 | (515) | 3,145 | (147) | 2,998 |
| OPEB liability | 4,778 | 3,528 | (962) | 7,344 | - | 7,344 |
| Liability for hazardous waste-site cleanup | <u>6,264</u> | <u>-</u> | <u>-</u> | <u>6,264</u> | <u>-</u> | <u>6,264</u> |
| Totals | <u>\$ 91,803</u> | <u>\$ 4,382</u> | <u>\$ (7,728)</u> | <u>\$ 88,457</u> | <u>\$ (6,476)</u> | <u>\$ 81,981</u> |

| | Total Balance 07/01/07 | Additions | Reductions | Total Balance 06/30/08 | Less Current Portion | Long-Term Portion 06/30/08 |
|---------------------------------|------------------------------|-----------|------------|------------------------------|----------------------------|----------------------------------|
| <u>Business-Type Activities</u> | | | | | | |
| Bonds and loans payable | \$ 31,100 | \$ - | \$ (3,053) | \$ 28,047 | \$ (3,022) | \$ 25,025 |
| Other: | | | | | | |
| Compensated absences | 159 | 121 | (121) | 159 | (159) | - |
| OPEB liability | 391 | 289 | (79) | 601 | - | 601 |
| Totals | \$ 31,650 | \$ 410 | \$ (3,253) | \$ 28,807 | \$ (3,181) | \$ 25,626 |

14. 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.

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 post closure maintenance. The City's new liability is \$8,663,966 for the alternative closure method using the same cost sharing percentage. Of this total, \$7,625,525 relates to the closure and \$1,038,441 relates to post closure maintenance.

The \$8,663,966 liability is further reduced by \$2,400,000 of available bonded funds reflecting a net liability at June 30, 2008 of \$6,263,966 relating to the AROD.

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.

15. Restricted Net Assets

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

16. Reserves of Fund Equity

"Reserves" of fund equity are established to segregate fund balances which are either not available for expenditure in the future or are legally set aside for a specific future use.

The following types of reserves are reported at June 30, 2008:

Reserved for Encumbrances - An account used to segregate that portion of fund balance committed for expenditure of financial resources upon vendor performance.

Reserved for Inventory - An account used to segregate that portion of fund balance committed for inventory purposes.

Reserved for Expenditures - Represents the amount of fund balance appropriated to be used for expenditures in the subsequent year budget.

Reserved for Advances - An account used to segregate a portion of fund balance to indicate that advances to other funds, although a component of assets, do not represent available spendable resources.

Reserved for Other Specific Purposes - Represents the amount of fund balance committed for debt service and capital outlay in subsequent years.

17. Subsequent Events

A. Investments

During September through December, 2008, the stock market suffered significant losses. As a result, there may be a substantial depreciation in the value of the organization's investments.

B. Debt

Subsequent to June 30, 2008, the City has incurred the following additional debt:

| | <u>Amount</u> | <u>Interest Rate</u> | <u>Issue Date</u> | <u>Maturity Date</u> |
|-------------------------|---------------|--------------------------|-----------------------|--------------------------|
| General obligation bond | \$ 9,970,000 | 3.00 - 4.75 % | 11/15/08 | 12/15/28 |

18. 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 Deficit - City's property tax assessment is 27% of Strafford County's total assessment. Stafford County had a \$7,076,678 unreserved General Fund Balance deficit on December 31, 2007.

19. 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 assets 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 Assets 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 benefits, benefit levels, employee contributions and employer contributions are governed by NH RSA 100-A:50.

As of June 30, 2008, the actuarial valuation date, approximately 123 retirees and 598 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 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

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.

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:

| <u>Fiscal Year</u> | <u>Net City Cost</u> |
|--------------------|----------------------|
| 2008 | \$ 562,787 |
| 2007 | 499,660 |
| 2006 | 401,268 |
| 2005 | 334,247 |
| 2004 | 276,543 |
| 2003 | 108,733 |
| 2002 | 66,030 |
| 2001 | 132,639 |
| 2000 | 109,087 |
| 1999 | 90,894 |

For the fiscal year ended June 30, 2008, \$387,700 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 2008 annual OPEB expense is calculated based on the annual required contribution of the employer (ARC), 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, 2008, the amount actually contributed to the plan, and the change in the City's net OPEB obligation based on an actuarial valuation as of June 30, 2008.

| | |
|-----------------------------------------|---------------------|
| Annual Required Contribution (ARC) | \$ 3,894,906 |
| Interest on net OPEB obligation | 258,450 |
| Adjustment to ARC | <u>(336,251)</u> |
| Annual OPEB cost | 3,817,105 |
| Contributions made | <u>(1,040,520)</u> |
| Increase in net OPEB obligation | 2,776,585 |
| Net OPEB obligation - beginning of year | <u>5,169,002</u> |
| Net OPEB obligation - end of year | <u>\$ 7,945,587</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:

| <u>Fiscal year ended</u> | <u>Annual OPEB Cost</u> | <u>Percentage of OPEB Cost Contributed</u> | <u>Net OPEB Obligation</u> |
|--------------------------|---------------------------------|------------------------------------------------|--------------------------------|
| 2008 | \$ 3,817,105 | 27.3% | \$7,945,587 |

The City's net OPEB obligation as of June 30, 2008 is recorded as a liability on the Statement of Net Assets.

Funded Status and Funding Progress

The funded status of the plan as of June 30, 2008, the date of the most recent actuarial valuation was as follows:

| | |
|---------------------------------------------------|----------------------|
| Actuarial accrued liability (AAL) | \$ 42,669,587 |
| Actuarial value of plan assets | - |
| Unfunded actuarial accrued liability (UAAL) | <u>42,669,587</u> |
| Funded ratio (actuarial value of plan assets/AAL) | <u>0%</u> |
| Covered payroll (active plan members) | \$ <u>28,725,197</u> |
| UAAL as a percentage of covered payroll | <u>148.5%</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, 2008 actuarial valuation the pure 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 5.0% investment rate of return and an initial annual healthcare cost trend rate of 10.0% which decreases to a 4.5% long-term rate for all healthcare benefits after ten years. The amortization costs for the initial UAAL is a level percentage of payroll for a period of 30 years, on a closed basis.

20. 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.

Claims Liability

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

| | <u>Year Ended June 30, 2008</u> | <u>Year Ended June 30, 2007</u> |
|-----------------------------------------|-------------------------------------|-------------------------------------|
| Unpaid claims, beginning of fiscal year | \$ 632,053 | \$ 558,480 |
| Claims incurred (including IBNRs) | 283,898 | 411,850 |
| Claims paid | <u>(319,282)</u> | <u>(338,277)</u> |
| Unpaid claims, end of fiscal year | <u>\$ 596,669</u> | <u>\$ 632,053</u> |

The City adopted a policy to maintain 100% funding for an actuarially determined claims liability based on a 65% confidence level. Out of \$596,669 claims liability as of June 30, 2008, \$238,668 is due within one year.

21. 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.

22. 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.

A. 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 Hamp-

shire Retirement System at 4 Chenell Drive, Concord, New Hampshire 03301-8509.

B. Funding Policy

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' and the State's contributory rate every two years. The employer pays 65% of the total employer normal contribution rate for teacher, firefighter and police officer members; the State of New Hampshire pays 35%. The employer pays the entire amount for its employee members. The following table reflects the contribution rates (percent of compensation) during fiscal year 2007 for the members, the City and the State.

| <u>Group</u> | <u>Contribution Rates</u> | | |
|--------------|---------------------------|-------------|--------------|
| | <u>Members</u> | <u>City</u> | <u>State</u> |
| I Teachers | 5.00% | 5.80% | 2.00% |
| I Employees | 5.00% | 8.74% | 0.00% |
| II Police | 9.30% | 11.84% | 5.22% |
| II Fire | 9.30% | 15.92% | 7.73% |

Contributions to the System were as follows:

| <u>Year Ended</u> | <u>The City</u> | <u>Plan Members</u> | <u>Total</u> |
|-------------------|-----------------|---------------------|--------------|
| 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 |
| 2004 | 1,655,035 | 1,865,872 | 3,520,907 |
| 2003 | 1,133,880 | 1,786,910 | 2,920,790 |
| 2002 | 1,020,217 | 1,609,822 | 2,630,039 |
| 2001 | 972,117 | 1,502,795 | 2,474,912 |

23. Beginning Fund Balance Reclassification

The City's major governmental funds for fiscal year 2008, as defined by GASB Statement 34, have changed from the previous fiscal year. CIP 08 is a major fund in fiscal year 2008 per GASB 34 criteria. Management elects to present CIP 07 as a major fund. Accordingly, the following reconciliation is provided:

| | Fund Equity 6/30/07 (as previously reported) | Reclassification | Fund Equity 7/1/07 (as restated) |
|-----------------------------|-------------------------------------------------------|------------------|----------------------------------------|
| Nonmajor Governmental Funds | \$ 26,168,146 | \$ (17,551,166) | \$ 8,616,980 |
| CIP 08 | - | 9,384,789 | 9,384,789 |
| CIP 07 | - | 8,166,377 | 8,166,377 |
| Total | \$ <u>26,168,146</u> | \$ <u>-</u> | \$ <u>26,168,146</u> |

CITY OF DOVER, NEW HAMPSHIRE
SCHEDULE OF FUNDING PROGRESS
REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2008
(Unaudited)

Other Post-Employment Benefits

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) - Entry Age (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percent- age of Covered Payroll [(b-a)/c] |
|--------------------------------|----------------------------------------|------------------------------------------------------------------|------------------------------------|--------------------------|---------------------------|--------------------------------------------------------------------|
| 07/01/08 | \$ - | \$ 42,669,587 | \$ 42,669,587 | 0.0% | \$ 28,725,197 | 148.5% |
| 07/01/07 | \$ - | \$ 40,449,724 | \$ 40,449,724 | 0.0% | \$ 27,170,669 | 148.9% |
| 07/01/06 | \$ - | \$ 33,584,481 | \$ 33,584,481 | 0.0% | N/A | N/A |
| 07/01/05 | \$ - | \$ 31,256,403 | \$ 31,256,403 | 0.0% | N/A | N/A |

N/A Not available at time of publication.

See Independent Auditors' Report.

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. Dept. of Housing and Urban Development under the Community Development Block Grant (CDBG) program and the related program and sub-grant expenditures.
- 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.
- Police DOJ Fund - To account for grant proceeds from the U.S. Dept. of Justice for various drug and alcohol awareness and prevention programs.
- Homeland Security Fund - To account for grant proceeds from the U.S. Dept. 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. Dept. of Transportation for various driving safety programs.
- 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.
- DOI Fund - To account for grant proceeds from the U.S. Dept. 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. Dept. of Education and receipt of U.S. Dept. of Agriculture food commodities.
- School Federal Aid Fund - To account for grants received from the U.S. Dept. 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.
- 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 of 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.

- 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 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 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 revenue 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.

CITY OF DOVER, NEW HAMPSHIRE

Non-Major Governmental Funds

**Combining Balance Sheet
June 30, 2008**

| | Special Revenue Funds | | | |
|----------------------------------------|----------------------------------|-------------------------------|--------------------------------------|-----------------------|
| | Community Development Fund | Housing Rehab Loan Fund | Economic Development Loan Fund | Police DOJ Fund |
| <u>ASSETS</u> | | | | |
| Cash and short-term investments | \$ - | \$ - | \$ - | \$ - |
| Investments | - | - | - | - |
| Departmental receivable | - | - | - | - |
| Intergovernmental receivables | 109,362 | - | - | 29,591 |
| Loans receivable | - | 156,142 | 240,422 | - |
| Due from other funds | - | 156,678 | 263,933 | - |
| Inventory | - | - | - | - |
| | - | - | - | - |
| Total Assets | \$ 109,362 | \$ 312,820 | \$ 504,355 | \$ 29,591 |
| <u>LIABILITIES AND FUND BALANCES</u> | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 12,603 | \$ 697 | \$ 313 | \$ 12 |
| Accrued liabilities | 1,941 | - | - | 7,875 |
| Retainage payable | - | - | - | - |
| Deferred revenue | - | 156,142 | 240,422 | - |
| Due to other funds | 182,415 | - | - | 1,213 |
| Advance from other fund | - | - | - | - |
| Compensated absences | - | - | - | - |
| | - | - | - | - |
| Total Liabilities | 196,959 | 156,839 | 240,735 | 9,100 |
| Fund Balances: | | | | |
| Reserved for encumbrances | - | - | - | - |
| Reserved for inventory | - | - | - | - |
| Reserved for expenditures | - | - | - | - |
| Unreserved: | | | | |
| Undesignated, reported in: | | | | |
| Special revenue fund | (87,597) | 155,981 | 263,620 | 20,491 |
| Capital projects fund | - | - | - | - |
| | - | - | - | - |
| Total Fund Balances | (87,597) | 155,981 | 263,620 | 20,491 |
| Total Liabilities and Fund Balances | \$ 109,362 | \$ 312,820 | \$ 504,355 | \$ 29,591 |

Special Revenue Funds

| Homeland Security Fund | Police DHA Fund | Police DOT Fund | Police Tobacco Fund | Emergency Management Fund |
|------------------------------|-----------------------|-----------------------|---------------------------|---------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - |
| - | - | - | - | 12,119 |
| - | - | - | - | - |
| - | - | - | - | 345,827 |
| - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 357,946</u> |
| | | | | |
| \$ - | \$ - | \$ - | \$ 981 | \$ 9,385 |
| - | 1,338 | 2,472 | 384 | 367 |
| - | - | - | - | - |
| - | - | - | - | - |
| 36,290 | 1,958 | 10,186 | 1,157 | - |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>36,290</u> | <u>3,296</u> | <u>12,658</u> | <u>2,522</u> | <u>9,752</u> |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| (36,290) | (3,296) | (12,658) | (2,522) | 348,194 |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>(36,290)</u> | <u>(3,296)</u> | <u>(12,658)</u> | <u>(2,522)</u> | <u>348,194</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 357,946</u> |

(continued)

(continued)

| | <u>Special Revenue Funds</u> | | |
|----------------------------------------|------------------------------|---------------------|--------------------------------------|
| | <u>DOI Fund</u> | <u>EPA Fund</u> | <u>School Cafeteria Fund</u> |
| <u>ASSETS</u> | | | |
| Cash and short-term investments | \$ - | \$ - | \$ - |
| Investments | - | - | - |
| Departmental receivable | - | - | - |
| Intergovernmental receivables | - | - | 28,694 |
| Loans receivable | - | - | - |
| Due from other funds | 8,526 | 4,459 | - |
| Inventory | - | - | 16,226 |
| | <u>-</u> | <u>-</u> | <u>16,226</u> |
| Total Assets | <u>\$ 8,526</u> | <u>\$ 4,459</u> | <u>\$ 44,920</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | | |
| Liabilities: | | | |
| Accounts payable | \$ - | \$ - | \$ 5,303 |
| Accrued liabilities | - | - | - |
| Retainage payable | - | - | - |
| Deferred revenue | - | - | - |
| Due to other funds | - | - | 31,676 |
| Advance from other fund | - | - | - |
| Compensated absences | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Liabilities | - | - | 36,979 |
| Fund Balances: | | | |
| Reserved for encumbrances | - | - | - |
| Reserved for inventory | - | - | 16,226 |
| Reserved for expenditures | - | - | - |
| Unreserved: | | | |
| Undesignated, reported in: | | | |
| Special revenue fund | 8,526 | 4,459 | (8,285) |
| Capital projects fund | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Fund Balances | <u>8,526</u> | <u>4,459</u> | <u>7,941</u> |
| Total Liabilities and Fund Balances | <u>\$ 8,526</u> | <u>\$ 4,459</u> | <u>\$ 44,920</u> |

Special Revenue Funds

| School Federal Aid Fund | School Special Programs Fund | Dover Main Street Fund | Planning Improvements Fund | Police and Fire Detail | Parking Activity Fund |
|-------------------------------|---------------------------------------|------------------------------|----------------------------------|------------------------------|-----------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| - | - | - | - | 33,576 | 2,039 |
| 509,864 | 90,918 | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | 501,747 | 54,114 | 67,150 |
| - | - | - | - | - | - |
| <u>\$ 509,864</u> | <u>\$ 90,918</u> | <u>\$ -</u> | <u>\$ 501,747</u> | <u>\$ 87,690</u> | <u>\$ 69,189</u> |
| \$ - | \$ - | \$ - | \$ 4,650 | \$ - | \$ 2,454 |
| - | - | - | - | 3,872 | 3,995 |
| - | - | - | - | - | - |
| - | 5,937 | - | - | - | - |
| 366,455 | 81,862 | 1,391 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 366,455 | 87,799 | 1,391 | 4,650 | 3,872 | 6,449 |
| - | - | - | - | - | 10,133 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 143,409 | 3,119 | (1,391) | 497,097 | 83,818 | 52,607 |
| - | - | - | - | - | - |
| <u>143,409</u> | <u>3,119</u> | <u>(1,391)</u> | <u>497,097</u> | <u>83,818</u> | <u>62,740</u> |
| <u>\$ 509,864</u> | <u>\$ 90,918</u> | <u>\$ -</u> | <u>\$ 501,747</u> | <u>\$ 87,690</u> | <u>\$ 69,189</u> |

(continued)

(continued)

| | Special Revenue Funds | | | |
|----------------------------------------|---------------------------|----------------------|---------------------------------------|-----------------------------|
| | Police Special Fund | Conservation Fund | Residential Solid Waste Fund | McConnell Center Fund |
| ASSETS | | | | |
| Cash and short-term investments | \$ - | \$ - | \$ - | \$ - |
| Investments | - | - | - | - |
| Departmental receivable | - | 105,700 | 53,994 | 18,987 |
| Intergovernmental receivables | - | - | - | - |
| Loans receivable | - | - | - | - |
| Due from other funds | 48,739 | 76,556 | 110,787 | - |
| Inventory | - | - | 10,107 | - |
| Total Assets | <u>\$ 48,739</u> | <u>\$ 182,256</u> | <u>\$ 174,888</u> | <u>\$ 18,987</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ - | \$ - | \$ 106,302 | \$ 14,796 |
| Accrued liabilities | - | - | 1,413 | 742 |
| Retainage payable | - | - | - | - |
| Deferred revenue | - | - | - | - |
| Due to other funds | - | - | - | - |
| Advance from other fund | - | - | - | 433,151 |
| Compensated absences | - | - | - | - |
| Total Liabilities | - | - | 107,715 | 448,689 |
| Fund Balances: | | | | |
| Reserved for encumbrances | - | - | 74,567 | 39,489 |
| Reserved for inventory | - | - | 10,107 | - |
| Reserved for expenditures | - | - | - | - |
| Unreserved: | | | | |
| Undesignated, reported in: | | | | |
| Special revenue fund | 48,739 | 182,256 | (17,501) | (469,191) |
| Capital projects fund | - | - | - | - |
| Total Fund Balances | <u>48,739</u> | <u>182,256</u> | <u>67,173</u> | <u>(429,702)</u> |
| Total Liabilities and Fund Balances | <u>\$ 48,739</u> | <u>\$ 182,256</u> | <u>\$ 174,888</u> | <u>\$ 18,987</u> |

Special Revenue Funds

| Recreation Programs Fund | Recreation Field Maintenance Fund | Library Fines Fund | Tuition Programs Fund | Vocational Center Fund |
|--------------------------------|--------------------------------------------|--------------------------|-----------------------------|------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - |
| 30 | - | - | 7,913 | - |
| - | - | - | 8,850 | - |
| - | - | - | - | - |
| 279,206 | 45,926 | 65,579 | 25,480 | 906 |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>\$ 279,236</u> | <u>\$ 45,926</u> | <u>\$ 65,579</u> | <u>\$ 42,243</u> | <u>\$ 906</u> |
| | | | | |
| \$ 2,457 | \$ 1,582 | \$ 6,387 | \$ - | \$ - |
| 2,837 | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 5,294 | 1,582 | 6,387 | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 273,942 | 44,344 | 59,192 | 42,243 | 906 |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>273,942</u> | <u>44,344</u> | <u>59,192</u> | <u>42,243</u> | <u>906</u> |
| <u>\$ 279,236</u> | <u>\$ 45,926</u> | <u>\$ 65,579</u> | <u>\$ 42,243</u> | <u>\$ 906</u> |

(continued)

(continued)

| | Special Revenue Funds | | | Subtotals |
|----------------------------------------|--------------------------------------------|------------------------------|--------------------------------------|---------------------|
| | School Alternative Education Fund | School Facilities Fund | Other Special Revenue Funds | |
| <u>ASSETS</u> | | | | |
| Cash and short-term investments | \$ - | \$ - | \$ 1,784,503 | \$ 1,784,503 |
| Investments | - | - | 2,575,371 | 2,575,371 |
| Departmental receivable | - | 6,329 | - | 228,568 |
| Intergovernmental receivables | - | - | - | 789,398 |
| Loans receivable | - | - | - | 396,564 |
| Due from other funds | 122,158 | 93,894 | - | 2,271,665 |
| Inventory | - | - | - | 26,333 |
| Total Assets | <u>\$ 122,158</u> | <u>\$ 100,223</u> | <u>\$ 4,359,874</u> | <u>\$ 8,072,402</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 1,212 | \$ 84 | \$ 356 | \$ 169,574 |
| Accrued liabilities | - | - | - | 27,236 |
| Retainage payable | - | - | - | - |
| Deferred revenue | - | - | - | 402,501 |
| Due to other funds | - | - | 707,667 | 1,422,270 |
| Advance from other fund | - | - | - | 433,151 |
| Compensated absences | - | - | 60,429 | 60,429 |
| Total Liabilities | 1,212 | 84 | 768,452 | 2,515,161 |
| Fund Balances: | | | | |
| Reserved for encumbrances | 34,471 | 8,121 | - | 166,781 |
| Reserved for inventory | - | - | - | 26,333 |
| Reserved for expenditures | - | - | 20,000 | 20,000 |
| Unreserved: | | | | |
| Undesignated, reported in: | | | | |
| Special revenue fund | 86,475 | 92,018 | 3,571,422 | 5,344,127 |
| Capital projects fund | - | - | - | - |
| Total Fund Balances | <u>120,946</u> | <u>100,139</u> | <u>3,591,422</u> | <u>5,557,241</u> |
| Total Liabilities and Fund Balances | <u>\$ 122,158</u> | <u>\$ 100,223</u> | <u>\$ 4,359,874</u> | <u>\$ 8,072,402</u> |

Capital Projects Funds

| CIP <u>FY09</u> | CIP <u>FY06</u> | CIP <u>FY05</u> | CIP <u>FY04</u> | CIP <u>FY03</u> |
|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | 135,761 | 399,801 | 982,615 | 41,912 |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>\$ -</u> | <u>\$ 135,761</u> | <u>\$ 399,801</u> | <u>\$ 982,615</u> | <u>\$ 41,912</u> |
| | | | | |
| \$ - | \$ - | \$ 83,956 | \$ 3,840 | \$ - |
| - | - | - | - | - |
| - | 4,000 | 6,092 | - | 298 |
| - | - | - | - | - |
| 12,771 | - | - | - | - |
| - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 12,771 | 4,000 | 90,048 | 3,840 | 298 |
| | | | | |
| 23,229 | 662,169 | 816,261 | - | 10,600 |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>(36,000)</u> | <u>(530,408)</u> | <u>(506,508)</u> | <u>978,775</u> | <u>31,014</u> |
| <u>(12,771)</u> | <u>131,761</u> | <u>309,753</u> | <u>978,775</u> | <u>41,614</u> |
| <u>\$ -</u> | <u>\$ 135,761</u> | <u>\$ 399,801</u> | <u>\$ 982,615</u> | <u>\$ 41,912</u> |

(continued)

(continued)

| | <u>Capital Projects Funds</u> | | | |
|----------------------------------------|-------------------------------|---------------------|---------------------|-------------------------------------------|
| | <u>CIP FY02</u> | <u>CIP FY01</u> | <u>CIP FY00</u> | <u>Tolend Rd Landfill Closure</u> |
| <u>ASSETS</u> | | | | |
| Cash and short-term investments | \$ - | \$ - | \$ - | \$ - |
| Investments | - | - | - | - |
| Departmental receivable | - | - | - | - |
| Intergovernmental receivables | - | - | - | - |
| Loans receivable | - | - | - | - |
| Due from other funds | 8,503 | 98,177 | - | 1,006,735 |
| Inventory | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Assets | <u>\$ 8,503</u> | <u>\$ 98,177</u> | <u>\$ -</u> | <u>\$ 1,006,735</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ 732 |
| Accrued liabilities | - | - | - | 1,152 |
| Retainage payable | 2,726 | - | - | - |
| Deferred revenue | - | - | - | - |
| Due to other funds | - | - | 32,015 | - |
| Advance from other fund | - | - | - | - |
| Compensated absences | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Liabilities | 2,726 | - | 32,015 | 1,884 |
| Fund Balances: | | | | |
| Reserved for encumbrances | 4,104 | - | - | - |
| Reserved for inventory | - | - | - | - |
| Reserved for expenditures | - | - | - | - |
| Unreserved: | | | | |
| Undesignated, reported in: | | | | |
| Special revenue fund | - | - | - | - |
| Capital projects fund | 1,673 | 98,177 | (32,015) | 1,004,851 |
| | <u>1,673</u> | <u>98,177</u> | <u>(32,015)</u> | <u>1,004,851</u> |
| Total Fund Balances | <u>5,777</u> | <u>98,177</u> | <u>(32,015)</u> | <u>1,004,851</u> |
| Total Liabilities and Fund Balances | <u>\$ 8,503</u> | <u>\$ 98,177</u> | <u>\$ -</u> | <u>\$ 1,006,735</u> |

Capital Projects Funds

| <u>Cocheco River Dredge</u> | <u>Recreation Field Construction</u> | <u>Subtotals</u> | <u>Total</u> |
|-------------------------------------|----------------------------------------------|------------------|---------------|
| \$ - | \$ - | \$ - | \$ 1,784,503 |
| - | - | - | 2,575,371 |
| - | - | - | 228,568 |
| - | - | - | 789,398 |
| - | - | - | 396,564 |
| - | 284,206 | 2,957,710 | 5,229,375 |
| - | - | - | 26,333 |
| \$ - | \$ 284,206 | \$ 2,957,710 | \$ 11,030,112 |
| | | | |
| \$ 2,572 | \$ 2,362 | \$ 93,462 | \$ 263,036 |
| - | - | 1,152 | 28,388 |
| 14,623 | - | 27,739 | 27,739 |
| - | - | - | 402,501 |
| 138,122 | - | 182,908 | 1,605,178 |
| - | - | - | 433,151 |
| - | - | - | 60,429 |
| 155,317 | 2,362 | 305,261 | 2,820,422 |
| | | | |
| 641,561 | - | 2,157,924 | 2,324,705 |
| - | - | - | 26,333 |
| - | - | - | 20,000 |
| - | - | - | 5,344,127 |
| (796,878) | 281,844 | 494,525 | 494,525 |
| (155,317) | 281,844 | 2,652,449 | 8,209,690 |
| \$ - | \$ 284,206 | \$ 2,957,710 | \$ 11,030,112 |

CITY OF DOVER, NEW HAMPSHIRE

Non-Major Governmental Funds

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For Fiscal Year Ended June 30, 2008

| | Special Revenue Funds | | | |
|------------------------------------------------------|----------------------------------|-------------------------------|--------------------------------------|-----------------------|
| | Community Development Fund | Housing Rehab Loan Fund | Economic Development Loan Fund | Police DOJ Fund |
| Revenues: | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses and permits | - | - | - | - |
| Intergovernmental | 349,430 | - | - | 205,949 |
| Current services | 27,545 | 21,449 | 146,982 | - |
| Miscellaneous | 4,850 | - | - | 20,448 |
| Total Revenues | 381,825 | 21,449 | 146,982 | 226,397 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | 443,264 |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Education | - | - | - | - |
| Human services | 403,057 | 5,487 | - | - |
| Debt service | - | - | - | - |
| Total Expenditures | 403,057 | 5,487 | - | 443,264 |
| Excess (deficiency) of revenues over expenditures | (21,232) | 15,962 | 146,982 | (216,867) |
| Other Financing Sources: | | | | |
| Transfers in | - | - | - | 256,702 |
| Net change in fund balances | (21,232) | 15,962 | 146,982 | 39,835 |
| Fund Balances, beginning | (66,365) | 140,019 | 116,638 | (19,344) |
| Fund Balances, ending | \$ (87,597) | \$ 155,981 | \$ 263,620 | \$ 20,491 |

Special Revenue Funds

| Homeland Security Fund | Police DHA Fund | Police DOT Fund | Police Tobacco Fund | Emergency Management Fund |
|------------------------------|-----------------------|-----------------------|---------------------------|---------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - |
| 103,457 | 65,294 | 38,634 | 26,930 | 252,268 |
| - | - | - | 2,535 | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 103,457 | 65,294 | 38,634 | 29,465 | 252,268 |
| - | - | - | - | - |
| 65,026 | 95,701 | 36,137 | 31,041 | 68,248 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 65,026 | 95,701 | 36,137 | 31,041 | 68,248 |
| 38,431 | (30,407) | 2,497 | (1,576) | 184,020 |
| <u>-</u> | <u>27,125</u> | <u>-</u> | <u>1,002</u> | <u>36,124</u> |
| 38,431 | (3,282) | 2,497 | (574) | 220,144 |
| <u>(74,721)</u> | <u>(14)</u> | <u>(15,155)</u> | <u>(1,948)</u> | <u>128,050</u> |
| <u>\$ (36,290)</u> | <u>\$ (3,296)</u> | <u>\$ (12,658)</u> | <u>\$ (2,522)</u> | <u>\$ 348,194</u> |

(continued)

(continued)

| | <u>Special Revenue Funds</u> | | |
|------------------------------------------------------|------------------------------|---------------------|--------------------------------------|
| | <u>DOI Fund</u> | <u>EPA Fund</u> | <u>School Cafeteria Fund</u> |
| Revenues: | | | |
| Taxes | \$ - | \$ - | \$ - |
| Licenses and permits | - | - | - |
| Intergovernmental | - | - | 386,853 |
| Current services | - | - | 909,260 |
| Miscellaneous | - | - | 41,243 |
| Total Revenues | - | - | 1,337,356 |
| Expenditures: | | | |
| Current: | | | |
| General government | - | 10,691 | - |
| Public safety | - | - | - |
| Public works | - | - | - |
| Culture and recreation | - | - | - |
| Education | - | - | 1,428,494 |
| Human services | - | - | - |
| Debt service | - | - | - |
| Total Expenditures | - | 10,691 | 1,428,494 |
| Excess (deficiency) of revenues over expenditures | - | (10,691) | (91,138) |
| Other Financing Sources: | | | |
| Transfers in | - | - | - |
| Net change in fund balances | - | (10,691) | (91,138) |
| Fund Balances, beginning | 8,526 | 15,150 | 99,079 |
| Fund Balances, ending | \$ 8,526 | \$ 4,459 | \$ 7,941 |

Special Revenue Funds

| School Federal Aid Fund | School Special Programs Fund | Dover Main Street Fund | Planning Improvements Fund | Police and Fire Detail | Parking Activity Fund |
|-------------------------------|---------------------------------------|------------------------------|----------------------------------|------------------------------|-----------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| 2,715,918 | - | - | - | - | - |
| - | 591,314 | 35,688 | 326,454 | 246,296 | 283,764 |
| - | - | - | - | - | 139 |
| <u>2,715,918</u> | <u>591,314</u> | <u>35,688</u> | <u>326,454</u> | <u>246,296</u> | <u>283,903</u> |
| - | - | 34,706 | - | - | - |
| - | - | - | - | 190,010 | 318,924 |
| - | - | - | 27,138 | - | - |
| - | - | - | - | - | - |
| 2,650,216 | 594,050 | - | - | - | - |
| - | - | - | - | - | - |
| <u>2,650,216</u> | <u>594,050</u> | <u>34,706</u> | <u>27,138</u> | <u>190,010</u> | <u>318,924</u> |
| 65,702 | (2,736) | 982 | 299,316 | 56,286 | (35,021) |
| - | - | - | - | - | - |
| 65,702 | (2,736) | 982 | 299,316 | 56,286 | (35,021) |
| <u>77,707</u> | <u>5,855</u> | <u>(2,373)</u> | <u>197,781</u> | <u>27,532</u> | <u>97,761</u> |
| <u>\$ 143,409</u> | <u>\$ 3,119</u> | <u>\$ (1,391)</u> | <u>\$ 497,097</u> | <u>\$ 83,818</u> | <u>\$ 62,740</u> |

(continued)

(continued)

| | Special Revenue Funds | | | |
|------------------------------------------------------|---------------------------|----------------------|---------------------------------------|-----------------------------|
| | Police Special Fund | Conservation Fund | Residential Solid Waste Fund | McConnell Center Fund |
| Revenues: | | | | |
| Taxes | \$ - | \$ 376,167 | \$ - | \$ - |
| Licenses and permits | 1,430 | - | - | - |
| Intergovernmental | - | - | - | - |
| Current services | - | - | 1,046,148 | 163,287 |
| Miscellaneous | <u>26,720</u> | <u>3</u> | <u>545</u> | <u>-</u> |
| Total Revenues | 28,150 | 376,170 | 1,046,693 | 163,287 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | 564,217 | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | 1,022,774 | - |
| Culture and recreation | - | - | - | 333,458 |
| Education | - | - | - | - |
| Human services | - | - | - | - |
| Debt service | <u>-</u> | <u>-</u> | <u>-</u> | <u>409,194</u> |
| Total Expenditures | <u>-</u> | <u>564,217</u> | <u>1,022,774</u> | <u>742,652</u> |
| Excess (deficiency) of revenues over expenditures | 28,150 | (188,047) | 23,919 | (579,365) |
| Other Financing Sources: | | | | |
| Transfers in | <u>-</u> | <u>-</u> | <u>-</u> | <u>225,463</u> |
| Net change in fund balances | 28,150 | (188,047) | 23,919 | (353,902) |
| Fund Balances, beginning | <u>20,589</u> | <u>370,303</u> | <u>43,254</u> | <u>(75,800)</u> |
| Fund Balances, ending | <u>\$ 48,739</u> | <u>\$ 182,256</u> | <u>\$ 67,173</u> | <u>\$ (429,702)</u> |

Special Revenue Funds

| Recreation Programs Fund | Recreation Field Maintenance Fund | Library Fines Fund | Tuition Programs Fund | Vocational Center Fund |
|--------------------------------|--------------------------------------------|--------------------------|-----------------------------|------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - |
| - | - | - | 8,850 | - |
| 188,004 | 6,604 | 40,631 | 361,305 | - |
| <u>500</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 188,504 | 6,604 | 40,631 | 370,155 | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 109,197 | 36,044 | 38,498 | - | - |
| - | - | - | 333,753 | - |
| - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 109,197 | 36,044 | 38,498 | 333,753 | - |
| 79,307 | (29,440) | 2,133 | 36,402 | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 79,307 | (29,440) | 2,133 | 36,402 | - |
| <u>194,635</u> | <u>73,784</u> | <u>57,059</u> | <u>5,841</u> | <u>906</u> |
| <u>\$ 273,942</u> | <u>\$ 44,344</u> | <u>\$ 59,192</u> | <u>\$ 42,243</u> | <u>\$ 906</u> |

(continued)

(continued)

| | Special Revenue Funds | | | Subtotals |
|------------------------------------------------------|--------------------------------------------|------------------------------|--------------------------------------|--------------|
| | School Alternative Education Fund | School Facilities Fund | Other Special Revenue Funds | |
| Revenues: | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ 376,167 |
| Licenses and permits | - | - | - | 1,430 |
| Intergovernmental | - | - | - | 4,153,583 |
| Current services | 313,222 | 114,286 | 18,527 | 4,843,301 |
| Miscellaneous | - | - | 233,334 | 327,782 |
| Total Revenues | 313,222 | 114,286 | 251,861 | 9,702,263 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | - | 609,614 |
| Public safety | - | - | 154,892 | 1,403,243 |
| Public works | - | - | 2,130 | 1,052,042 |
| Culture and recreation | - | - | 2,550 | 519,747 |
| Education | 739,318 | 107,721 | 2,331 | 5,855,883 |
| Human services | - | - | - | 408,544 |
| Debt service | - | - | - | 409,194 |
| Total Expenditures | 739,318 | 107,721 | 161,903 | 10,258,267 |
| Excess (deficiency) of revenues over expenditures | (426,096) | 6,565 | 89,958 | (556,004) |
| Other Financing Sources: | | | | |
| Transfers in | 447,000 | - | 68,000 | 1,061,416 |
| Net change in fund balances | 20,904 | 6,565 | 157,958 | 505,412 |
| Fund Balances, beginning | 100,042 | 93,574 | 3,433,464 | 5,051,829 |
| Fund Balances, ending | \$ 120,946 | \$ 100,139 | \$ 3,591,422 | \$ 5,557,241 |

(continued)

Capital Projects Funds

| | CIP FY02 | CIP FY01 | CIP FY00 | Tolend Rd Landfill Closure |
|------------------------------------------------------|-----------------|------------------|--------------------|----------------------------------|
| Revenues: | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses and permits | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Current services | - | - | - | - |
| Miscellaneous | - | - | - | - |
| Total Revenues | - | - | - | - |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | 690 | - |
| Public safety | - | - | - | - |
| Public works | 8,119 | - | 180 | 804,364 |
| Culture and recreation | 27,254 | - | 198 | - |
| Education | - | - | - | - |
| Human services | - | - | - | - |
| Debt service - interest | - | - | - | - |
| Total Expenditures | <u>35,373</u> | <u>-</u> | <u>1,068</u> | <u>804,364</u> |
| Excess (deficiency) of revenues over expenditures | (35,373) | - | (1,068) | (804,364) |
| Other Financing Sources: | | | | |
| Transfers in | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | (35,373) | - | (1,068) | (804,364) |
| Fund Balances, beginning | <u>41,150</u> | <u>98,177</u> | <u>(30,947)</u> | <u>1,809,215</u> |
| Fund Balances, ending | <u>\$ 5,777</u> | <u>\$ 98,177</u> | <u>\$ (32,015)</u> | <u>\$ 1,004,851</u> |

Capital Projects Funds

| Cochecho River <u>Dredge</u> | Recreation Field <u>Construction</u> | <u>Subtotals</u> | <u>Total</u> |
|------------------------------------|--------------------------------------------|---------------------|---------------------|
| \$ - | \$ - | \$ - | \$ 376,167 |
| - | - | - | 1,430 |
| - | - | - | 4,153,583 |
| 1,208,440 | - | 1,208,440 | 6,051,741 |
| <u>-</u> | <u>163,971</u> | <u>163,971</u> | <u>491,753</u> |
| 1,208,440 | 163,971 | 1,372,411 | 11,074,674 |
| - | - | 362,588 | 972,202 |
| - | - | 19,967 | 1,423,210 |
| 31,119 | 132,926 | 1,826,606 | 2,878,648 |
| - | 11,733 | 53,502 | 573,249 |
| - | - | 22,450 | 5,878,333 |
| - | - | - | 408,544 |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>409,194</u> |
| <u>31,119</u> | <u>144,659</u> | <u>2,285,113</u> | <u>12,543,380</u> |
| 1,177,321 | 19,312 | (912,702) | (1,468,706) |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>1,061,416</u> |
| 1,177,321 | 19,312 | (912,702) | (407,290) |
| <u>(1,332,638)</u> | <u>262,532</u> | <u>3,565,151</u> | <u>8,616,980</u> |
| <u>\$ (155,317)</u> | <u>\$ 281,844</u> | <u>\$ 2,652,449</u> | <u>\$ 8,209,690</u> |

**Detail and Combining Budget
and Actual Schedules**

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, human services, 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.

CITY OF DOVER, NEW HAMPSHIRE

Detail Schedule of Revenues and Other Financing Sources -
Budget and Actual - General Fund
For the Year Ended June 30, 2008

| | Budgeted Amounts | | Actual (Budgetary Basis) | Variance with Final Budget - Positive (Negative) |
|----------------------------------------|-------------------|-------------------|-----------------------------|-----------------------------------------------------------|
| | Original | Final | | |
| <u>Taxes</u> | | | | |
| Property taxes | \$ 55,059,717 | \$ 55,059,717 | \$ 55,059,717 | \$ - |
| Boat tax | 20,000 | 20,000 | 17,595 | (2,405) |
| Yield tax | 2,000 | 2,000 | 15,319 | 13,319 |
| Payment in lieu of taxes | 55,000 | 55,000 | 33,579 | (21,421) |
| Activity tax | - | - | 3,581 | 3,581 |
| National bank stock tax | 10 | 10 | - | (10) |
| Tax interest and penalties | 195,000 | 195,000 | 266,157 | 71,157 |
| Total Taxes | 55,331,727 | 55,331,727 | 55,395,948 | 64,221 |
| <u>Licenses and Permits</u> | | | | |
| Health licenses and permits | 30,000 | 30,000 | 29,984 | (16) |
| Building permits | 275,000 | 275,000 | 382,912 | 107,912 |
| Peddlers and vendors licenses | 820 | 820 | 920 | 100 |
| Motor vehicle permits | 3,970,000 | 3,970,000 | 3,803,303 | (166,697) |
| Electrical permits | 70,000 | 70,000 | 73,663 | 3,663 |
| Plumbing permits | 65,000 | 64,690 | 113,762 | 49,072 |
| Trailer park permits | 175 | 175 | 150 | (25) |
| Fire and rescue permits | 2,300 | 2,300 | 2,885 | 585 |
| Dog licenses | 17,403 | 17,403 | 17,776 | 373 |
| Marriage license fees | 2,450 | 2,450 | 1,168 | (1,282) |
| Birth, death and marriage certificates | 23,490 | 23,490 | 19,216 | (4,274) |
| Miscellaneous licenses and permits | 7,890 | 7,890 | 8,722 | 832 |
| Taxi licenses | 1,435 | 1,435 | 1,240 | (195) |
| Video and arcade licenses | 1,380 | 1,380 | 1,215 | (165) |
| Total Licenses and Permits | 4,467,343 | 4,467,033 | 4,456,916 | (10,117) |
| <u>Intergovernmental</u> | | | | |
| Shared revenue block grant | 600,243 | 600,243 | 600,243 | - |
| Rooms and meals distribution | 1,211,494 | 1,211,494 | 1,211,494 | - |
| Federal grant reimbursement | 9,000 | 9,000 | 8,244 | (756) |
| State reimbursement | 31,196 | 31,196 | 28,317 | (2,879) |
| Highway block grant | 458,979 | 458,979 | 482,950 | 23,971 |
| Miscellaneous Intergovernmental | 3,500 | 3,500 | 42,342 | 38,842 |
| Total Intergovernmental | 2,314,412 | 2,314,412 | 2,373,590 | 59,178 |

(continued)

(continued)

| | <u>Budgeted Amounts</u> | | Actual (Budgetary Basis) | Variance with Final Budget - Positive (Negative) |
|--------------------------------------------|-------------------------|----------------------|-----------------------------|-----------------------------------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| <u>Current Services</u> | | | | |
| Sales and service charges | 119,135 | 119,095 | 119,389 | 294 |
| Copy sales | 400 | 400 | 588 | 188 |
| Ambulance services | 659,000 | 659,000 | 700,331 | 41,331 |
| Interment charges | 42,020 | 42,020 | 27,300 | (14,720) |
| Headstone foundations | 5,000 | 5,000 | 5,610 | 610 |
| Recreation charges | 116,125 | 116,125 | 89,820 | (26,305) |
| Non-resident charges | 15,136 | 15,136 | 18,182 | 3,046 |
| Department overhead allocations | 223,300 | 223,300 | 223,300 | - |
| Miscellaneous service charges | <u>26,477</u> | <u>26,477</u> | <u>36,197</u> | <u>9,720</u> |
| Total Current Services | <u>1,206,593</u> | <u>1,206,553</u> | <u>1,220,717</u> | <u>14,164</u> |
| <u>Education</u> | | | | |
| Education revenue | <u>12,389,888</u> | <u>12,389,888</u> | <u>11,954,934</u> | <u>(434,954)</u> |
| Total Education Income | 12,389,888 | 12,389,888 | 11,954,934 | (434,954) |
| <u>Miscellaneous</u> | | | | |
| Miscellaneous revenue | 12,380 | 61,107 | 231,907 | 170,800 |
| District court receipts | 25,000 | 25,000 | 24,224 | (776) |
| Miscellaneous fines and forfeits | 12,680 | 12,680 | 9,870 | (2,810) |
| Insurance proceeds | - | - | 101,260 | 101,260 |
| Sale of city property | 60,925 | 60,925 | 91,819 | 30,894 |
| Fundraising | 600 | 600 | 1,173 | 573 |
| Investment income | 800,000 | 800,000 | 1,284,262 | 484,262 |
| Facilities rental | 128,432 | 128,432 | 141,507 | 13,075 |
| Interest on arrears | - | - | 1,486 | 1,486 |
| Equipment rental | <u>7,000</u> | <u>7,000</u> | <u>1,000</u> | <u>(6,000)</u> |
| Total Miscellaneous | 1,047,017 | 1,095,744 | 1,888,508 | 792,764 |
| <u>Other Financing Sources</u> | | | | |
| Use of fund balance | - | 163,193 | 163,193 | - |
| Transfers in | <u>32,000</u> | <u>32,000</u> | <u>32,000</u> | <u>-</u> |
| Total Other Financing Sources | <u>32,000</u> | <u>195,193</u> | <u>195,193</u> | <u>-</u> |
| Total Revenues and Other Financing Sources | <u>\$ 76,788,980</u> | <u>\$ 77,000,550</u> | <u>\$ 77,485,806</u> | <u>\$ 485,256</u> |

CITY OF DOVER, NEW HAMPSHIRE

**Detail Schedule of Expenditures and Other Financing Uses
Budget and Actual - General Fund
For the Year Ended June 30, 2008**

| | Budgeted Amounts | | Actual (Budgetary Basis) | Variance with Final Budget - Positive (Negative) |
|-----------------------------------|------------------|------------|-----------------------------|-----------------------------------------------------------|
| | Original | Final | | |
| <u>General Government</u> | | | | |
| City Council | \$ 171,606 | \$ 171,606 | \$ 165,260 | \$ 6,346 |
| Executive | 993,793 | 973,793 | 880,879 | 92,914 |
| Finance | 1,115,768 | 1,148,269 | 1,107,325 | 40,944 |
| Planning | 869,031 | 869,031 | 814,858 | 54,173 |
| Miscellaneous | 793,300 | 809,177 | 725,145 | 84,032 |
| Total General Government | 3,943,498 | 3,971,876 | 3,693,467 | 278,409 |
| <u>Public Safety</u> | | | | |
| Police | 6,666,575 | 6,436,391 | 6,316,222 | 120,169 |
| Fire and rescue | 5,408,171 | 5,466,171 | 5,465,009 | 1,162 |
| Total Public Safety | 12,074,746 | 11,902,562 | 11,781,231 | 121,331 |
| <u>Public Works</u> | | | | |
| Community Services - Public Works | 4,832,705 | 4,832,705 | 4,689,354 | 143,351 |
| Total Public Works | 4,832,705 | 4,832,705 | 4,689,354 | 143,351 |
| <u>Culture and Recreation</u> | | | | |
| Community Services - Recreation | 1,346,809 | 1,366,809 | 1,365,082 | 1,727 |
| Public Library | 1,136,872 | 1,136,872 | 1,079,638 | 57,234 |
| Total Culture and Recreation | 2,483,681 | 2,503,681 | 2,444,720 | 58,961 |
| <u>Human Services</u> | | | | |
| Human Services | 697,239 | 697,239 | 670,877 | 26,362 |
| Total Human Services | 697,239 | 697,239 | 670,877 | 26,362 |
| <u>Education</u> | | | | |
| School Department | 37,912,706 | 37,912,706 | 37,435,730 | 476,976 |
| Total Education | 37,912,706 | 37,912,706 | 37,435,730 | 476,976 |

(continued)

(continued)

| | <u>Budgeted Amounts</u> | | <u>Actual (Budgetary Basis)</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|------------------------------------------------|-------------------------|----------------------|-------------------------------------|---------------------------------------------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| <u>Debt Service</u> | | | | |
| Principal | 5,438,756 | 5,716,190 | 5,989,588 | (273,398) |
| Interest | <u>3,383,428</u> | <u>3,441,370</u> | <u>3,146,722</u> | <u>294,648</u> |
| Total Debt Service | 8,822,184 | 9,157,560 | 9,136,310 | 21,250 |
| <u>Intergovernmental</u> | | | | |
| County tax | <u>5,922,221</u> | <u>5,922,221</u> | <u>5,922,221</u> | <u>-</u> |
| Total Intergovernmental | <u>5,922,221</u> | <u>5,922,221</u> | <u>5,922,221</u> | <u>-</u> |
| <u>Transfers</u> | | | | |
| Transfer out | <u>100,000</u> | <u>100,000</u> | <u>100,000</u> | <u>-</u> |
| Total Transfers | <u>100,000</u> | <u>100,000</u> | <u>100,000</u> | <u>-</u> |
| Total Expenditures and Other Financing Uses | <u>\$ 76,788,980</u> | <u>\$ 77,000,550</u> | <u>\$ 75,873,910</u> | <u>\$ 1,126,640</u> |

CITY OF DOVER, NEW HAMPSHIRE

Combining Schedule of Revenues and Expenditures
Budget and Actual

Annually Budgeted Non-Major Governmental Funds

For the Year Ended June 30, 2008

| | Parking Activity | | Variance Positive (Negative) |
|-----------------------------------------------------------------------------|------------------|--------------------|------------------------------------|
| | <u>Budget</u> | <u>Actual</u> | |
| Revenues: | | | |
| Charges for services | \$ 319,456 | \$ 283,764 | \$ (35,692) |
| Intergovernmental | - | - | - |
| Miscellaneous | - | 139 | 139 |
| Other financing sources | - | - | - |
| Total Revenues | <u>319,456</u> | <u>283,903</u> | <u>(35,553)</u> |
| Expenditures: | | | |
| Public safety | 319,456 | 309,284 | 10,172 |
| Education | - | - | - |
| Public works | - | - | - |
| Culture and recreation | - | - | - |
| Debt service | - | - | - |
| Total Expenditures | <u>319,456</u> | <u>309,284</u> | <u>10,172</u> |
| Excess of revenues and other financing sources over (under) expenditures | <u>\$ -</u> | <u>\$ (25,381)</u> | <u>\$ (25,381)</u> |

| Residential Solid Waste | | | Library Fines | | |
|-------------------------|--------------------|------------------------------------|---------------|------------------|------------------------------------|
| <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) | <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) |
| \$ 1,113,110 | \$ 1,046,148 | \$ (66,962) | \$ 41,500 | \$ 40,631 | \$ (869) |
| - | - | - | - | - | - |
| - | 545 | 545 | - | - | - |
| - | - | - | 51,500 | 51,500 | - |
| <u>1,113,110</u> | <u>1,046,693</u> | <u>(66,417)</u> | <u>93,000</u> | <u>92,131</u> | <u>(869)</u> |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 1,113,110 | 1,093,950 | 19,160 | - | - | - |
| - | - | - | 93,000 | 38,498 | 54,502 |
| - | - | - | - | - | - |
| <u>1,113,110</u> | <u>1,093,950</u> | <u>19,160</u> | <u>93,000</u> | <u>38,498</u> | <u>54,502</u> |
| \$ <u>-</u> | \$ <u>(47,257)</u> | \$ <u>(47,257)</u> | \$ <u>-</u> | \$ <u>53,633</u> | \$ <u>53,633</u> |

(continued)

CITY OF DOVER, NEW HAMPSHIRE

Combining Schedule of Revenues and Expenditures
Budget and Actual

Annually Budgeted Non-Major Governmental Funds

For the Year Ended June 30, 2008

(continued)

| | <u>Tuition Programs</u> | | Variance Positive (Negative) |
|-----------------------------------------------------------------------------|-------------------------|------------------|------------------------------------|
| | <u>Budget</u> | <u>Actual</u> | |
| Revenues: | | | |
| Charges for services | \$ 488,208 | \$ 361,305 | \$ (126,903) |
| Intergovernmental | - | 8,850 | 8,850 |
| Miscellaneous revenue | - | - | - |
| Other financing sources | - | - | - |
| | <u>488,208</u> | <u>370,155</u> | <u>(118,053)</u> |
| Total Revenues | 488,208 | 370,155 | (118,053) |
| Expenditures: | | | |
| Public safety | - | - | - |
| Education | 488,208 | 333,753 | 154,455 |
| Public works | - | - | - |
| Culture and recreation | - | - | - |
| Debt service | - | - | - |
| | <u>488,208</u> | <u>333,753</u> | <u>154,455</u> |
| Total Expenditures | 488,208 | 333,753 | 154,455 |
| Excess of revenues and other financing sources over (under) expenditures | <u>\$ -</u> | <u>\$ 36,402</u> | <u>\$ 36,402</u> |

| School Alternative Education | | | School Facilities | | |
|------------------------------|--------------------|------------------------------------|-------------------|------------------|------------------------------------|
| <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) | <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) |
| \$ 350,750 | \$ 313,222 | \$ (37,528) | \$ 113,000 | \$ 114,286 | \$ 1,286 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>408,250</u> | <u>447,000</u> | <u>38,750</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 759,000 | 760,222 | 1,222 | 113,000 | 114,286 | 1,286 |
| - | - | - | - | - | - |
| 759,000 | 773,789 | (14,789) | 113,000 | 95,992 | 17,008 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>759,000</u> | <u>773,789</u> | <u>(14,789)</u> | <u>113,000</u> | <u>95,992</u> | <u>17,008</u> |
| \$ <u>-</u> | \$ <u>(13,567)</u> | \$ <u>(13,567)</u> | \$ <u>-</u> | \$ <u>18,294</u> | \$ <u>18,294</u> |

(continued)

CITY OF DOVER, NEW HAMPSHIRE
 Combining Schedule of Revenues and Expenditures
 Budget and Actual

Annually Budgeted Non-Major Governmental Funds

For the Year Ended June 30, 2008

(continued)

| | McConnell Center | | Variance Positive (Negative) |
|-----------------------------------------------------------------------------|------------------|---------------------|------------------------------------|
| | <u>Budget</u> | <u>Actual</u> | |
| Revenues: | | | |
| Charges for services | \$ 236,552 | \$ 163,287 | \$ (73,265) |
| Intergovernmental | - | - | - |
| Miscellaneous | - | - | - |
| Other financing sources | <u>225,463</u> | <u>225,463</u> | <u>-</u> |
| Total Revenues | 462,015 | 388,750 | (73,265) |
| Expenditures: | | | |
| Public safety | - | - | - |
| Education | - | - | - |
| Public works | - | - | - |
| Culture and recreation | 257,909 | 330,216 | (72,307) |
| Debt service | <u>204,106</u> | <u>409,194</u> | <u>(205,088)</u> |
| Total Expenditures | <u>462,015</u> | <u>739,410</u> | <u>(277,395)</u> |
| Excess of revenues and other financing sources over (under) expenditures | <u>\$ -</u> | <u>\$ (350,660)</u> | <u>\$ (350,660)</u> |

| Police DHA Fund | | | School Cafeteria | | |
|-----------------|-------------------|------------------------------------|------------------|--------------------|------------------------------------|
| <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) | <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) |
| \$ - | \$ - | \$ - | \$ 1,297,756 | \$ 909,260 | \$ (388,496) |
| 70,000 | 65,294 | (4,706) | - | 386,853 | 386,853 |
| - | - | - | - | 41,243 | 41,243 |
| <u>27,125</u> | <u>27,125</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 97,125 | 92,419 | (4,706) | 1,297,756 | 1,337,356 | 39,600 |
| 97,125 | 95,701 | 1,424 | - | - | - |
| - | - | - | 1,297,756 | 1,428,494 | (130,738) |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>97,125</u> | <u>95,701</u> | <u>1,424</u> | <u>1,297,756</u> | <u>1,428,494</u> | <u>(130,738)</u> |
| \$ <u>-</u> | \$ <u>(3,282)</u> | \$ <u>(3,282)</u> | \$ <u>-</u> | \$ <u>(91,138)</u> | \$ <u>(91,138)</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.

Arena Fund: To account for the operations of the Dover Ice Arena.

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.

CITY OF DOVER, NEW HAMPSHIRE

Enterprise Funds

Schedule of Revenues and Expenses -
Budget and Actual

For the Year Ended June 30, 2008

| | <u>Budget</u> | Water Fund Actual (Budgetary Basis) | Variance Positive (Negative) |
|----------------------------------------|------------------|----------------------------------------------|------------------------------------|
| Operating Revenues: | | | |
| Operating revenue | \$ 3,917,519 | \$ 3,864,482 | \$ (53,037) |
| Other | <u>21,000</u> | <u>57,013</u> | <u>36,013</u> |
| Total Operating Revenues | 3,938,519 | 3,921,495 | (17,024) |
| Operating Expenses: | | | |
| Personnel services | 1,241,033 | 1,414,886 | (173,853) |
| Purchased services | 206,758 | 198,362 | 8,396 |
| Supplies and materials | 451,832 | 531,925 | (80,093) |
| Minor equipment | 60,000 | 13,355 | 46,645 |
| Other | 99,090 | 120,839 | (21,749) |
| Depreciation | <u>879,297</u> | <u>644,602</u> | <u>234,695</u> |
| Total Operating Expenses | <u>2,938,010</u> | <u>2,923,969</u> | <u>14,041</u> |
| Operating Income (Loss) | 1,000,509 | 997,526 | (2,983) |
| Non-Operating Income (Expenses): | | | |
| Interest expense | (550,509) | (522,187) | 28,322 |
| Intergovernmental | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Non-Operating Income (Expenses) | <u>(550,509)</u> | <u>(522,187)</u> | <u>28,322</u> |
| Net Income (Loss) Before Transfers | 450,000 | 475,339 | 25,339 |
| Other Financing Sources and Uses: | | | |
| Use of retained earnings | - | - | - |
| Transfers out | <u>(450,000)</u> | <u>(450,000)</u> | <u>-</u> |
| Total Other Financing Sources and Uses | <u>(450,000)</u> | <u>(450,000)</u> | <u>-</u> |
| Net Income (Loss) | <u>\$ -</u> | <u>\$ 25,339</u> | <u>\$ 25,339</u> |

(continued)

CITY OF DOVER, NEW HAMPSHIRE

Enterprise Funds

Schedule of Revenues and Expenses -
Budget and Actual

For the Year Ended June 30, 2008

(continued)

| | Sewer Fund | | |
|----------------------------------------|------------------|--------------------------------|------------------------------------|
| | <u>Budget</u> | Actual (Budgetary Basis) | Variance Positive (Negative) |
| Operating Revenues: | | | |
| Operating revenue | \$ 4,150,146 | \$ 3,994,007 | \$ (156,139) |
| Other | <u>32,000</u> | <u>9,729</u> | <u>(22,271)</u> |
| Total Operating Revenues | 4,182,146 | 4,003,736 | (178,410) |
| Operating Expenses: | | | |
| Personnel services | 1,340,369 | 1,226,150 | 114,219 |
| Purchased services | 216,647 | 162,366 | 54,281 |
| Supplies and materials | 916,144 | 868,425 | 47,719 |
| Minor equipment | - | - | - |
| Other | 117,600 | 131,073 | (13,473) |
| Depreciation | <u>1,897,220</u> | <u>1,992,686</u> | <u>(95,466)</u> |
| Total Operating Expenses | 4,487,980 | 4,380,700 | 107,280 |
| Operating Income (Loss) | (305,834) | (376,964) | (71,130) |
| Non-Operating Income (Expenses): | | | |
| Interest expense | (630,206) | (569,255) | 60,951 |
| Intergovernmental | <u>272,971</u> | <u>240,877</u> | <u>(32,094)</u> |
| Total Non-Operating Income (Expenses) | (357,235) | (328,378) | 28,857 |
| Net Income (Loss) Before Transfers | (663,069) | (705,342) | (42,273) |
| Other Financing Sources and Uses: | | | |
| Use of retained earnings | 1,063,069 | 1,063,069 | - |
| Transfers out | <u>(400,000)</u> | <u>(400,000)</u> | <u>-</u> |
| Total Other Financing Sources and Uses | 663,069 | 663,069 | - |
| Net Income (Loss) | <u>\$ -</u> | <u>\$ (42,273)</u> | <u>\$ (42,273)</u> |

(continued)

CITY OF DOVER, NEW HAMPSHIRE

Enterprise Funds

Schedule of Revenues and Expenses -
Budget and Actual

For the Year Ended June 30, 2008

| (continued) | Arena Fund | | |
|----------------------------------------|----------------|--------------------------------|------------------------------------|
| | Budget | Actual (Budgetary Basis) | Variance Positive (Negative) |
| Operating Revenues: | | | |
| Operating revenue | \$ 1,588,615 | \$ 1,480,636 | \$ (107,979) |
| Other | <u>28,874</u> | <u>69,192</u> | <u>40,318</u> |
| Total Operating Revenues | 1,617,489 | 1,549,828 | (67,661) |
| Operating Expenses: | | | |
| Personnel services | 545,905 | 551,641 | (5,736) |
| Purchased services | 109,054 | 111,344 | (2,290) |
| Supplies and materials | 447,550 | 399,111 | 48,439 |
| Minor equipment | - | - | - |
| Other | 233,173 | 86,860 | 146,313 |
| Depreciation | <u>142,534</u> | <u>140,282</u> | <u>2,252</u> |
| Total Operating Expenses | 1,478,216 | 1,289,238 | 188,978 |
| Operating Income (Loss) | 139,273 | 260,590 | 121,317 |
| Non-Operating Income (Expenses): | | | |
| Interest expense | (139,273) | (136,988) | 2,285 |
| Intergovernmental | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Non-Operating Income (Expenses) | (139,273) | (136,988) | 2,285 |
| Net Income (Loss) Before Transfers | - | 123,602 | 123,602 |
| Other Financing Sources and Uses: | | | |
| Use of retained earnings | - | - | - |
| Transfers out | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Other Financing Sources and Uses | - | - | - |
| Net Income (Loss) | <u>\$ -</u> | <u>\$ 123,602</u> | <u>\$ 123,602</u> |

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INTERNAL SERVICE FUNDS

- DoverNet 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.

CITY OF DOVER, NEW HAMPSHIRE

Internal Service Funds

Combining Statement of Net Assets
June 30, 2008

| | Dover Net <u>Fund</u> | Central Stores <u>Fund</u> | Fleet Maintenance <u>Fund</u> | Workers Compensation <u>Fund</u> | <u>Total</u> |
|------------------------------------------|-----------------------------|----------------------------------|-------------------------------------|----------------------------------------|-------------------|
| ASSETS | | | | | |
| Current: | | | | | |
| Departmental and other receivables | \$ 53,247 | \$ - | \$ 6,007 | \$ - | \$ 59,254 |
| Due from other funds | 260,854 | 55,758 | 72,037 | 708,535 | 1,097,184 |
| Inventory | <u>-</u> | <u>-</u> | <u>55,581</u> | <u>-</u> | <u>55,581</u> |
| Total Assets | 314,101 | 55,758 | 133,625 | 708,535 | 1,212,019 |
| LIABILITIES | | | | | |
| Current: | | | | | |
| Accounts payable | 8,593 | 6,129 | 17,539 | 438 | 32,699 |
| Accrued liabilities | 2,708 | - | 6,215 | - | 8,923 |
| Claims liability | - | - | - | 238,668 | 238,668 |
| Compensated absences | <u>8,209</u> | <u>-</u> | <u>18,566</u> | <u>-</u> | <u>26,775</u> |
| Total Current Liabilities | 19,510 | 6,129 | 42,320 | 239,106 | 307,065 |
| Non-current: | | | | | |
| Claims liability, net of current portion | <u>-</u> | <u>-</u> | <u>-</u> | <u>358,001</u> | <u>358,001</u> |
| Total Liabilities | 19,510 | 6,129 | 42,320 | 597,107 | 665,066 |
| NET ASSETS | | | | | |
| Restricted for capital projects | 181,578 | - | - | - | 181,578 |
| Unrestricted | <u>113,013</u> | <u>49,629</u> | <u>91,305</u> | <u>111,428</u> | <u>365,375</u> |
| Total Net Assets | <u>\$ 294,591</u> | <u>\$ 49,629</u> | <u>\$ 91,305</u> | <u>\$ 111,428</u> | <u>\$ 546,953</u> |

CITY OF DOVER, NEW HAMPSHIRE

Internal Service Funds

**Combining Statement of Revenues, Expenses
and Changes in Fund Net Assets
For Fiscal Year Ended June 30, 2008**

| | <u>Dover Net Fund</u> | <u>Central Stores Fund</u> | <u>Fleet Maintenance Fund</u> | <u>Workers Compensation Fund</u> | <u>Total</u> |
|---------------------------------|-------------------------------|------------------------------------|---------------------------------------|------------------------------------------|--------------------------|
| Operating Revenues: | | | | | |
| Charges for services | \$ 259,907 | \$ 92,728 | \$ 568,003 | \$ 390,033 | \$ 1,310,671 |
| Miscellaneous | <u>51,728</u> | <u>-</u> | <u>25,284</u> | <u>25,416</u> | <u>102,428</u> |
| Total Operating Revenues | 311,635 | 92,728 | 593,287 | 415,449 | 1,413,099 |
| Operating Expenses: | | | | | |
| Personal services | 148,414 | - | 379,177 | 74,421 | 602,012 |
| Purchased services | 61,367 | 58,480 | 5,495 | 188,608 | 313,950 |
| Supplies | 3,487 | 26,741 | 10,762 | - | 40,990 |
| Minor equipment | 83,922 | - | - | - | 83,922 |
| Other expenses | <u>-</u> | <u>-</u> | <u>225,005</u> | <u>20,869</u> | <u>245,874</u> |
| Total Operating Expenses | <u>297,190</u> | <u>85,221</u> | <u>620,439</u> | <u>283,898</u> | <u>1,286,748</u> |
| Operating Income (Loss) | 14,445 | 7,507 | (27,152) | 131,551 | 126,351 |
| Nonoperating Revenues: | | | | | |
| Intergovernmental | <u>9,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>9,000</u> |
| Change in Net Assets | 23,445 | 7,507 | (27,152) | 131,551 | 135,351 |
| Net Assets at Beginning of Year | <u>271,146</u> | <u>42,122</u> | <u>118,457</u> | <u>(20,123)</u> | <u>411,602</u> |
| Net Assets at End of Year | \$ <u><u>294,591</u></u> | \$ <u><u>49,629</u></u> | \$ <u><u>91,305</u></u> | \$ <u><u>111,428</u></u> | \$ <u><u>546,953</u></u> |

CITY OF DOVER, NEW HAMPSHIRE

Internal Service Funds

Combining Statement of Cash Flows

For Fiscal Year Ended June 30, 2008

| | Dover Net Fund | Central Stores Fund | Fleet Maintenance Fund | Workers Compensation Fund | Total |
|--------------------------------------------------------------------------------------------------------------|----------------------|---------------------------|------------------------------|---------------------------------|--------------|
| Cash Flows From Operating Activities: | | | | | |
| Receipts from customers and users for services | \$ 324,767 | \$ 92,728 | \$ 587,280 | \$ 415,449 | \$ 1,420,224 |
| Payments to vendors and contractors | (159,235) | (85,431) | (19,223) | (210,981) | (474,870) |
| Payments of employee salaries and benefits | (147,514) | - | (598,624) | (109,805) | (855,943) |
| Receipts for interfund service provided | - | - | 30,567 | (94,663) | (64,096) |
| Payments for interfund service provided | (27,018) | (7,297) | - | - | (34,315) |
| Net Cash Provided By (Used For) Operating Activities | (9,000) | - | - | - | (9,000) |
| Cash Flows From Noncapital Financing Activities: | | | | | |
| Intergovernmental subsidy | 9,000 | - | - | - | 9,000 |
| Net Cash Provided By Noncapital Financing Activities | 9,000 | - | - | - | 9,000 |
| Cash and Short Term Investments, Beginning of Year | - | - | - | - | - |
| Cash and Short Term Investments, End of Year | \$ - | \$ - | \$ - | \$ - | \$ - |
| Reconciliation of Operating Income to Net Cash Provided by (Used For) Operating Activities: | | | | | |
| Operating income (loss) | \$ 14,445 | \$ 7,507 | \$ (27,152) | \$ 131,551 | \$ 126,351 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: | | | | | |
| Changes in assets and liabilities: | | | | | |
| Inventory | - | - | 3,811 | - | 3,811 |
| Departmental and other receivables | 13,132 | - | (6,007) | - | 7,125 |
| Intefund receivables/payables | (27,018) | (7,297) | 30,567 | (94,663) | (98,411) |
| Other assets | - | - | 3,827 | - | 3,827 |
| Accounts payable | (10,460) | (210) | (6,777) | (1,504) | (18,951) |
| Accrued liabilities | 575 | - | 660 | (35,384) | (34,149) |
| Compensated absences | 326 | - | 1,071 | - | 1,397 |
| Net Cash Provided By (Used For) Operating Activities: | \$ (9,000) | \$ - | \$ - | \$ - | \$ (9,000) |

CITY OF DOVER, NEW HAMPSHIRE

Internal Service Funds

Schedule of Revenues and Expenses -
Budget and Actual

For the Year Ended June 30, 2008

| | Dover Net Fund | | |
|--------------------------|----------------|--------------------------------|------------------------------------|
| | <u>Budget</u> | Actual (Budgetary Basis) | Variance Positive (Negative) |
| Operating Revenues: | | | |
| Charges for services | \$ 261,147 | \$ 259,907 | \$ (1,240) |
| Other revenue | <u>255,000</u> | <u>51,728</u> | <u>(203,272)</u> |
| Total Operating Revenues | 516,147 | 311,635 | (204,512) |
| Operating Expenses: | | | |
| Personnel services | 145,596 | 148,414 | (2,818) |
| Purchased services | 83,096 | 83,649 | (553) |
| Supplies and materials | 3,487 | 3,487 | - |
| Minor equipment | 283,968 | 99,074 | 184,894 |
| Other | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Operating Expenses | <u>516,147</u> | <u>334,624</u> | <u>181,523</u> |
| Operating Income (Loss) | - | (22,989) | (22,989) |
| Use of retained earnings | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Income (Loss) | <u>\$ -</u> | <u>\$ (22,989)</u> | <u>\$ (22,989)</u> |

(continued)

CITY OF DOVER, NEW HAMPSHIRE

Internal Service Funds

Schedule of Revenues and Expenses -
Budget and Actual

For the Year Ended June 30, 2008

(continued)

| | Central Stores Fund | | |
|--------------------------|---------------------|-----------------------------------------|---------------------------------------------|
| | <u>Budget</u> | <u>Actual (Budgetary Basis)</u> | <u>Variance Positive (Negative)</u> |
| Operating Revenues: | | | |
| Charges for services | \$ 105,200 | \$ 92,728 | \$ (12,472) |
| Other revenue | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Operating Revenues | 105,200 | 92,728 | (12,472) |
| Operating Expenses: | | | |
| Personnel services | - | - | - |
| Purchased services | 67,150 | 58,480 | 8,670 |
| Supplies and materials | 38,050 | 26,443 | 11,607 |
| Minor equipment | - | - | - |
| Other | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Operating Expenses | <u>105,200</u> | <u>84,923</u> | <u>20,277</u> |
| Operating Income (Loss) | - | 7,805 | 7,805 |
| Use of retained earnings | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Income (Loss) | <u>\$ -</u> | <u>\$ 7,805</u> | <u>\$ 7,805</u> |

(continued)

CITY OF DOVER, NEW HAMPSHIRE

Internal Service Funds

Schedule of Revenues and Expenses -
Budget and Actual

For the Year Ended June 30, 2008

(continued)

| | Fleet Maintenance Fund | | |
|--------------------------|------------------------|--------------------------------|------------------------------------|
| | Budget | Actual (Budgetary Basis) | Variance Positive (Negative) |
| Operating Revenues: | | | |
| Charges for services | \$ 517,619 | \$ 568,003 | \$ 50,384 |
| Other revenue | <u>23,825</u> | <u>25,284</u> | <u>1,459</u> |
| Total Operating Revenues | 541,444 | 593,287 | 51,843 |
| Operating Expenses: | | | |
| Personnel services | 405,182 | 379,177 | 26,005 |
| Purchased services | 3,381 | 2,748 | 633 |
| Supplies and materials | 14,469 | 10,762 | 3,707 |
| Minor equipment | 500 | - | 500 |
| Other | <u>172,180</u> | <u>225,053</u> | <u>(52,873)</u> |
| Total Operating Expenses | <u>595,712</u> | <u>617,740</u> | <u>(22,028)</u> |
| Operating Income (Loss) | (54,268) | (24,453) | 29,815 |
| Use of retained earnings | <u>54,268</u> | <u>54,268</u> | - |
| Net Income (Loss) | <u>\$ -</u> | <u>\$ 29,815</u> | <u>\$ 29,815</u> |

(continued)

CITY OF DOVER, NEW HAMPSHIRE

Internal Service Funds

Schedule of Revenues and Expenses -
Budget and Actual

For the Year Ended June 30, 2008

(continued)

| | <u>Workers Compensation Fund</u> | | |
|--------------------------|----------------------------------|--------------------------------|------------------------------------|
| | <u>Budget</u> | Actual (Budgetary Basis) | Variance Positive (Negative) |
| Operating Revenues: | | | |
| Charges for services | \$ 390,872 | \$ 390,033 | \$ (839) |
| Other revenue | <u>-</u> | <u>25,416</u> | <u>25,416</u> |
| Total Operating Revenues | 390,872 | 415,449 | 24,577 |
| Operating Expenses: | | | |
| Personnel services | 332,872 | 74,421 | 258,451 |
| Purchased services | 27,000 | 189,144 | (162,144) |
| Supplies and materials | - | - | - |
| Minor equipment | - | - | - |
| Other | <u>31,000</u> | <u>20,869</u> | <u>10,131</u> |
| Total Operating Expenses | <u>390,872</u> | <u>284,434</u> | <u>106,438</u> |
| Operating Income (Loss) | - | 131,015 | 131,015 |
| Use of retained earnings | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Income (Loss) | <u>\$ -</u> | <u>\$ 131,015</u> | <u>\$ 131,015</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 required.
- **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.

CITY OF DOVER, NEW HAMPSHIRE

Agency Funds

Combining Statement of Assets and Liabilities

June 30, 2008

| | Performance <u>Deposits</u> | Chamber of <u>Commerce</u> | Department <u>Agency</u> | School <u>Agency</u> | <u>Total</u> |
|---------------------------------|--------------------------------|-------------------------------|-----------------------------|-------------------------|---------------------|
| <u>ASSETS</u> | | | | | |
| Cash and short-term investments | \$ - | \$ - | \$ - | \$ 344,372 | \$ 344,372 |
| Due from other funds | <u>800,606</u> | <u>3,083</u> | <u>29,527</u> | <u>14,590</u> | <u>847,806</u> |
| Total Assets | \$ <u>800,606</u> | \$ <u>3,083</u> | \$ <u>29,527</u> | \$ <u>358,962</u> | \$ <u>1,192,178</u> |
| <u>LIABILITIES</u> | | | | | |
| Other liabilities | \$ <u>800,606</u> | \$ <u>3,083</u> | \$ <u>29,527</u> | \$ <u>358,962</u> | \$ <u>1,192,178</u> |
| Total Liabilities | \$ <u>800,606</u> | \$ <u>3,083</u> | \$ <u>29,527</u> | \$ <u>358,962</u> | \$ <u>1,192,178</u> |

CITY OF DOVER, NEW HAMPSHIRE

Agency Funds

**Combining Statement of Changes
in Assets and Liabilities
For the Fiscal Year Ended June 30, 2008**

| | Balance July 1, <u>2007</u> | <u>Additions</u> | <u>Deductions</u> | Balance June 30, <u>2008</u> |
|------------------------------------|-----------------------------------|---------------------|-----------------------|------------------------------------|
| <u>Performance Deposits</u> | | | | |
| Assets - due from other funds | \$ <u>738,701</u> | \$ <u>608,940</u> | \$ <u>(547,035)</u> | \$ <u>800,606</u> |
| Liabilities - other liabilities | \$ <u>738,701</u> | \$ <u>608,940</u> | \$ <u>(547,035)</u> | \$ <u>800,606</u> |
| <u>Chamber of Commerce</u> | | | | |
| 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> |
| <u>Department Agency</u> | | | | |
| Assets - due from other funds | \$ <u>21,415</u> | \$ <u>97,882</u> | \$ <u>(89,770)</u> | \$ <u>29,527</u> |
| Liabilities - other liabilities | \$ <u>21,415</u> | \$ <u>97,882</u> | \$ <u>(89,770)</u> | \$ <u>29,527</u> |
| <u>School Agency</u> | | | | |
| Assets - cash | \$ <u>317,102</u> | \$ <u>608,142</u> | \$ <u>(580,872)</u> | \$ <u>344,372</u> |
| Assets - due from other funds | <u>4,154</u> | <u>43,881</u> | <u>(33,445)</u> | <u>14,590</u> |
| Total Assets | \$ <u>321,256</u> | \$ <u>652,023</u> | \$ <u>(614,317)</u> | \$ <u>358,962</u> |
| Liabilities - other liabilities | \$ <u>321,256</u> | \$ <u>652,023</u> | \$ <u>(614,317)</u> | \$ <u>358,962</u> |
| <u>Totals</u> | | | | |
| Assets - cash | \$ <u>317,102</u> | \$ <u>608,142</u> | \$ <u>(580,872)</u> | \$ <u>344,372</u> |
| Assets - due from other funds | <u>767,353</u> | <u>750,703</u> | <u>(670,250)</u> | <u>847,806</u> |
| Total Assets | \$ <u>1,084,455</u> | \$ <u>1,358,845</u> | \$ <u>(1,251,122)</u> | \$ <u>1,192,178</u> |
| Liabilities - other liabilities | \$ <u>1,084,455</u> | \$ <u>1,358,845</u> | \$ <u>(1,251,122)</u> | \$ <u>1,192,178</u> |

CITY OF DOVER, NEW HAMPSHIRE

Private Purpose Trust Funds

Combining Statement of Fiduciary Net Assets

June 30, 2008

| | <u>Cemetery</u> | <u>Parks and Recreation</u> | <u>Welfare</u> | <u>School</u> | <u>Total</u> |
|-----------------------------------|-------------------|---------------------------------|-------------------|-------------------|-------------------|
| <u>ASSETS</u> | | | | | |
| Due from other funds | \$ <u>154,689</u> | \$ <u>43,481</u> | \$ <u>114,043</u> | \$ <u>389,475</u> | \$ <u>701,688</u> |
| Total Assets | 154,689 | 43,481 | 114,043 | 389,475 | 701,688 |
| <u>LIABILITIES AND NET ASSETS</u> | | | | | |
| Accounts payable | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>NET ASSETS</u> | | | | | |
| Total Net Assets Held in Trust | \$ <u>154,689</u> | \$ <u>43,481</u> | \$ <u>114,043</u> | \$ <u>389,475</u> | \$ <u>701,688</u> |

CITY OF DOVER, NEW HAMPSHIRE

Private Purpose Trust Funds

**Combining Statement of Changes
in Fiduciary Net Assets
For Fiscal Year Ended June 30, 2008**

| | <u>Cemetary</u> | <u>Parks and Recreation</u> | <u>Welfare</u> | <u>School</u> | <u>Total</u> |
|------------------------|-------------------|---------------------------------|-------------------|-------------------|-------------------|
| Additions: | | | | | |
| Contributions | \$ 569 | \$ - | \$ - | \$ 53,425 | \$ 53,994 |
| Investment income | <u>8,358</u> | <u>2,466</u> | <u>7,549</u> | <u>24,131</u> | <u>42,504</u> |
| Total Additions | 8,927 | 2,466 | 7,549 | 77,556 | 96,498 |
| Deductions: | | | | | |
| Disbursements by agent | <u>866</u> | <u>90</u> | <u>2,354</u> | <u>11,591</u> | <u>14,901</u> |
| Total Deductions | <u>866</u> | <u>90.00</u> | <u>2,354</u> | <u>11,591</u> | <u>14,901</u> |
| Net Increase | 8,061 | 2,376 | 5,195 | 65,965 | 81,597 |
| Net Assets: | | | | | |
| Beginning of Year | <u>146,630</u> | <u>41,106</u> | <u>108,848</u> | <u>323,507</u> | <u>620,091</u> |
| End of Year | <u>\$ 154,691</u> | <u>\$ 43,482</u> | <u>\$ 114,043</u> | <u>\$ 389,472</u> | <u>\$ 701,688</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 <i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i> | 132-141 |
| Revenue Capacity <i>These schedules contain information to help reader assess the government's most significant local revenue source, the property tax.</i> | 142-147 |
| Debt Capacity <i>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.</i> | 148-150 |
| Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i> | 151-152 |
| Operating Information <i>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.</i> | 153-158 |

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 Assets by Component

Last Ten Fiscal Years (2)

(accrual basis of accounting)

| | Fiscal Year | | | | | |
|-----------------------------------------------------|---------------|----------------|----------------|----------------|----------------|----------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| Governmental Activities | | | | | | |
| Invested in capital assets, net of related debt (1) | \$ 47,842,554 | \$ 50,841,722 | \$ 53,992,080 | \$ 56,387,047 | \$ 57,412,322 | \$ 60,502,720 |
| Restricted | 449,317 | 467,560 | 135,140 | 135,519 | 220,907 | 706,657 |
| Unrestricted | (3,376,708) | (4,956,172) | (5,048,192) | 334,752 | 2,143,471 | 1,555,309 |
| Total governmental activities net assets | \$ 44,915,163 | \$ 46,353,110 | \$ 49,079,028 | \$ 56,857,318 | \$ 59,776,700 | \$ 62,764,686 |
| Business-type activities | | | | | | |
| Invested in capital assets, net of related debt | \$ 50,262,498 | \$ 49,960,529 | \$ 49,129,986 | \$ 49,120,227 | \$ 49,735,238 | \$ 51,471,577 |
| Restricted | 908,920 | 1,548,748 | 2,961,035 | 2,628,641 | 3,619,664 | 5,630,120 |
| Unrestricted | 3,890,445 | 3,777,256 | 3,499,041 | 3,591,882 | 1,527,399 | (2,037,985) |
| Total business-type activities net assets | \$ 55,061,863 | \$ 55,286,533 | \$ 55,590,062 | \$ 55,340,750 | \$ 54,882,301 | \$ 55,063,712 |
| Primary government | | | | | | |
| Invested in capital assets, net of related debt | \$ 98,105,052 | \$ 100,802,251 | \$ 103,122,066 | \$ 105,507,274 | \$ 107,147,560 | \$ 111,974,297 |
| Restricted | 1,358,237 | 2,016,308 | 3,096,175 | 2,764,160 | 3,840,571 | 6,336,777 |
| Unrestricted | 513,737 | (1,178,916) | (1,549,151) | 3,926,634 | 3,670,870 | (482,676) |
| Total primary government net assets | \$ 99,977,026 | \$ 101,639,643 | \$ 104,669,090 | \$ 112,198,068 | \$ 114,659,001 | \$ 117,828,398 |

Notes:

- (1) Net assets invested in capital assets, net of related debt were restated for FY03 and FY04.
- (2) The City will continue to annually report information until this schedule includes 10 fiscal years.

City of Dover, New Hampshire

Changes in Net Assets

Last Ten Fiscal Years (1)
(accrual basis of accounting)

| | Fiscal Year | | | | | |
|---------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| Expenses | | | | | | |
| Governmental activities: | | | | | | |
| General government | \$ 7,441,103 | \$ 8,449,015 | \$ 9,170,676 | \$ 9,125,696 | \$ 9,584,351 | \$ 10,848,311 |
| Public safety | 9,713,495 | 10,657,493 | 10,284,604 | 12,865,806 | 13,974,469 | 14,090,578 |
| Public works | 7,995,930 | 6,739,392 | 6,972,709 | 9,128,400 | 8,380,719 | 8,289,627 |
| Culture and recreation | 2,985,494 | 2,911,587 | 2,349,885 | 2,882,727 | 3,655,755 | 3,468,304 |
| Education | 36,502,911 | 37,408,903 | 37,715,317 | 41,198,155 | 42,505,294 | 45,032,173 |
| Human services | 630,133 | 1,481,363 | 1,156,326 | 1,310,008 | 1,445,035 | 1,099,641 |
| Interest | 1,492,822 | 1,646,763 | 1,815,709 | 2,108,107 | 2,813,594 | 3,098,791 |
| Miscellaneous | 318,758 | - | - | - | - | - |
| Total governmental activities expenses | 67,080,646 | 69,294,516 | 69,465,226 | 78,618,899 | 82,359,217 | 85,927,425 |
| Business-type activities: | | | | | | |
| Water services | 2,326,346 | 2,521,875 | 2,779,842 | 2,977,351 | 3,304,778 | 3,430,042 |
| Sewer services | 4,327,567 | 4,566,230 | 4,647,438 | 4,997,619 | 5,043,665 | 5,017,000 |
| Arena services | 1,151,200 | 1,262,538 | 1,314,389 | 1,418,234 | 1,481,949 | 1,427,762 |
| DBIDA services | 7,098 | 7,894 | 5,879 | 81,943 | 144,500 | 138,441 |
| Total business-type activities expenses | 7,812,211 | 8,358,537 | 8,747,548 | 9,475,147 | 9,974,892 | 10,013,245 |
| Total primary government expenses | \$ 74,892,857 | \$ 77,653,053 | \$ 78,212,774 | \$ 88,094,046 | \$ 92,334,109 | \$ 95,940,670 |
| Program Revenues | | | | | | |
| Governmental activities: | | | | | | |
| Charges for services | | | | | | |
| General government | \$ 1,484,034 | \$ 871,799 | \$ 1,312,097 | \$ 1,609,618 | \$ 1,310,619 | \$ 1,149,111 |
| Public safety | 1,235,206 | 806,821 | 437,825 | 603,642 | 1,275,129 | 1,336,480 |
| Public works | 868,876 | 1,260,514 | 2,810,817 | 1,307,824 | 1,544,584 | 2,936,784 |
| Culture and recreation | 403,968 | 718,942 | 601,361 | 591,904 | 659,630 | 650,656 |
| Education | 9,004,003 | 12,951,805 | 13,493,145 | 13,630,851 | 14,030,649 | 14,070,236 |
| Human services | 6,230 | 11,749 | 196,645 | 136,507 | 55,192 | 180,465 |
| Miscellaneous | 54,573 | - | - | - | - | - |
| Total charges for services | 13,056,890 | 16,621,630 | 18,851,890 | 17,879,896 | 18,875,803 | 20,233,732 |
| Operating grants and contributions | 9,116,737 | 6,724,481 | 6,284,743 | 6,061,067 | 7,100,396 | 6,582,484 |
| Capital grants and contributions | 1,691,916 | 1,768,318 | 919,502 | 1,213,101 | 970,772 | 1,026,815 |
| Total governmental activities program revenues | 23,865,543 | 25,114,429 | 26,056,135 | 25,154,064 | 26,946,971 | 27,933,031 |
| Business-type activities: | | | | | | |
| Charges for services | | | | | | |
| Water services | 3,158,780 | 3,027,514 | 3,197,227 | 3,406,598 | 3,379,209 | 4,011,562 |
| Sewer services | 4,196,982 | 3,928,891 | 4,019,804 | 3,934,859 | 3,767,878 | 4,129,003 |
| Arena services | 783,190 | 1,062,556 | 1,202,974 | 1,264,746 | 1,461,474 | 1,568,828 |
| DBIDA services | - | - | 250 | 44,701 | 268,973 | 138,353 |
| Total charges for services | 8,138,952 | 8,018,961 | 8,420,255 | 8,650,904 | 8,877,534 | 9,847,746 |
| Operating grants and contributions | - | - | - | - | - | - |
| Capital grants and contributions | 512,554 | 474,062 | 612,576 | 538,839 | 552,375 | 240,877 |
| Total business-type activities program revenues | 8,651,506 | 8,493,023 | 9,032,831 | 9,189,743 | 9,429,909 | 10,088,623 |
| Total primary government program revenues | \$ 32,517,049 | \$ 33,607,452 | \$ 35,088,966 | \$ 34,343,807 | \$ 36,376,880 | \$ 38,021,654 |
| Net (Expenses) Revenue | | | | | | |
| Governmental activities | \$ (43,215,103) | \$ (44,180,087) | \$ (43,409,091) | \$ (53,464,835) | \$ (55,412,246) | \$ (57,994,394) |
| Business-type activities | 839,295 | 134,486 | 285,283 | (285,404) | (544,983) | 75,378 |
| Total Primary government net expense | \$ (42,375,808) | \$ (44,045,601) | \$ (43,123,808) | \$ (53,750,239) | \$ (55,957,229) | \$ (57,919,016) |
| General Revenues and Other Changes in Net Assets | | | | | | |
| Governmental activities: | | | | | | |
| Property taxes | \$ 38,969,984 | \$ 41,202,971 | \$ 44,469,792 | \$ 49,606,220 | \$ 52,129,249 | \$ 55,835,213 |
| Motor vehicle registration tax | 3,719,694 | 3,844,146 | 3,923,934 | 3,968,620 | 3,927,069 | 3,803,303 |
| Penalties, interest and other taxes | 196,283 | 218,578 | 8,419 | 4,391 | 16,009 | 25,037 |
| Unrestricted investment income | 244,495 | 334,854 | 433,788 | 1,008,421 | 1,811,976 | 1,110,037 |
| Other revenue | 223,362 | 100,160 | 123,533 | 232,575 | 447,325 | 208,790 |
| Loss on sale of capital assets | - | - | (40,109) | - | - | - |
| Extraordinary item | - | - | (2,793,947) | 6,395,994 | - | - |
| Transfers, net | 14,524 | (82,675) | 9,599 | 26,904 | - | - |
| Total governmental activities | 43,368,342 | 45,618,034 | 46,135,009 | 61,243,125 | 58,331,628 | 60,982,380 |
| Business-type activities: | | | | | | |
| Investment income | 11,042 | 7,509 | 27,845 | 52,496 | 86,533 | 106,033 |
| Other Revenue | - | - | - | 10,500 | - | - |
| Transfers, net | (14,524) | 82,675 | (9,599) | (26,904) | - | - |
| Total business-type activities | (3,482) | 90,184 | 18,246 | 36,092 | 86,533 | 106,033 |
| Total primary government | \$ 43,364,860 | \$ 45,708,218 | \$ 46,153,255 | \$ 61,279,217 | \$ 58,418,161 | \$ 61,088,413 |
| Change in Net Assets | | | | | | |
| Governmental activities | \$ 153,239 | \$ 1,437,947 | \$ 2,725,918 | \$ 7,778,290 | \$ 2,919,382 | \$ 2,987,986 |
| Business-type activities | 835,813 | 224,670 | 303,529 | (249,312) | (458,450) | 181,411 |
| Total primary government | \$ 989,052 | \$ 1,662,617 | \$ 3,029,447 | \$ 7,528,978 | \$ 2,460,932 | \$ 3,169,397 |

(1) The City will continue to annually report information until this schedule includes 10 fiscal years.

City of Dover, New Hampshire

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|-------------------------------------------|---------------------|---------------------|----------------------|---------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| General Fund | | | | | | | | | | |
| Reserved for encumbrances | \$ 363,783 | \$ 363,239 | \$ 469,814 | \$ 703,744 | \$ 790,753 | \$ 398,376 | \$ 563,764 | \$ 817,682 | \$ 808,589 | \$ 643,717 |
| Reserved for advances (1) | 399,500 | 286,000 | 309,500 | 944,236 | 1,381,880 | 1,674,304 | 1,897,034 | 2,153,630 | 2,287,210 | 2,733,032 |
| Reserved for capital outlay (2) | 291,930 | 263,680 | 286,559 | 259,577 | 85,693 | 148,750 | 127,500 | 106,250 | 823,543 | 507,570 |
| Reserved for debt service | 255,000 | 233,750 | 212,500 | 191,250 | 170,000 | 110,000 | 110,000 | 68,508 | 106,250 | 63,750 |
| Reserved for other | - | - | - | - | - | - | - | - | - | - |
| Total Reserved | 1,310,213 | 1,146,669 | 1,278,373 | 2,098,807 | 2,428,326 | 2,331,430 | 2,698,298 | 3,146,070 | 4,025,592 | 3,948,069 |
| Unreserved | 2,149,416 | 3,949,957 | 4,408,451 | 3,605,676 | 3,709,521 | 3,593,044 | 3,867,587 | 4,796,633 | 5,068,952 | 5,584,935 |
| Total General Fund | \$ 3,459,629 | \$ 5,096,626 | \$ 5,686,824 | \$ 5,704,483 | \$ 6,137,847 | \$ 5,924,474 | \$ 6,565,885 | \$ 7,942,703 | \$ 9,094,544 | \$ 9,533,004 |
| All Other Governmental funds | | | | | | | | | | |
| Reserved for encumbrances | \$ - | \$ 3,696,096 | \$ 3,495,464 | \$ 4,061,377 | \$ 2,219,715 | \$ 3,138,359 | \$ 2,851,074 | \$ 7,210,141 | \$ 11,007,178 | \$ 8,134,795 |
| Reserved for capital outlay | 3,208,582 | 336,496 | 5,736,649 | - | 4,081,977 | 4,465,278 | 9,880,180 | 11,125,112 | 10,272,747 | 2,070,246 |
| Reserved for other | 25,707 | 27,484 | 27,682 | 28,938 | 23,424 | 29,963 | 39,161 | 39,176 | 48,336 | 46,333 |
| Total Reserved | \$ 3,234,289 | \$ 4,060,076 | \$ 9,259,795 | \$ 4,090,315 | \$ 6,325,116 | \$ 7,633,600 | \$ 12,770,415 | \$ 18,374,429 | \$ 21,328,261 | \$ 10,251,374 |
| Unreserved | 725,332 | 924,378 | 1,056,594 | 724,855 | 3,669,786 | 4,283,723 | 3,228,880 | 4,137,741 | 4,839,885 | 5,344,127 |
| Total All Other Governmental funds | \$ 3,959,621 | \$ 4,984,454 | \$ 10,316,389 | \$ 4,815,170 | \$ 9,994,902 | \$ 11,917,323 | \$ 15,999,295 | \$ 22,512,170 | \$ 26,168,146 | \$ 15,595,501 |

Data Source:
Audited Financial Statements

Beginning in Fiscal Year 2003 Special Revenue Funds include funds which were previously considered Trust Funds under the Pre GASB 34 reporting model.

Notes:

- (1) This reserve is for the cash advance to the Arena Fund. In Fiscal Year 2008 the reserve includes a cash advance to the McConnell Center Fund.
- (2) Appropriations for capital assets financed through the General Fund have a 3 year life or until the purpose is met.

City of Dover, New Hampshire

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|-----------------------------------------------------------------|---------------------|---------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------------------|
| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| Revenues | | | | | | | | | | |
| Taxes | \$29,211,331 | \$29,376,946 | \$32,105,887 | \$35,759,199 | \$39,127,067 | \$41,635,187 | \$44,425,858 | \$49,273,703 | \$51,923,895 | \$55,528,287 |
| Licenses and permits | 3,005,048 | 3,344,023 | 3,686,246 | 3,944,619 | 4,096,208 | 4,254,976 | 4,379,423 | 4,746,999 | 4,704,073 | 4,458,346 |
| Intergovernmental | 4,480,277 | 4,983,314 | 5,235,678 | 5,971,855 | 7,028,720 | 8,277,017 | 6,779,512 | 6,748,901 | 7,577,132 | 6,914,873 |
| Current service charges | 2,454,321 | 2,441,185 | 2,799,133 | 2,875,191 | 3,986,260 | 3,682,668 | 6,696,041 | 5,552,867 | 5,699,435 | 7,272,458 |
| Education | 4,446,561 | 8,823,894 | 9,333,811 | 11,003,650 | 11,740,906 | 11,666,453 | 11,589,151 | 11,513,198 | 11,944,765 | 11,954,934 |
| Miscellaneous revenue | 1,273,730 | 1,472,918 | 1,734,335 | 1,302,185 | 1,060,772 | 1,427,204 | 1,597,921 | 2,185,844 | 3,221,740 | 2,456,173 |
| Total revenues | 44,871,268 | 50,442,280 | 54,895,090 | 60,856,699 | 67,039,934 | 70,943,506 | 75,467,906 | 80,021,512 | 85,071,040 | 88,585,071 |
| Expenditures | | | | | | | | | | |
| General government | \$ 2,220,952 | \$ 2,752,678 | \$ 2,957,861 | \$ 3,049,278 | \$ 3,362,579 | \$ 3,682,989 | \$ 4,510,703 | \$ 4,403,947 | \$ 3,768,761 | \$ 4,667,786 |
| Public safety | 7,027,867 | 7,931,994 | 8,516,843 | 9,016,550 | 9,669,513 | 10,453,530 | 11,220,754 | 12,244,120 | 12,527,349 | 12,315,515 |
| Public works | 3,674,158 | 3,685,294 | 4,264,705 | 4,158,668 | 5,278,346 | 4,774,012 | 5,488,069 | 5,396,712 | 6,620,093 | 5,396,667 |
| Culture and recreation | 1,569,064 | 1,733,286 | 1,891,421 | 1,969,556 | 2,026,355 | 2,232,117 | 2,207,717 | 2,596,284 | 3,164,802 | 2,724,950 |
| Education | 22,553,697 | 24,750,933 | 27,151,429 | 31,382,245 | 34,643,006 | 36,706,948 | 37,366,752 | 39,929,897 | 40,788,339 | 42,991,635 |
| Human services | 1,050,727 | 1,109,990 | 1,617,411 | 1,141,594 | 1,181,469 | 1,475,210 | 1,171,342 | 1,271,139 | 1,422,465 | 1,067,523 |
| Intergovernmental | 2,729,400 | 2,824,052 | 2,855,108 | 3,666,619 | 3,695,246 | 4,639,183 | 4,336,892 | 5,454,815 | 5,750,204 | 5,922,221 |
| Capital outlay (1) | 13,522,595 | 6,450,130 | 8,894,073 | 7,596,771 | 7,471,290 | 5,393,035 | 6,952,065 | 10,748,911 | 17,072,862 | 14,066,205 |
| Debt service | | | | | | | | | | |
| Principal | 1,802,942 | 2,000,038 | 3,291,991 | 4,006,958 | 3,998,487 | 4,214,821 | 4,220,335 | 4,486,607 | 4,740,087 | 6,215,838 |
| Interest | 1,051,474 | 1,394,983 | 1,159,145 | 1,700,213 | 1,524,218 | 1,644,937 | 1,799,495 | 2,054,291 | 2,668,222 | 3,350,916 |
| Total expenditures | 57,202,876 | 54,633,378 | 62,599,987 | 67,688,452 | 72,850,509 | 75,216,782 | 79,274,123 | 88,586,723 | 98,523,184 | 98,719,256 |
| Excess of revenues | | | | | | | | | | |
| Over/(under) expenditures | (12,331,608) | (4,191,098) | (7,704,897) | (6,831,753) | (5,810,575) | (4,273,276) | (3,806,217) | (8,565,211) | (13,452,144) | (10,134,185) |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Bond Issuance | \$14,720,603 | \$ 6,920,928 | \$13,586,400 | \$ 1,229,000 | \$ 9,159,000 | \$ 6,065,000 | \$ 8,520,000 | \$ 16,428,000 | \$ 18,196,000 | - |
| Bond Premium | - | - | - | - | - | - | - | - | 63,961 | - |
| Transfers in | 503,071 | 257,193 | 577,740 | 531,781 | 944,509 | 1,040,165 | 1,148,898 | 1,161,973 | 1,183,029 | 1,093,416 |
| Transfers out | (244,571) | (325,193) | (537,110) | (412,588) | (929,985) | (1,122,840) | (1,139,298) | (1,135,069) | (1,183,029) | (1,093,416) |
| Total governmental activities | 14,979,103 | 6,852,928 | 13,627,030 | 1,348,193 | 9,173,524 | 5,982,325 | 8,529,600 | 16,454,904 | 18,259,961 | - |
| Net Change in fund balances | \$ 2,647,495 | \$ 2,661,830 | \$ 5,922,133 | \$ (5,483,560) | \$ 3,362,949 | \$ 1,709,049 | \$ 4,723,383 | \$ 7,889,693 | \$ 4,807,817 | \$ (10,134,185) |
| Debt Service as a percentage of non-capital outlay expenditures | 6.5% | 7.0% | 8.3% | 9.5% | 8.4% | 8.4% | 8.3% | 8.4% | 9.1% | 11.3% |

Data Source:
Audited Financial Statements

Beginning in Fiscal Year 2003 Special Revenue Funds include funds which were previously considered Trust Funds under the Pre GASB 34 reporting model.

Notes

(1) Capital outlay expenditures are presented within other function categories in the basic financial statements.

City of Dover, New Hampshire

Changes in Fund Balances, General Fund

Last Ten Fiscal Years
(modified accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|---------------------------------------|-------------------|---------------------|-------------------|-------------------|-------------------|---------------------|-------------------|---------------------|---------------------|--------------------|
| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| Revenues | | | | | | | | | | |
| Taxes | \$ 29,211,331 | \$ 29,141,018 | \$ 31,853,179 | \$ 35,585,882 | \$ 38,649,599 | \$ 41,525,541 | \$ 44,054,361 | \$ 48,791,940 | \$ 51,416,226 | \$ 55,152,120 |
| Licenses and permits | 3,005,048 | 3,344,023 | 3,686,246 | 3,944,619 | 4,096,208 | 4,254,976 | 4,378,403 | 4,745,864 | 4,702,403 | 4,456,916 |
| Intergovernmental | 1,546,811 | 1,610,534 | 1,675,881 | 1,766,065 | 1,914,757 | 1,910,836 | 2,069,959 | 2,140,515 | 2,799,049 | 2,761,290 |
| Current service charges | 1,000,878 | 954,790 | 1,054,940 | 1,030,036 | 1,124,299 | 1,119,191 | 1,586,678 | 1,486,611 | 1,293,887 | 1,220,717 |
| Education | 4,446,561 | 8,823,894 | 9,333,811 | 10,758,527 | 11,740,906 | 11,666,453 | 11,589,151 | 11,513,198 | 11,944,765 | 11,954,934 |
| Miscellaneous revenue | 620,461 | 963,059 | 1,093,938 | 680,805 | 478,202 | 485,359 | 779,348 | 1,227,807 | 2,001,869 | 1,888,508 |
| Total revenues | 39,831,090 | 44,837,318 | 48,697,995 | 53,765,934 | 58,003,971 | 60,961,357 | 64,457,900 | 69,905,935 | 74,158,198 | 77,434,485 |
| Expenditures by Function | | | | | | | | | | |
| General government | \$ 2,220,952 | \$ 2,752,678 | \$ 2,942,239 | \$ 3,007,590 | \$ 2,946,305 | \$ 3,518,072 | \$ 3,933,830 | \$ 3,710,777 | \$ 4,707,754 | 4,691,917 |
| Public safety | 6,387,607 | 6,917,061 | 7,364,837 | 7,762,936 | 8,500,956 | 9,249,045 | 9,975,122 | 10,907,760 | 11,303,843 | 11,396,359 |
| Public works | 3,156,441 | 3,169,586 | 3,572,785 | 3,538,122 | 4,451,367 | 3,931,571 | 4,594,796 | 4,316,164 | 4,626,565 | 4,665,096 |
| Culture and recreation | 1,498,600 | 1,682,017 | 1,863,347 | 1,926,516 | 1,973,218 | 2,087,301 | 2,123,434 | 2,202,084 | 2,284,641 | 2,301,415 |
| Education | 19,729,818 | 21,760,597 | 24,203,905 | 27,208,695 | 29,199,879 | 30,486,749 | 31,380,847 | 33,848,664 | 35,528,132 | 37,141,062 |
| Human services | 425,516 | 414,116 | 446,689 | 550,038 | 653,336 | 730,727 | 785,254 | 638,330 | 604,200 | 658,979 |
| Intergovernmental | 2,729,400 | 2,824,052 | 2,855,108 | 3,666,619 | 3,695,246 | 4,639,183 | 4,336,892 | 5,454,815 | 5,750,204 | 5,922,221 |
| Debt service | | | | | | | | | | |
| Principal | 1,802,942 | 2,000,038 | 3,291,991 | 4,006,958 | 3,998,487 | 4,214,821 | 4,220,335 | 4,486,607 | 4,700,087 | 6,010,838 |
| Interest | 1,051,474 | 1,394,983 | 1,159,145 | 1,700,213 | 1,524,218 | 1,644,937 | 1,799,495 | 2,045,847 | 2,445,863 | 3,146,722 |
| Total expenditures | 39,002,750 | 42,915,128 | 47,700,046 | 53,367,687 | 56,943,012 | 60,502,406 | 63,150,004 | 67,611,048 | 71,951,289 | 75,934,609 |
| Excess of revenues | | | | | | | | | | |
| Over/(under) expenditures | 828,340 | 1,922,190 | 997,949 | 398,247 | 1,060,959 | 458,951 | 1,307,896 | 2,294,887 | 2,206,909 | 1,499,876 |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Proceeds from borrowing | | | | | | | | | | |
| Bond Premium | - | - | - | - | - | - | - | - | 63,961 | - |
| Transfers in | 261,000 | 36,000 | 32,000 | 32,000 | 49,595 | 63,828 | 32,000 | 32,000 | 32,000 | 32,000 |
| Transfers out | (240,571) | (321,193) | (439,751) | (412,588) | (677,190) | (736,152) | (698,485) | (950,069) | (1,151,029) | (1,093,416) |
| Total governmental activities | 20,429 | (285,193) | (407,751) | (380,588) | (627,595) | (672,324) | (666,485) | (918,069) | (1,055,068) | (1,061,416) |
| Net Change in fund balances | \$ 848,769 | \$ 1,636,997 | \$ 590,198 | \$ 17,659 | \$ 433,364 | \$ (213,373) | \$ 641,411 | \$ 1,376,818 | \$ 1,151,841 | \$ 438,460 |

Data Source:
Audited Financial Statements

City of Dover, New Hampshire

Changes in Fund Balances, Special Revenue Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|-------------------|-------------------|
| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| Revenues | | | | | | | | | | |
| Taxes | \$ - | \$ 235,928 | \$ 252,708 | \$ 173,317 | \$ 477,468 | \$ 109,646 | \$ 371,497 | \$ 481,763 | \$ 507,669 | \$ 376,167 |
| Licenses and permits | - | - | - | - | - | - | 1,020 | 1,135 | 1,670 | 1,430 |
| Intergovernmental | 2,632,908 | 3,209,546 | 3,391,181 | 4,038,970 | 4,613,018 | 5,875,326 | 4,573,196 | 4,282,636 | 4,627,585 | 4,153,583 |
| Current service charges | 1,453,443 | 1,454,642 | 1,615,597 | 1,627,738 | 2,644,336 | 2,338,255 | 3,338,544 | 4,026,256 | 4,226,685 | 4,843,301 |
| Education | - | - | - | 245,123 | - | - | - | - | - | - |
| Miscellaneous revenue | 561,126 | 492,409 | 640,397 | 621,380 | 559,833 | 861,377 | 548,268 | 710,930 | 973,661 | 327,782 |
| Total revenues | 4,647,477 | 5,392,525 | 5,899,883 | 6,706,528 | 8,294,655 | 9,184,604 | 8,832,525 | 9,502,720 | 10,337,270 | 9,702,263 |
| Expenditures | | | | | | | | | | |
| General government | - | - | 15,622 | 41,688 | 416,274 | 164,917 | 576,873 | 693,170 | 1,029,501 | 609,614 |
| Public safety | 640,260 | 1,014,933 | 1,152,006 | 1,253,614 | 1,168,557 | 1,204,485 | 1,245,632 | 1,336,360 | 1,411,641 | 1,403,243 |
| Public works | 517,717 | 515,708 | 691,920 | 620,546 | 826,979 | 842,441 | 893,273 | 1,080,548 | 1,109,091 | 1,052,042 |
| Culture and recreation | 70,464 | 51,269 | 28,074 | 43,040 | 53,137 | 144,816 | 84,283 | 394,200 | 400,112 | 519,747 |
| Education | 2,823,879 | 2,990,336 | 2,947,524 | 4,173,550 | 5,443,127 | 6,220,199 | 5,985,905 | 6,081,233 | 5,917,742 | 5,855,883 |
| Human services | 625,211 | 695,874 | 1,170,722 | 591,556 | 528,133 | 744,483 | 386,088 | 632,809 | 818,265 | 408,544 |
| Debt service | | | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - | 40,000 | 205,000 |
| Interest | - | - | - | - | - | - | - | 8,444 | 206,359 | 204,194 |
| Total expenditures | 4,677,531 | 5,268,120 | 6,005,868 | 6,723,994 | 8,436,207 | 9,321,341 | 9,172,054 | 10,226,764 | 10,932,711 | 10,258,267 |
| Excess of revenues | | | | | | | | | | |
| Over(under) expenditures | (30,054) | 124,405 | (105,985) | (17,466) | (141,552) | (136,737) | (339,529) | (724,044) | (595,441) | (556,004) |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Transfers in | 154,963 | 221,193 | 315,751 | 372,685 | 671,648 | 676,337 | 733,299 | 943,713 | 1,207,020 | 1,061,416 |
| Transfers out | (4,000) | (4,000) | (97,359) | - | (252,795) | (86,688) | (440,813) | (185,000) | (87,991) | - |
| Total governmental activities | 150,963 | 217,193 | 218,392 | 372,685 | 418,853 | 589,649 | 292,486 | 758,713 | 1,119,029 | 1,061,416 |
| Net Change in fund balances | \$ 120,909 | \$ 341,598 | \$ 112,407 | \$ 355,219 | \$ 277,301 | \$ 452,912 | \$ (47,043) | \$ 34,669 | \$ 523,588 | \$ 505,412 |

Data Source

Audited Financial Statements

Beginning in Fiscal Year 2003 Special Revenue Funds include funds which were previously considered Trust Funds under the Pre GASB 34 reporting model.

City of Dover, New Hampshire

Changes in Fund Balances, Capital Project Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

| | 1999 | 2000 | 2001 | 2002 | Fiscal Year | | 2005 | 2006 | 2007 | 2008 |
|---------------------------------------|---------------------|-------------------|---------------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
| | | | | | 2003 | 2004 | | | | |
| Revenues | | | | | | | | | | |
| Intergovernmental | \$ 300,558 | \$ 163,234 | \$ 168,616 | \$ 166,820 | \$ 500,945 | \$ 490,855 | \$ 136,357 | \$ 325,750 | \$ 150,499 | \$ - |
| Current service charges | - | 31,753 | 128,596 | 217,417 | 217,625 | 226,222 | 1,770,819 | 40,000 | 178,863 | 1,208,440 |
| Education | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous revenue | 92,143 | 17,450 | - | - | 22,737 | 80,468 | 270,305 | 247,107 | 246,210 | 239,883 |
| Total revenues | 392,701 | 212,437 | 297,212 | 384,237 | 741,307 | 797,545 | 2,177,481 | 612,857 | 575,572 | 1,448,323 |
| Expenditures | | | | | | | | | | |
| Capital outlay | 13,522,595 | 6,450,130 | 8,894,073 | 7,596,771 | 7,471,290 | 5,393,035 | 6,952,065 | 10,748,911 | 15,639,184 | 12,526,380 |
| Total expenditures | 13,522,595 | 6,450,130 | 8,894,073 | 7,596,771 | 7,471,290 | 5,393,035 | 6,952,065 | 10,748,911 | 15,639,184 | 12,526,380 |
| Excess of revenues | | | | | | | | | | |
| Over(under) expenditures | (13,129,894) | (6,237,693) | (8,596,861) | (7,212,534) | (6,729,983) | (4,595,490) | (4,774,584) | (10,136,054) | (15,063,612) | (11,078,057) |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Proceeds from borrowing | 14,720,603 | 6,920,928 | 13,586,400 | 1,229,000 | 9,159,000 | 6,065,000 | 8,520,000 | 16,428,000 | 18,196,000 | - |
| Transfers in | 87,108 | - | 229,989 | 127,096 | 223,266 | 300,000 | 383,599 | 186,260 | - | - |
| Transfers out | - | - | - | - | - | (300,000) | - | - | - | - |
| Total governmental activities | 14,807,711 | 6,920,928 | 13,816,389 | 1,356,096 | 9,382,266 | 6,065,000 | 8,903,599 | 16,614,260 | 18,196,000 | - |
| Net Change in fund balances | \$ 1,677,817 | \$ 683,235 | \$ 5,219,528 | \$(5,856,438) | \$ 2,652,283 | \$ 1,469,510 | \$ 4,129,015 | \$ 6,478,206 | \$ 3,132,388 | \$(11,078,057) |

Data Source:

Audited Financial Statements

City of Dover, New Hampshire

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

| Fiscal Year | Revenue | | | | | Expenses | | | | | Increase (Decrease) | |
|-------------|-------------------|----------------------|------------|--------------|--------------|--------------------------|--------------|------------------|---------------|--------------|---------------------|------------------|
| | Intergovernmental | Charges for Services | Other | Transfers In | Total | Operations & Maintenance | Depreciation | Interest Expense | Transfers Out | Total | Total Net Assets | Total Net Assets |
| 2008 | \$ - | \$ 7,858,489 | \$ 386,606 | \$ 240,877 | \$ 8,486,972 | \$ 4,718,312 | \$ 2,637,288 | \$ 1,091,442 | \$ - | \$ 8,447,042 | \$ 38,930 | \$ 55,011,636 |
| 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 |
| 2004 | 474,062 | 6,383,456 | 580,370 | 82,675 | 7,520,563 | 3,952,020 | 2,139,939 | 996,146 | - | 7,088,105 | 432,458 | 55,205,244 (1) |
| 2003 | 512,554 | 6,957,737 | 409,068 | - | 7,879,359 | 3,560,102 | 2,087,337 | 1,006,474 | 14,524 | 6,668,438 | 1,210,921 | 54,772,785 (2) |
| 2002 | 565,334 | 5,130,038 | 136,903 | 735,000 | 6,567,275 | 3,285,298 | 2,264,227 | 1,136,101 | 592,245 | 7,277,871 | (710,596) | 53,561,864 |
| 2001 | 679,857 | 5,498,937 | 217,157 | 867,000 | 7,262,951 | 3,294,038 | 2,214,503 | 908,358 | 340,000 | 6,756,899 | 506,052 | 44,826,544 |
| 2000 | 638,392 | 4,999,583 | 179,590 | - | 5,817,565 | 2,877,432 | 2,225,281 | 1,018,410 | 315,000 | 6,436,123 | (618,558) | 44,210,697 |
| 1999 | 759,847 | 4,888,517 | 102,005 | - | 5,750,369 | 2,859,706 | 2,237,918 | 1,125,162 | 290,000 | 6,512,786 | (762,417) | 44,721,602 |

Includes Water and Sewer Funds

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

| Fiscal Year | Revenue | | | | | Expenses | | | | | Increase (Decrease) | |
|-------------|-------------------|----------------------|------------|--------------|--------------|--------------------------|--------------|------------------|---------------|--------------|---------------------|------------------|
| | Intergovernmental | Charges for Services | Other | Transfers In | Total | Operations & Maintenance | Depreciation | Interest Expense | Transfers Out | Total | Total Net Assets | Total Net Assets |
| 2008 | \$ - | \$ 3,864,482 | \$ 199,090 | \$ - | \$ 4,063,572 | \$ 2,263,253 | \$ 644,602 | \$ 522,187 | \$ - | \$ 3,430,042 | \$ 633,530 | \$ 16,743,732 |
| 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 |
| 2004 | - | 2,789,034 | 240,517 | 82,675 | 3,112,226 | 1,762,176 | 526,183 | 233,516 | - | 2,521,875 | 590,351 | 15,103,200 |
| 2003 | - | 3,040,583 | 121,338 | - | 3,161,921 | 1,611,453 | 501,377 | 213,516 | - | 2,326,346 | 835,575 | 14,512,849 (1) |
| 2002 | - | 2,217,796 | 47,485 | 400,000 | 2,665,281 | 1,513,683 | 465,709 | 259,524 | 292,245 | 2,531,161 | 134,120 | 13,677,274 (2) |
| 2001 | - | 2,287,727 | 19,100 | 142,000 | 2,448,827 | 1,377,318 | 438,642 | 118,840 | 40,000 | 1,974,800 | 474,027 | 8,375,032 |
| 2000 | - | 2,169,065 | 12,030 | - | 2,181,095 | 1,227,278 | 430,875 | 147,350 | 40,000 | 1,845,503 | 335,592 | 7,791,977 |
| 1999 | - | 2,052,582 | 16,239 | - | 2,068,821 | 1,125,482 | 406,385 | 162,953 | 40,000 | 1,734,820 | 334,001 | 7,348,732 |

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

| Fiscal Year | Revenue | | | | | Expenses | | | | | Increase (Decrease) | |
|-------------|-------------------|----------------------|------------|--------------|--------------|--------------------------|--------------|------------------|---------------|--------------|---------------------|------------------|
| | Intergovernmental | Charges for Services | Other | Transfers In | Total | Operations & Maintenance | Depreciation | Interest Expense | Transfers Out | Total | Total Net Assets | Total Net Assets |
| 2008 | \$ - | \$ 3,994,007 | \$ 187,516 | \$ 240,877 | \$ 4,422,400 | \$ 2,455,059 | \$ 1,992,686 | \$ 569,255 | \$ - | \$ 5,017,000 | \$ (594,600) | \$ 38,267,904 |
| 2007 | 552,375 | 3,821,192 | 186,890 | - | 4,360,457 | 2,486,247 | 1,875,205 | 702,213 | - | 5,043,665 | (683,208) | 38,862,504 |
| 2006 | 519,346 | 3,768,912 | 194,737 | - | 4,482,995 | 2,526,951 | 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 |
| 2004 | 474,062 | 3,594,422 | 339,853 | - | 4,408,337 | 2,189,844 | 1,613,756 | 762,630 | - | 4,566,230 | (157,893) | 40,102,044 |
| 2003 | 512,554 | 3,917,154 | 287,730 | - | 4,717,438 | 1,948,649 | 1,585,960 | 792,958 | 14,524 | 4,342,091 | 375,347 | 40,259,937 (1) |
| 2002 | 565,334 | 2,912,242 | 89,418 | 335,000 | 3,901,994 | 1,771,615 | 1,798,518 | 876,577 | 300,000 | 4,746,710 | (844,716) | 39,884,590 (2) |
| 2001 | 679,857 | 3,211,210 | 198,057 | 725,000 | 4,814,124 | 1,916,720 | 1,775,861 | 789,518 | 300,000 | 4,782,099 | 32,025 | 36,451,512 |
| 2000 | 638,392 | 2,830,518 | 167,560 | - | 3,636,470 | 1,650,154 | 1,794,406 | 871,060 | 275,000 | 4,590,620 | (954,150) | 36,418,720 |
| 1999 | 759,847 | 2,835,935 | 85,766 | - | 3,681,548 | 1,734,224 | 1,831,533 | 962,209 | 250,000 | 4,777,966 | (1,096,418) | 37,372,870 |

Data Source:

Audited Financial Reports

Notes:

(1) Beginning in Fiscal Year 2003 includes Capital Reserve Funds which were previously considered Trust Funds.

(2) Total Net Assets as restated for Fiscal Year ending June 30, 2002. Restatement resulting from adjustment of capital asset values and accumulated depreciation.

City of Dover, New Hampshire

Arena Fund Revenue, Expenses, and Changes in Fund Net Assets

Last Ten Fiscal Years

| Fiscal Year | Revenue | | | | | Expenses | | | | | Increase (Decrease) Total Net Assets | Total Net Assets |
|-------------|-------------------|----------------------|-----------|--------------|--------------|--------------------------|--------------|------------------|---------------|--------------|--------------------------------------|------------------|
| | Intergovernmental | Charges for Services | Other | Transfers In | Total | Operations & Maintenance | Depreciation | Interest Expense | Transfers Out | Total | | |
| 2008 | \$ - | \$ 1,480,636 | \$ 89,667 | \$ - | \$ 1,570,303 | \$ 1,150,492 | \$ 140,282 | \$ 136,988 | \$ - | \$ 1,427,762 | \$ 142,541 | \$ (1,109,347) |
| 2007 | - | 1,340,485 | 122,468 | - | 1,462,953 | 1,186,164 | 146,214 | 149,571 | - | 1,481,949 | (18,996) | (1,251,888) |
| 2006 | - | 1,210,812 | 73,703 | - | 1,284,515 | 1,116,996 | 142,535 | 158,703 | - | 1,418,234 | (133,719) | (1,232,892) |
| 2005 | - | 1,153,168 | 50,038 | - | 1,203,206 | 1,013,035 | 142,364 | 158,990 | - | 1,314,389 | (111,183) | (1,099,173) |
| 2004 | - | 996,402 | 66,242 | - | 1,062,644 | 944,294 | 142,364 | 175,880 | - | 1,262,538 | (199,894) | (987,990) |
| 2003 | - | 744,278 | 38,912 | - | 783,190 | 813,758 | 144,174 | 193,268 | - | 1,151,200 | (368,010) | (788,096) (1) |
| 2002 | - | 703,767 | 26,734 | - | 730,501 | 905,837 | 124,252 | 229,307 | - | 1,259,396 | (528,895) | (420,086) (2&3) |
| 2001 | - | 503,124 | - | 100,000 | 603,124 | 653,641 | 68,291 | 19,014 | - | 740,946 | (137,822) | (244,184) |
| 2000 | - | 498,644 | - | - | 498,644 | 479,116 | 72,650 | 21,220 | - | 572,986 | (74,342) | (106,362) |
| 1999 | - | 496,101 | - | - | 496,101 | 470,494 | 75,876 | 23,470 | - | 569,840 | (73,739) | (32,020) |

Data Source:

Audited Financial Reports

Notes:

- (1) Beginning in Fiscal Year 2003 includes Capital Reserve Funds which were previously considered Trust Funds.
- (2) Total Net Assets as restated for Fiscal Year ending June 30, 2002. Restatement resulting from adjustment of capital asset values and accumulated depreciation.
- (3) The Arena facility was expanded adding a second enclosed ice sheet that came on-line during fiscal year 2002.

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 | Activity Tax (1) | Tax Interest & Penalties | Total |
|-------------|----------------|-----------------------|-----------|-----------|------------------------|----------------|------------------|--------------------------|---------------|
| 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 |
| 2004 | 41,200,107 | 108,017 | 26,275 | 4,651 | 68,874 | 8,700 | - | 218,562 | 41,635,187 |
| 2003 | 38,345,800 | 475,838 | 22,759 | 4,945 | 71,298 | 10,143 | - | 196,283 | 39,127,067 |
| 2002 | 35,273,175 | 162,276 | 23,328 | 3,279 | 99,639 | 13,953 | - | 183,548 | 35,759,198 |
| 2001 | 31,494,896 | 250,246 | 20,745 | 765 | 90,005 | 10,459 | 35,085 | 203,687 | 32,105,886 |
| 2000 | 28,596,237 | 341,124 | 21,473 | 19,047 | 93,506 | 10,743 | 39,410 | 255,406 | 29,376,946 |
| 1999 | 28,702,711 | 119,434 | 21,209 | 9,341 | 86,259 | 6,371 | 35,464 | 230,542 | 29,211,331 |

Data Source:

Audited Internal Financial Statements

Notes:

- (1) Activity tax was ruled unconstitutional by N.H. Supreme Court.

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 |
| 2008 | \$ 55,140,420 | \$ 52,827,214 | 95.8% | \$ 2,313,206 | \$ - | \$ 2,313,206 | \$ 52,827,214 | 95.8% | 9,685 | 295 | 3.0% |
| 2007 | 51,305,180 | 49,264,164 | 96.0% | 2,041,016 | 1,586,991 | 454,025 | 50,851,155 | 99.1% | 9,552 | 353 | 3.7% |
| 2006 | 48,838,109 | 46,864,721 | 96.0% | 1,973,388 | 1,811,028 | 162,360 | 48,675,749 | 99.7% | 9,187 | 278 | 3.0% |
| 2005 | 43,833,406 | 42,209,865 | 96.3% | 1,623,541 | 1,622,122 | 1,419 | 43,831,987 | 100.0% | 9,103 | 249 | 2.7% |
| 2004 | 41,081,332 | 39,523,636 | 96.2% | 1,557,696 | 1,557,696 | - | 41,081,332 | 100.0% | 9,009 | 262 | 2.9% |
| 2003 | 38,378,893 | 36,736,461 | 95.7% | 1,642,433 | 1,642,433 | - | 38,378,893 | 100.0% | 8,888 | 310 | 3.5% |
| 2002 | 35,301,454 | 33,862,981 | 95.9% | 1,438,473 | 1,438,473 | - | 35,301,454 | 100.0% | 8,735 | 301 | 3.4% |
| 2001 | 31,525,308 | 30,190,566 | 95.8% | 1,334,742 | 1,334,742 | - | 31,525,308 | 100.0% | 8,673 | 318 | 3.7% |
| 2000 | 28,514,086 | 27,305,905 | 95.8% | 1,208,181 | 1,208,181 | - | 28,514,086 | 100.0% | 8,498 | 397 | 4.7% |
| 1999 | 28,513,295 | 27,184,820 | 95.3% | 1,328,475 | 1,328,475 | - | 28,513,295 | 100.0% | 8,502 | 405 | 4.8% |

Data Source:

Audited Internal 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 deeded.

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 | | | | | | |
| 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% |
| 2004 | 1,580,353,000 | 485,398,492 | 31,250,100 | 2,097,001,592 | 19,013,400 | 2,077,988,192 | 17.67 | 2,303,407,162 | 91.0% |
| 2003 | 1,359,533,470 | 471,810,672 | 31,250,100 | 1,862,594,242 | 10,271,000 | 1,852,323,242 | 18.89 | 2,033,558,594 | 91.6% |
| 2002 | 1,157,386,700 | 414,001,060 | 31,250,100 | 1,602,637,860 | 9,969,500 | 1,592,668,360 | 20.09 | 1,789,901,391 | 89.5% |
| 2001 | 780,489,650 | 319,310,200 | 26,188,800 | 1,125,988,650 | 7,145,000 | 1,118,843,650 | 25.97 | 1,529,921,457 | 73.6% |
| 2000 | 725,066,300 | 265,815,100 | 25,502,700 | 1,016,384,100 | 9,362,000 | 1,007,022,100 | 25.81 | 1,324,236,772 | 76.8% |
| 1999 | 702,697,000 | 259,212,300 | 25,466,800 | 987,376,100 | 5,833,300 | 981,542,800 | 26.49 | 1,161,777,709 | 85.0% |

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>2008 Assessed Value</u> | <u>Rank</u> | <u>Percentage of Total Assessed Value</u> | <u>1999 Assessed Value</u> | <u>Rank</u> | <u>Percentage of Total Assessed Value</u> |
|-------------------------------------------|-------------------------|------------------------------------|-------------|---------------------------------------------------|------------------------------------|-------------|---------------------------------------------------|
| Liberty Mutual Insurance Co | Insurance | \$ 26,622,700 | 1 | 0.94 % | \$ 18,334,100 | 1 | 1.87 % |
| Public Service Co of NH | Utility | 22,955,700 | 2 | 0.81 | 16,759,000 | 2 | 1.71 |
| The New Meadows Inc | Apartments | 16,390,200 | 3 | 0.58 | 5,172,300 | 8 | 0.53 |
| Holgate Limited Partnership | Comm/Res Rentals | 16,042,600 | 4 | 0.57 | - | - | - |
| 171 Watson Rd of Dover Holding Corp. | Scholastic Testing | 13,996,500 | 5 | 0.49 | - | - | - |
| Dover Mills Partnership | Developer | 11,695,700 | 6 | 0.41 | 7,532,100 | 5 | 0.77 |
| NP Dover LLC (Current) Shaw's(Previously) | Supermarket | 11,171,400 | 7 | 0.39 | 7,141,800 | 6 | 0.73 |
| Northern Utilities Inc | Gas Utility | 10,751,300 | 8 | 0.38 | 8,381,800 | 4 | 0.85 |
| MSM Brothers, Inc. | Apartments | 9,894,700 | 9 | 0.35 | - | - | - |
| Sawyers Mills Assoc Inc | Apartments | 9,688,600 | 10 | 0.34 | - | - | - |
| Goss (Current) Heidelberg (Previously) | Manufacturer | - | - | - | 8,552,200 | 3 | 0.87 |
| Davidson Rubber | Urethane Products | - | - | - | 5,163,100 | 9 | 0.53 |
| Hannafor Brothers | Supermarket | - | - | - | 4,354,400 | 10 | 0.44 |
| Langdon Place of Dover | Retirement Community | - | - | - | 6,458,600 | 7 | 0.66 |
| Total Principal Taxpayers | | \$ 149,209,400 | | 5.26 % | \$ 87,849,400 | | 8.95 % |
| Total Net Assessed Taxable Value | | \$ 2,835,069,000 | | | \$ 981,542,800 | | |

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 | |
| 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 |
| 2004 | 7.48 | (0.05) | 7.43 | 5.87 | 4.37 | 10.24 | 17.67 | 2.21 | 19.88 | 17.85 |
| 2003 | 8.03 | (0.13) | 7.90 | 6.08 | 4.91 | 10.99 | 18.89 | 1.97 | 20.86 | 18.90 |
| 2002 | 8.80 | (0.67) | 8.13 | 6.31 | 5.65 | 11.96 | 20.09 | 2.27 | 22.36 | 19.75 |
| 2001 | 11.28 | (0.94) | 10.34 | 8.41 | 7.22 | 15.63 | 25.97 | 2.51 | 28.48 | 20.25 |
| 2000 | 11.70 | (0.25) | 11.45 | 6.32 | 8.04 | 14.36 | 25.81 | 2.75 | 28.56 | 21.04 |
| 1999 | 10.54 | (0.34) | 10.20 | 16.29 | - | 16.29 | 26.49 | 2.73 | 29.22 | 23.65 |

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 |
| 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 |
| 2004 | 2,422,840 | 3,605,880 | 1,018,000 | 906,000 | 2.38 | 3.98 | 6.36 |
| 2003 | 2,202,550 | 3,357,000 | 1,015,000 | 900,000 | 2.17 | 3.73 | 5.90 |
| 2002 | 2,286,900 | 3,162,790 | 990,000 | 881,000 | 2.31 | 3.59 | 5.90 |
| 2001 | 1,958,400 | 2,972,160 | 960,000 | 864,000 | 2.04 | 3.44 | 5.48 |
| 2000 | 1,940,850 | 2,704,000 | 935,000 | 845,000 | 2.08 | 3.20 | 5.28 |
| 1999 | 1,739,100 | 2,720,000 | 930,000 | 850,000 | 1.87 | 3.20 | 5.07 |

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 | | | |
|------------------------|------------------|-------------------|-------------|
| Tax Year | Dover | Strafford County | Dover's % |
| 2006 | \$ 2,957,658,251 | \$ 11,428,976,216 | 25.8785931% |
| 2005 | 2,912,670,592 | 10,943,501,422 | 26.6155271% |
| 2004 | 2,603,256,233 | 9,798,715,231 | 26.5673221% |
| 2003 | 2,307,394,165 | 8,651,293,933 | 26.6710874% |
| 2002 | 2,036,499,998 | 7,464,648,336 | 27.2819282% |
| 2001 | 1,794,028,135 | 6,480,835,631 | 27.6820496% |
| 2000 | 1,564,564,557 | 5,607,449,033 | 27.9015386% |
| 1999 | 1,357,414,368 | 4,861,486,637 | 27.9217957% |
| 1998 | 1,212,846,560 | 4,392,004,563 | 27.6148748% |
| 1997 | 1,076,042,753 | 4,035,213,913 | 26.6663125% |

| Apportionment of County Tax Levy | | | | |
|----------------------------------|-----------------|---------------|-------------------------|------------------------|
| Fiscal Year | County Tax Levy | Dover's Share | Dover's Share \$ Change | Dover's Share % Change |
| 2008 | \$ 22,884,637 | \$ 5,922,221 | \$ 172,016 | 3.0% |
| 2007 | 21,604,701 | 5,750,205 | 295,390 | 5.4% |
| 2006 | 20,532,046 | 5,454,815 | 1,117,923 | 25.8% |
| 2005 | 16,260,649 | 4,336,892 | (302,291) | -6.5% |
| 2004 | 17,004,598 | 4,639,183 | 943,938 | 25.5% |
| 2003 | 13,348,887 | 3,695,245 | 28,626 | 0.8% |
| 2002 | 13,141,275 | 3,666,619 | 811,511 | 28.4% |
| 2001 | 10,225,372 | 2,855,108 | 31,056 | 1.1% |
| 2000 | 10,226,562 | 2,824,052 | 94,652 | 3.5% |
| 1999 | 10,235,383 | 2,729,400 | (12,440) | -0.5% |

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

| | Fiscal Year | | | | | | | | | |
|---------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| Debt at June 30 | | | | | | | | | | |
| City Depts. | \$ 14,820,966 | \$ 13,916,837 | \$ 23,673,243 | \$ 22,628,086 | \$ 25,708,328 | \$ 27,332,571 | \$ 30,982,814 | \$ 39,661,057 | \$ 45,784,300 | \$ 41,974,543 |
| Hospital | - | - | - | - | - | - | - | - | - | - |
| School Dept. | 2,357,273 | 19,182,291 | 19,720,294 | 17,987,493 | 20,067,764 | 20,293,700 | 20,943,122 | 24,206,272 | 31,538,942 | 29,132,861 |
| Total Governmental Activities | 17,178,239 | 33,099,128 | 43,393,537 | 40,615,579 | 45,776,092 | 47,626,271 | 51,925,938 | 63,867,329 | 77,323,242 | 71,107,404 |
| Water Fund | 2,894,382 | 2,337,196 | 4,858,947 | 4,307,298 | 5,985,649 | 7,665,000 | 7,788,000 | 11,103,000 | 12,578,000 | 11,573,000 |
| Sewer Fund | 14,285,691 | 13,004,800 | 14,650,000 | 13,640,000 | 15,056,000 | 14,829,000 | 14,701,000 | 14,553,000 | 13,210,000 | 11,538,000 |
| Arena Fund | 403,815 | 366,880 | 3,930,380 | 4,279,500 | 4,034,410 | 3,785,920 | 3,542,430 | 3,298,940 | 3,055,450 | 2,813,960 |
| DBIDA Fund | 644,491 | 923,842 | 901,144 | - | - | - | - | 2,383,554 | 2,256,453 | 2,121,775 |
| Total Debt at June 30 | \$ 35,716,718 | \$ 49,731,846 | \$ 67,734,018 | \$ 62,842,377 | \$ 70,852,151 | \$ 73,906,191 | \$ 77,957,366 | \$ 95,205,823 | \$ 108,423,145 | \$ 99,154,139 |
| Base Value for Debt Limits (1) | \$ 1,208,262,266 | \$ 1,351,690,603 | \$ 1,558,792,619 | \$ 1,820,063,750 | \$ 2,065,144,579 | \$ 2,336,696,368 | \$ 2,634,930,749 | \$ 2,944,329,836 | \$ 2,988,313,185 | \$ 3,060,293,656 |
| Legal Debt Limits (% of Base Value) | | | | | | | | | | |
| City - 1.75% thru 1998, 3% 1999 on (2) | \$ 36,247,868 | \$ 40,556,718 | \$ 46,763,779 | \$ 54,601,913 | \$ 61,954,337 | \$ 70,100,891 | \$ 79,047,922 | \$ 88,329,895 | \$ 89,649,396 | \$ 91,808,810 |
| School - 7% (2) | 84,578,359 | 94,832,342 | 109,115,483 | 127,404,463 | 144,580,121 | 163,568,746 | 184,445,152 | 206,103,089 | 209,181,923 | 214,220,556 |
| Water - 10% (2) | 120,828,227 | 135,189,060 | 155,978,262 | 182,006,375 | 206,514,458 | 233,669,837 | 263,493,075 | 294,432,984 | 298,831,519 | 306,029,366 |
| DBIDA - Industrial Parks (3) | 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 (4) | 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 (5) | NA | 205,776,758 | 224,849,680 | 230,847,080 |
| Debt Against Legal Debt Limits | | | | | | | | | | |
| City Depts. (Includes Arena) | 11,808,525 | 11,127,117 | 24,706,790 | 24,265,500 | 25,855,410 | 27,052,920 | 30,306,430 | 37,712,940 | 42,889,450 | 39,454,960 |
| School Dept. | 2,357,273 | 19,182,291 | 19,720,294 | 17,987,493 | 20,067,764 | 20,293,700 | 20,943,122 | 24,206,272 | 31,538,942 | 29,132,861 |
| Water Fund | 2,894,382 | 2,337,196 | 4,858,947 | 4,307,298 | 5,985,649 | 7,665,000 | 7,788,000 | 11,103,000 | 12,578,000 | 11,573,000 |
| DBIDA - Industrial Parks | 2,145,000 | 1,970,000 | 1,795,000 | 1,625,000 | 1,455,000 | 1,285,000 | 1,115,000 | 945,000 | 1,065,000 | 848,000 |
| DBIDA - Industrial Buildings | 644,491 | 923,842 | 901,144 | - | - | - | - | - | - | - |
| DBIDA - Industrial Project | - | - | - | - | - | - | - | 2,383,554 | 1,936,453 | 1,881,775 |
| Exempt from Legal Debt Limits (6) | 15,567,047 | 14,191,400 | 15,751,843 | 14,657,086 | 17,488,328 | 17,609,571 | 17,804,814 | 18,855,057 | 18,285,300 | 16,266,543 |
| Total Debt at June 30 | \$ 35,716,718 | \$ 49,731,846 | \$ 67,734,018 | \$ 62,842,377 | \$ 70,852,151 | \$ 73,906,191 | \$ 77,957,366 | \$ 95,205,823 | \$ 108,423,145 | \$ 99,154,139 |
| Unused Capacity of Legal Debt Limits | | | | | | | | | | |
| City Depts. | \$ 24,438,343 | \$ 29,420,601 | \$ 22,056,989 | \$ 30,336,413 | \$ 36,098,927 | \$ 43,047,971 | \$ 48,741,492 | \$ 50,616,955 | \$ 46,659,946 | \$ 52,353,850 |
| School Dept. | 82,221,086 | 75,450,051 | 89,395,189 | 109,416,969 | 124,492,357 | 143,275,046 | 163,502,030 | 181,896,817 | 177,642,981 | 185,087,695 |
| Water Fund | 117,931,945 | 132,851,864 | 151,020,315 | 177,999,077 | 200,528,809 | 226,004,837 | 255,705,075 | 285,329,984 | 286,253,319 | 294,456,366 |
| DBIDA - Industrial Parks | 1,855,000 | 2,030,000 | 2,205,000 | 2,375,000 | 2,545,000 | 2,715,000 | 2,885,000 | 3,055,000 | 2,905,000 | 3,155,000 |
| DBIDA - Industrial Buildings | 55,509 | 76,158 | 98,856 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | - | - | - |
| DBIDA - Industrial Project | NA | 203,393,203 | 222,913,227 | 228,965,305 |
| % of Legal Debt Limits Used | | | | | | | | | | |
| City Depts. | 32.6% | 27.4% | 52.8% | 44.4% | 41.7% | 38.6% | 38.3% | 42.7% | 48.0% | 43.0% |
| School Dept. | 2.8% | 20.3% | 18.1% | 14.1% | 13.9% | 12.4% | 11.4% | 11.7% | 15.1% | 13.6% |
| Water Fund | 2.4% | 1.7% | 3.1% | 2.4% | 2.9% | 3.3% | 3.0% | 3.8% | 4.2% | 3.8% |
| DBIDA - Industrial Parks | 53.0% | 49.3% | 44.9% | 40.0% | 36.4% | 32.1% | 27.9% | 23.0% | 27.4% | 21.1% |
| DBIDA - Industrial Buildings | 94.4% | 92.4% | 90.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| DBIDA - Industrial Project | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 1.2% | 0.9% | 0.8% |

Data Source
Audited Financial Statements

Notes
 (1) Base Value for Debt Limits computed by the NH Department of Revenue Administration
 (2) Legal debt limit percentage rates set by NH State statute
 (3) 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.
 (4) 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.
 (5) Dover Business & Industrial Development Authority - Bond Limit of general obligation of 8% of local assessed value.
 (6) Debt exempt from Debt limits consists of Hospital and Sewer debt and debt for hazardous waste remediation included in City Depts.

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 |
|-------------|---------------------------------------------------|----------|---------------|---------------|------|-----------------------------|-----------------------|--------------------|---------------------------------|-------------------------------|
| | City Depts. | Hospital | School Dept. | Total | | | | | | |
| 2008 | \$ 41,974,543 | \$ - | \$ 29,132,861 | \$ 71,107,404 | \$ - | \$ 8,679,349 | \$ 62,428,055 | 2.2% | \$ 2,114 | |
| 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 | |
| 2004 | 27,332,571 | - | 20,293,700 | 47,626,271 | - | 4,682,229 | 42,944,042 | 2.1% | 1,497 | |
| 2003 | 25,708,328 | - | 20,067,764 | 45,776,092 | - | 5,120,525 | 40,655,567 | 2.2% | 1,435 | |
| 2002 | 22,628,086 | - | 17,987,493 | 40,615,579 | - | 4,027,482 | 36,588,097 | 2.3% | 1,312 | |
| 2001 | 23,673,243 | - | 19,720,294 | 43,393,537 | - | 4,401,080 | 38,992,457 | 3.5% | 1,421 | |
| 2000 | 13,916,837 | - | 19,182,291 | 33,099,128 | - | 4,793,257 | 28,305,871 | 2.8% | 1,053 | |
| 1999 | 14,820,966 | - | 2,357,273 | 17,178,239 | - | 83,408 | 17,094,831 | 1.7% | 640 | |

| Fiscal Year | Business-Type Activities - General Obligation Debt | | | | | Total | Less State Sewer Aid | Net Debt | Net debt per capita (1) | % of Personal Income (2) |
|-------------|----------------------------------------------------|---------------|--------------|--------------|---------------|--------------|----------------------|----------|-------------------------|--------------------------|
| | Water Fund | Sewer Fund | Arena Fund | DBIDA Fund | | | | | | |
| 2008 | \$ 11,573,000 | \$ 11,538,000 | \$ 2,813,960 | \$ 2,121,775 | \$ 28,046,735 | \$ 3,804,551 | \$ 24,242,184 | \$ 821 | 2.7% | |
| 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% | |
| 2004 | 7,665,000 | 14,829,000 | 3,785,920 | - | 26,279,920 | 6,629,874 | 19,650,046 | 685 | 2.6% | |
| 2003 | 5,985,649 | 15,056,000 | 4,034,410 | - | 25,076,059 | 7,459,482 | 17,616,577 | 681 | 2.6% | |
| 2002 | 4,307,298 | 13,640,000 | 4,279,500 | - | 22,226,798 | 8,289,085 | 13,937,713 | 556 | 2.2% | |
| 2001 | 4,858,947 | 14,650,000 | 3,930,390 | 901,144 | 24,340,481 | 9,118,688 | 15,221,793 | 627 | 2.6% | |
| 2000 | 2,337,196 | 13,004,800 | 366,880 | 923,842 | 16,632,718 | 9,948,296 | 6,684,422 | 285 | 1.2% | |
| 1999 | 2,894,382 | 14,295,691 | 403,915 | 944,491 | 18,538,479 | 10,777,894 | 7,760,585 | 343 | 1.5% | |

| Fiscal Year | Total | | Net Debt | % of Net Debt to Assessed Value | Net Debt per capita (1) | % of Personal Income (2) |
|-------------|--------------------|-------------------------|---------------|---------------------------------|-------------------------|--------------------------|
| | Primary Government | Less State and Hospital | | | | |
| 2008 | \$ 99,154,139 | \$ 12,483,900 | \$ 86,670,239 | 3.1% | \$ 2,935 | 9.8% |
| 2007 | 108,423,145 | 13,025,062 | 95,398,083 | 3.5% | 3,271 | 11.2% |
| 2006 | 95,205,823 | 10,391,719 | 84,814,105 | 3.3% | 2,915 | 10.3% |
| 2005 | 77,957,366 | 10,040,915 | 67,916,451 | 2.8% | 2,364 | 8.6% |
| 2004 | 73,906,191 | 11,312,103 | 62,594,088 | 3.0% | 2,182 | 8.2% |
| 2003 | 70,852,151 | 12,580,007 | 58,272,144 | 3.1% | 2,057 | 7.9% |
| 2002 | 62,842,377 | 12,316,567 | 50,525,810 | 3.2% | 1,812 | 7.2% |
| 2001 | 67,734,018 | 13,519,768 | 54,214,251 | 4.8% | 1,976 | 8.1% |
| 2000 | 49,731,846 | 14,741,553 | 34,990,293 | 3.5% | 1,302 | 5.5% |
| 1999 | 35,716,718 | 10,861,302 | 24,855,416 | 2.5% | 931 | 4.1% |

Data Source:

Audited Financial Statements

Notes:

- (1) Per capita ratios based on trended 2005 NH Office of State Planning population estimates
- (2) Personal Income ratios based on trended 2000 US Census amounts.

City of Dover, New Hampshire

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

| End of Calendar Year | Net General Obligation Debt Outstanding (1) | Percentage Applicable to Government (2) | Amount Applicable to Government |
|---------------------------------|----------------------------------------------------------------|--------------------------------------------------------|------------------------------------------------|
| 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 |
| 2003 | 23,565,225 | 26.6710874% | 6,285,102 |
| 2002 | 21,834,311 | 27.2819282% | 5,956,821 |
| 2001 | 1,882,838 | 27.6820496% | 521,208 |
| 2000 | 2,082,838 | 27.9015386% | 581,144 |
| 1999 | 815,000 | 27.9217957% | 227,563 |
| 1998 | 960,000 | 27.6148748% | 265,103 |

Data Sources:

- (1) Strafford County Audited Financial Statements at calendar year end
- (2) NH Department of Revenue Administration

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 |
| 2008 | 29,530 | \$ 72,066 | \$ 882,917,470 | \$ 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% |
| 2004 | 28,688 | 64,558 | 765,367,152 | 26,679 | 564 | 16,310 | 3.5% | 4.3% | 6.0% |
| 2003 | 28,329 | 62,681 | 732,984,546 | 25,874 | 564 | 15,987 | 3.5% | 4.7% | 5.8% |
| 2002 | 27,878 | 60,804 | 698,873,582 | 25,069 | 370 | 15,727 | 2.4% | 3.5% | 4.7% |
| 2001 | 27,437 | 58,927 | 665,731,368 | 24,264 | 320 | 15,557 | 2.1% | 2.8% | 4.0% |
| 2000 | 26,884 | 57,050 | 630,671,756 | 23,459 | 310 | 14,665 | 2.1% | 2.7% | 4.2% |
| 1999 | 26,698 | 55,174 | 604,923,284 | 22,658 | 337 | 14,540 | 2.3% | 2.9% | 4.5% |

Data Sources:

- (1) Trended 2005 NH Office of State Planning population estimates, 2000 and 1990 US Census.
- (2) Trended amounts based on 2000 and 1990 US Census information.
- (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 | 2008 | | | 1999 (2) | | |
|-------------------------------------|-------------------------------|---------------------|------|-------------------------------------|---------------------|------|-------------------------------------|
| | | Number of Employees | Rank | Percentage of Total City Employment | Number of Employees | Rank | Percentage of Total City Employment |
| Liberty Mutual Insurance Co | Insurance | 2,722 | 1 | 15.51 % | 1,100 | 1 | 7.49 % |
| Wenworth Douglas Hospital | Hospital | 1,150 | 2 | 6.55 | 950 | 2 | 6.47 |
| City of Dover (FTEs) | Municipality | 858 | 3 | 4.89 | 760 | 3 | 5.18 |
| Measured Progress | Scholastic testing | 420 | 4 | 2.39 | New since 1999 | | - |
| Churchill Medical Systems | Manufacturer - medical kits | 230 | 5 | 1.31 | Unknown | | - |
| Fosters Daily Democrat | Newspaper | 159 | 6 | 0.91 | Unknown | | - |
| Tissue Link Medical | Medical Supplies | 155 | 7 | 0.88 | New since 1999 | | - |
| AT&T | National Passport center | 150 | 8 | 0.85 | New since 1999 | | - |
| Park Nameplate | Nameplates for auto/cosmetics | 142 | 9 | 0.81 | New since 1999 | | - |
| Electrocraft (EAD Motors) | Electric motors & fans | 101 | 10 | 0.58 | 150 | 6 | 1.02 |
| Goss (previously Heidelberg Harris) | Manufacturer - Presses | Closed 2007 | | | 600 | 4 | 4.09 |
| Moore Business Forms | Form handling equipment | Closed 2003 | | | 300 | 5 | 2.04 |
| Total Principal Employers | | 6,087 | | 34.68 % | 3,860 | | 26.29 % |
| Total City Employment (1) | | 17,550 | | | 14,683 | | |

Data Source:

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

Notes

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

(2) Numbers 7,8,9 and 10 unavailable at this time

City of Dover, New Hampshire

Operating Indicators by Function

Last Ten Fiscal Years

| Function | Fiscal Year | | | | | | | | | |
|-------------------------------------------------|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| Finance | | | | | | | | | | |
| Taxable property parcels assessed | 8,502 | 8,498 | 8,673 | 8,735 | 8,888 | 9,009 | 9,103 | 9,187 | 9,552 | 9,685 |
| Property transfers processed | 1,116 | 1,003 | 1,012 | 1,038 | 1,146 | 1,194 | 1,170 | 1,198 | 977 | 781 |
| Motor vehicles registered | 26,892 | 27,827 | 28,536 | 29,190 | 29,990 | 30,622 | 30,775 | 30,210 | 30,247 | 29,840 |
| Planning - Inspection Division | | | | | | | | | | |
| Building Permits Issued | 556 | 625 | 626 | 646 | 629 | 654 | 572 | 531 | 522 | 398 |
| Estimated construction value in millions | \$ 40.88 | \$ 35.80 | \$ 49.28 | \$ 51.25 | \$ 42.87 | \$ 55.95 | \$ 45.88 | \$ 53.58 | \$ 74.20 | \$ 53.51 |
| Police (1) | | | | | | | | | | |
| Physical arrests | 1,048 | 1,189 | 1,263 | 1,559 | 1,585 | 1,252 | 1,245 | 1,349 | 1,469 | 1,213 |
| Traffic violations | 1,688 | 1,734 | 1,855 | 2,210 | 1,603 | 1,466 | 1,313 | 1,400 | 1,319 | 1,686 |
| Parking violations | 13,483 | 12,213 | 10,761 | 10,063 | 7,983 | 8,472 | 8,374 | 8,499 | 10,507 | 8,522 |
| Fire and Rescue | | | | | | | | | | |
| Calls answered | 4,573 | 4,929 | 4,881 | 5,078 | 5,077 | 4,794 | 5,147 | 5,021 | 5,085 | 5,146 |
| Emergency Responses | 2,651 | 2,455 | 2,702 | 2,728 | 2,797 | 3,038 | 3,197 | 3,200 | 3,712 | 3,923 |
| Fires extinguished | 120 | 125 | 120 | 135 | 135 | 104 | 72 | 101 | 101 | 152 |
| Number of inspections conducted | 590 | 525 | 553 | 589 | 640 | 637 | 623 | 782 | 1,214 | 1,278 |
| Emergency medical responses | 1,701 | 1,764 | 1,875 | 1,896 | 1,949 | 2,144 | 2,224 | 2,175 | 2,441 | 2,692 |
| Community services - Public Works | | | | | | | | | | |
| Refuse collected (tons) | 4,400 | 4,500 | 4,625 | 4,750 | 4,880 | 5,000 | 4,996 | 5,853 | 5,267 | 5,407 |
| Recycling (tons) | 2,475 | 2,600 | 2,750 | 2,820 | 2,875 | 2,060 | 2,823 | 3,017 | 4,255 | 3,036 |
| Streets resurfaced (miles) | 4.0 | 5.5 | 5.5 | 5.5 | 5.5 | 6.0 | 4.5 | 13.1 | 8.0 | 2.6 |
| Potholes repaired | -600 | -600 | -600 | -600 | -600 | -600 | -600 | -550 | -600 | -1,500 |
| Public Library | | | | | | | | | | |
| Volumes in collections | 89,018 | 95,347 | 96,243 | 94,274 | 99,992 | 101,114 | 99,321 | 100,247 | 103,884 | 104,004 |
| Total volumes borrowed | 252,940 | 242,061 | 247,757 | 265,225 | 267,448 | 274,052 | 270,692 | 278,396 | 279,332 | 290,402 |
| Human Services - General Assistance | | | | | | | | | | |
| Number of contacts | NA | 1,960 | 1,949 | 2,366 | 2,421 | 3,328 | 3,935 | 4,956 | 4,010 | 4,763 |
| Applicants | NA | 435 | 386 | 456 | 580 | 610 | 650 | 698 | 664 | 685 |
| Assisted cases | NA | 273 | 277 | 386 | 453 | 479 | 487 | 536 | 521 | 532 |
| Water system: | | | | | | | | | | |
| Water main breaks | NA | NA | NA | NA | NA | NA | 4 | 2 | 13 | 18 |
| Daily average consumption (millions of gallons) | 2.3 | 2.1 | 2.2 | 2.2 | 2.2 | 2.2 | 2.3 | 2.3 | 2.3 | 2.3 |
| Peak daily consumption (millions of gallons) | 3.9 | 3.2 | 3.5 | 3.9 | 3.4 | 3.2 | 3.4 | 3.4 | 3.6 | 3.6 |
| Sewage System: | | | | | | | | | | |
| Daily average treatment (millions of gallons) | 2.7 | 2.7 | 2.7 | 2.7 | 2.7 | 2.7 | 2.6 | 2.8 | 2.8 | 2.9 |

Data Source:

Various city departments

Notes

(1) Calendar year ending during the fiscal year

City of Dover, New Hampshire

Capital Asset Statistics by Function Last Ten Fiscal Years

| Function | Fiscal Year | | | | | | | | | |
|-----------------------------------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| Police | | | | | | | | | | |
| Number of stations | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Number of patrol units | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Fire and Rescue | | | | | | | | | | |
| Number of stations | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Number of ladder trucks | 2 | 2 | 2 | 2 | 2 | 1 | 1 | 1 | 2 | 2 |
| Number of pumps | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 3 | 3 |
| Number of support vehicles | 7 | 7 | 7 | 6 | 5 | 5 | 5 | 5 | 6 | 6 |
| Number of ambulances | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Community Services - Public Works | | | | | | | | | | |
| Miles of streets | 129 | 129 | 129 | 130 | 131 | 131 | 131 | 132 | 132 | 133 |
| Miles of storm drains | 55 | 56 | 56 | 56 | 57 | 57 | 64 | 65 | 67 | 67 |
| Number of street lights | 1,750 | 1,775 | 1,800 | 1,825 | 1,831 | 1,836 | 1,770 | 1,773 | 1,773 | 1,777 |
| Number of bridges | 10 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 |
| Recreation: | | | | | | | | | | |
| Community centers | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 |
| Number of parks | 15 | 15 | 15 | 15 | 16 | 17 | 18 | 18 | 18 | 18 |
| Park acreage | 210 | 210 | 210 | 210 | 236 | 250 | 274 | 274 | 274 | 274 |
| Playgrounds | 9 | 9 | 9 | 9 | 10 | 11 | 11 | 12 | 12 | 12 |
| Baseball/softball fields | 6 | 6 | 6 | 7 | 8 | 10 | 10 | 10 | 10 | 10 |
| Football/soccer fields | 4 | 4 | 4 | 4 | 5 | 7 | 7 | 7 | 7 | 7 |
| Swimming pools | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Tennis courts | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Indoor gyms | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 |
| Indoor ice skating sheets | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Water system: | | | | | | | | | | |
| Miles of water mains | 128 | 130 | 132 | 133 | 133 | 134 | 148 | 149 | 151 | 155 |
| Number of service connections | 7,220 | 7,350 | 7,450 | 7,500 | 7,656 | 7,900 | 7,993 | 8,040 | 8,124 | 8,156 |
| Storage capacity in gallons (millions of gallons) | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Maximum daily capacity of plant (millions of gallons) | 3.4 | 3.4 | 3.4 | 3.4 | 3.4 | 3.4 | 3.4 | 3.4 | 4 | 5 |
| Number of fire hydrants | NA | NA | NA | NA | 960 | 960 | 967 | 1,050 | 1,093 | 1,967 |
| Sewage System: | | | | | | | | | | |
| Miles of sanitary sewers | 85 | 85 | 86 | 112 | 112 | 112 | 117 | 117 | 120 | 120 |
| Number of treatment plants | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of service connections | 6,001 | 6,100 | 6,260 | 6,387 | 6,488 | 6,700 | 7,154 | 7,215 | 7,332 | 7,398 |
| Maximum daily capacity of treatment (millions of gallons) | 4.7 | 4.7 | 4.7 | 4.7 | 4.7 | 4.7 | 4.7 | 4.7 | 5 | 5 |

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 | | | | | | | | | |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| General Government | | | | | | | | | | |
| Executive | 10.1 | 10.9 | 12.2 | 11.8 | 12.7 | 11.4 | 13.5 | 12.6 | 12.9 | 13.7 |
| Finance | 13.3 | 14.5 | 15.5 | 15.7 | 15.7 | 16.0 | 16.0 | 16.0 | 16.0 | 16.0 |
| Planning | 8.4 | 8.6 | 8.9 | 8.9 | 9.5 | 10.0 | 10.0 | 10.6 | 10.6 | 9.6 |
| Total General Government | 31.8 | 34.1 | 36.6 | 36.4 | 37.8 | 37.4 | 39.5 | 39.2 | 39.5 | 39.3 |
| Public Safety | | | | | | | | | | |
| Police - Sworn Officers | 43.3 | 48.4 | 51.5 | 53.6 | 54.6 | 54.6 | 54.6 | 55.7 | 52.6 | 50.5 |
| Police - Non-sworn employees | 21.8 | 21.8 | 22.8 | 23.5 | 24.0 | 24.0 | 24.5 | 25.6 | 27.1 | 27.6 |
| Total Police Department | 65.0 | 70.2 | 74.3 | 77.1 | 78.7 | 78.7 | 79.1 | 81.3 | 79.7 | 78.1 |
| Fire and Rescue | 47.5 | 47.5 | 48.6 | 48.9 | 48.9 | 50.3 | 50.3 | 54.6 | 54.6 | 54.6 |
| Total Public Safety | 112.5 | 117.7 | 122.9 | 126.0 | 127.6 | 128.9 | 129.5 | 135.8 | 134.3 | 132.7 |
| Public Works | | | | | | | | | | |
| General Fund functions (1) | 40.7 | 40.6 | 43.3 | 44.5 | 44.6 | 43.5 | 43.4 | 43.8 | 39.4 | 38.5 |
| Water | 11.5 | 13.5 | 12.5 | 13.5 | 13.5 | 13.5 | 13.5 | 13.5 | 13.0 | 13.0 |
| Sewer (2) | 8.5 | 17.0 | 17.0 | 16.0 | 16.0 | 16.0 | 16.0 | 16.0 | 16.0 | 16.0 |
| Fleet maintenance | 5.5 | 5.5 | 5.9 | 5.9 | 5.9 | 5.9 | 6.0 | 6.0 | 5.7 | 5.0 |
| Total Public Works | 66.2 | 76.6 | 78.7 | 79.9 | 80.0 | 78.9 | 78.9 | 79.3 | 74.2 | 72.5 |
| Culture and Recreation | | | | | | | | | | |
| Recreation (1) | 28.4 | 29.7 | 35.8 | 36.7 | 36.5 | 33.8 | 34.4 | 33.5 | 33.1 | 34.9 |
| Public Library | 13.9 | 14.9 | 15.1 | 15.4 | 15.7 | 15.6 | 15.5 | 15.8 | 15.8 | 14.8 |
| Total Culture and Recreation | 42.2 | 44.6 | 51.0 | 52.1 | 52.1 | 49.3 | 49.9 | 49.2 | 48.9 | 49.7 |
| Human Services | | | | | | | | | | |
| Welfare (3) | 4.4 | 4.5 | 4.5 | 5.4 | 5.4 | 5.4 | 5.3 | 2.8 | 2.8 | 2.8 |
| Total Human Services | 4.4 | 4.5 | 4.5 | 5.4 | 5.4 | 5.4 | 5.3 | 2.8 | 2.8 | 2.8 |
| Total All Functions | 257.2 | 277.5 | 293.7 | 299.7 | 302.9 | 299.9 | 303.0 | 306.4 | 299.5 | 297.0 |

Percent of Total

| | | | | | | | | | | |
|------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| General Government | 12.4% | 12.3% | 12.5% | 12.2% | 12.5% | 12.5% | 13.0% | 12.8% | 13.2% | 13.2% |
| Public Safety | 43.8% | 42.4% | 41.8% | 42.0% | 42.1% | 43.0% | 42.7% | 44.3% | 44.8% | 44.7% |
| Public Works | 25.7% | 27.6% | 26.8% | 26.6% | 26.4% | 26.3% | 26.0% | 25.9% | 24.8% | 24.4% |
| Culture and Recreation | 16.4% | 16.1% | 17.4% | 17.4% | 17.2% | 16.5% | 16.5% | 16.1% | 16.3% | 16.7% |
| Human Services | 1.7% | 1.6% | 1.5% | 1.8% | 1.8% | 1.8% | 1.7% | 0.9% | 0.9% | 0.9% |
| Total | 100.0% |

Data Source:

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

Notes

- (1) A reorganization of personnel occurred in 1996 concentrating maintenance workers to Public Works.
- (2) The operations of the Wastewater Treatment Plant were taken over from a private firm in 2000 after a 5 year contract.
- (3) The Youth Resource Div of Human Services was transferred to the Police Dept in FY06.

City of Dover, New Hampshire

School Building Information Last Ten Fiscal Years

| | Fiscal Year | | | | | | | | | |
|--------------------------------------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| Garrison Elementary | | | | | | | | | | |
| Square feet | 49,678 | 49,678 | 49,678 | 49,678 | 49,678 | 49,678 | 55,178 | 65,938 | 65,938 | 65,938 |
| Teachers | 34.5 | 35.5 | 30.6 | 31.0 | 30.0 | 31.3 | 24.9 | 25.5 | 31.5 | 31.5 |
| Capacity | 612.5 | 612.5 | 612.5 | 612.5 | 612.5 | 612.5 | 672.5 | 672.5 | 672.5 | 672.5 |
| Enrollment | 611.0 | 624.0 | 496.0 | 496.0 | 440.0 | 428.0 | 400.0 | 379.0 | 512.0 | 523.0 |
| Horne Street Elementary | | | | | | | | | | |
| Square feet | 39,914 | 39,914 | 39,914 | 48,236 | 48,236 | 48,236 | 48,236 | 48,236 | 48,236 | 48,236 |
| Teachers | 24.5 | 25.5 | 20.6 | 22.8 | 25.3 | 23.8 | 26.4 | 24.4 | 22.4 | 22.4 |
| Capacity | 567.5 | 567.5 | 567.5 | 612.5 | 612.5 | 612.5 | 612.5 | 612.5 | 612.5 | 612.5 |
| Enrollment | 431.0 | 440.0 | 348.0 | 334.0 | 391.0 | 435.0 | 447.0 | 474.0 | 358.0 | 370.0 |
| Woodman Park Elementary | | | | | | | | | | |
| Square feet | 73,108 | 73,108 | 73,108 | 73,108 | 73,108 | 73,108 | 73,108 | 73,108 | 105,178 | 105,178 |
| Teachers | 32.5 | 33.5 | 29.5 | 26.0 | 33.0 | 27.5 | 29.8 | 30.8 | 32.3 | 32.3 |
| Capacity | 477.5 | 477.5 | 477.5 | 477.5 | 477.5 | 477.5 | 477.5 | 477.5 | 594.0 | 594.0 |
| Enrollment | 528.0 | 528.0 | 433.0 | 446.0 | 462.0 | 479.0 | 460.0 | 454.0 | 468.0 | 482.0 |
| Totals All Elementary Schools | | | | | | | | | | |
| Square feet | 162,700 | 162,700 | 162,700 | 171,022 | 171,022 | 171,022 | 176,522 | 187,282 | 219,352 | 219,352 |
| Teachers | 91.5 | 94.5 | 80.7 | 79.8 | 88.3 | 82.6 | 81.1 | 80.7 | 86.2 | 86.2 |
| Capacity | 1,657.5 | 1,657.5 | 1,657.5 | 1,702.5 | 1,702.5 | 1,702.5 | 1,762.5 | 1,762.5 | 1,879.0 | 1,879.0 |
| Enrollment | 1,570.0 | 1,592.0 | 1,277.0 | 1,276.0 | 1,293.0 | 1,342.0 | 1,307.0 | 1,307.0 | 1,338.0 | 1,375.0 |
| Dover Middle School (1) | | | | | | | | | | |
| Square feet | 101,000 | 164,000 | 164,000 | 164,000 | 175,020 | 175,020 | 175,020 | 175,020 | 175,020 | 175,020 |
| Teachers | 54.5 | 47.0 | 66.0 | 67.0 | 69.2 | 73.5 | 67.7 | 75.0 | 72.9 | 72.9 |
| Capacity (2) | NA | 1,220.0 | 1,220.0 | 1,220.0 | 1,380.0 | 1,380.0 | 1,380.0 | 1,380.0 | 1,380.0 | 1,380.0 |
| Enrollment | 777.0 | 778.0 | 1,034.0 | 1,086.0 | 1,137.0 | 1,142.0 | 1,098.0 | 1,082.0 | 1,109.0 | 1,116.0 |
| Dover High School | | | | | | | | | | |
| Square feet | 215,975 | 215,975 | 215,975 | 215,975 | 226,735 | 226,735 | 226,735 | 226,735 | 226,735 | 226,735 |
| Teachers | 85.8 | 85.8 | 96.7 | 102.6 | 106.8 | 107.4 | 110.6 | 110.4 | 116.8 | 116.8 |
| Capacity | 1,600.0 | 1,600.0 | 1,600.0 | 1,600.0 | 1,760.0 | 1,760.0 | 1,760.0 | 1,760.0 | 1,760.0 | 1,760.0 |
| Enrollment | 1,550.0 | 1,587.0 | 1,682.0 | 1,670.0 | 1,682.0 | 1,742.0 | 1,658.0 | 1,866.0 | 1,779.0 | 1,692.0 |
| Totals All Schools | | | | | | | | | | |
| Square feet | 479,675 | 542,675 | 542,675 | 550,997 | 572,777 | 572,777 | 578,277 | 589,037 | 621,107 | 621,107 |
| Teachers | 231.8 | 227.3 | 243.4 | 249.4 | 264.3 | 263.5 | 259.4 | 266.1 | 275.9 | 275.9 |
| Capacity (2) | 3,257.5 | 4,477.5 | 4,477.5 | 4,522.5 | 4,842.5 | 4,842.5 | 4,902.5 | 4,902.5 | 5,019.0 | 5,019.0 |
| Enrollment | 3,897.0 | 3,957.0 | 3,993.0 | 4,032.0 | 4,112.0 | 4,226.0 | 4,063.0 | 4,255.0 | 4,226.0 | 4,183.0 |
| Food Service - All Schools | | | | | | | | | | |
| Number Meals Served | NA | 313,463 | 310,365 | 336,015 | 341,679 | 352,406 | 351,783 | 333,139 | 340,863 | 335,834 |
| Avg Daily Participation | NA | 1,741 | 1,724 | 1,867 | 1,898 | 1,958 | 1,954 | 1,851 | 1,894 | 1,866 |

Data Source:

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

Notes

- (1) In 2001 a new Middle School replaced the Junior High School/Middle School. Grades changed from 6th through 8th to 5th through 8th.
- (2) Capacity of old Middle School is not known.

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 |
|-------------|----------------------|------------------|---------------|----------------|----------------|-------------------|----------------|---------------------|-----------------------|
| 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% |
| 2004 | 30,922,459 | 2,316,331 | 33,238,790 | 4,226 | 7,865 | 1.3% | 263.0 | 16.1 | 94.8% |
| 2003 | 29,751,613 | 2,178,843 | 31,930,456 | 4,112 | 7,765 | 5.0% | 264.3 | 15.6 | 95.0% |
| 2002 | 27,670,695 | 2,148,055 | 29,818,750 | 4,032 | 7,396 | 11.0% | 249.4 | 16.2 | NA |
| 2001 | 24,653,632 | 1,941,623 | 26,595,255 | 3,993 | 6,660 | 15.5% | 243.4 | 16.4 | NA |
| 2000 | 21,939,513 | 887,297 | 22,826,810 | 3,957 | 5,769 | 9.4% | 227.3 | 17.4 | NA |
| 1999 | 19,926,440 | 626,272 | 20,552,712 | 3,897 | 5,274 | 0.2% | 231.8 | 16.8 | NA |

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.
- (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 | | | | | | | | | |
|------------------------------------|-------------|------|------|------|------|------|------|------|------|------|
| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| Dover High School | | | | | | | | | | |
| Senior Enrollment (1) | 294 | 298 | 329 | 314 | 344 | 357 | 355 | 353 | 411 | 393 |
| Status of Seniors (2) | | | | | | | | | | |
| Graduated | 245 | 258 | 292 | 287 | 333 | 352 | 336 | 335 | 372 | 366 |
| Enrolled in four-year college | 115 | 120 | 123 | 121 | 160 | 143 | 141 | 140 | 167 | 162 |
| Enrolled in two-year college | 35 | 53 | 49 | 54 | 57 | 68 | 74 | 60 | 76 | 84 |
| Enlisted in Armed Forces | 7 | 7 | 10 | 12 | 11 | 16 | 10 | 10 | 5 | 18 |
| Post-secondary, workforce or other | 88 | 78 | 110 | 100 | 105 | 125 | 104 | 125 | 124 | 102 |
| SAT Mean Scores | | | | | | | | | | |
| Verbal | NA | 524 | 497 | 508 | 519 | 515 | 518 | 503 | 518 | 512 |
| Math | NA | 513 | 499 | 510 | 518 | 511 | 516 | 504 | 520 | 517 |
| % of Seniors taking test | NA | 70% | 63% | 62% | 65% | 65% | 65% | 62% | 61% | 62% |

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.

New Hampshire State Library



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