LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE
A G E N D A

DECEMBER 9, 2013 - 6:00 P.M.

CITY HALL COUNCIL CHAMBERS
15 LOOCKERMAN PLAZA
DOVER, DELAWARE

Public comments are welcomed on any item and will be permitted at appropriate times. When possible, please notify the City Clerk (736-7008 or e-mail at CityClerk@dover.de.us) should you wish to be recognized.

AGENDA ADDITIONS/DELETIONS

1. **Request of Elizabeth W. Murphey School - Grant For Judo Mats** ***(Tabled by Committee on November 25, 2013 So That More Information Could Be Obtained Regarding Where the Money May Come From)***

2. **Proposed Ordinance #2013-18 - Budget Amendments for Fiscal Year 2013/14**
   (Staff Recommends Adoption of Proposed Ordinance #2013-18)

3. **Draft Comprehensive Annual Financial Report (CAFR)**
   (Committee Action Not Required)

4. **Adjournment by 7:00 p.m.**

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THE AGENDA ITEMS AS LISTED MAY NOT BE CONSIDERED IN SEQUENCE. THIS AGENDA IS SUBJECT TO CHANGE TO INCLUDE THE ADDITION OR THE DELETION OF ITEMS, INCLUDING EXECUTIVE SESSIONS.

ACTION FORM

PROCEEDING: Legislative, Finance & Administration Committee	
DEPARTMENT OF ORIGIN: Finance	**DATE SUBMITTED**: 11/26/13
PREPARED BY: Donna Mitchell, Controller/Treasurer	
SUBJECT: FY14 Budget Ordinance – First Amendment	
REFERENCE: N/A	
APPROVALS: Committee & Council	
EXHIBITS: Draft Budget Ordinances & Revised Capital Investment Plan	
EXPENDITURE REQUIRED: As attached	**AMOUNT BUDGETED**: As attached
TIMETABLE:	
RECOMMENDED ACTION: Approval of draft budget ordinance to be forwarded to City Council for first reading on January 13, 2014.	

The attached budget ordinance incorporates the following changes into the FY14 Budget.

- Amends the Beginning Budget Balances for all Funds.
- Transfers the favorability in the General Fund Beginning Budget Balance to the Civilian Pension Fund in accordance with policy.
- Amends the Electric Budget for an unfavorable Beginning Budget Balance by reducing the transfer to the Electric capital project fund. The capital project fund had a favorable budget balance and was able to accommodate the reduction in the transfer.
- Amends the Water/Wastewater transfer to the capital project fund for savings in Engineering wages in accordance with recent Council actions for project design work.
- Capital project funds are amended to reflect the audited Beginning Balances and corresponding adjustments for those uncompleted projects with multi-year construction periods. A separate revised Capital Investment Plan is attached for review.
- Grant Funds are changed to reflect programming changes in the Grants based on information received after the budget was approved.

All changes are notated in red font.

City of Dover
Fiscal Year 2013/2014 Budget
First Amendment
Capital Investment Plan Amendments

Project #	Title	Original CIP Budget	Revised CIP Budget	Prior Fiscal Year(s) Expenses	Fiscal Year 2014 Prior Year Budget Balance	Fiscal Year 2014 Current Year Budget	Revised CIP Budget
N/A	Fire - Apparatus Loans	$ 238,500	$ 238,500	$ -	$ -	$ 238,500	$ 238,500
N/A	Grounds - Vehicles/Equipment	$ 50,100	$ 50,100	$ -	$ -	$ 50,100	$ 50,100
LB0901	Library	$ 20,800,300	$ 20,800,300	$ 20,388,800	$ 411,500	$ -	$ 20,800,300
	Adjusted FY14 Budget					$ 411,500	
N/A	Air Conditioning - JW Pitts Center	$ 65,000	$ 65,000	$ -	$ -	$ 65,000	$ 65,000
PR1402	Schutte Park Land Improvements	30,000	30,000	-	-	30,000	30,000
	Parks & Recreation	$ 95,000	$ 95,000	$ -	$ -	$ 95,000	$ 95,000
N/A	Code Enforcement - Vehicles (2)	$ 30,000	$ 30,000	$ -	$ -	$ 30,000	$ 30,000
N/A	Vehicles & Equipment	$ 257,300	$ 233,500	$ -	$ -	$ 233,500	$ 233,500
MR1301	Downtown Security Cameras	-	102,400	48,200	54,200	-	102,400
PD1302	Police Department Parking Lot	-	51,800	-	25,300	26,500	51,800
	Police Department	$ 257,300	$ 387,700	$ 48,200	$ 79,500	$ 260,000	$ 387,700
	Adjsuted FY14 Budget					$ 339,500	
ST1403	American Avenue	$ -	$ 18,900	$ -	$ 18,900	$ -	$ 18,900
ST1403	Maryland Ave	-	13,700	-	13,700	-	13,700
ST1403	Pear Street	-	292,400	-	292,400	-	292,400
ST1403	Pennsylvania Ave	-	182,100	3,000	179,100	-	182,100
ST1403	Pennsylvania Ave Ext	-	71,600	-	71,600	-	71,600
ST1403	Rodney Road	-	79,100	-	79,100	-	79,100
ST1403	West Street	-	17,900	-	17,900	-	17,900
ST1403	Rodney Road Alley	-	16,400	-	16,400	-	16,400
ST1405	American Avenue Ext	-	30,700	8,800	21,900	-	30,700
ST1405	Bayard Avenue	-	10,600	-	10,600	-	10,600
ST1405	Greenhill Road	-	81,100	-	81,100	-	81,100
ST1405	Madison Ave	-	26,500	2,200	24,300	-	26,500
ST1405	Mary Street	-	41,900	-	41,900	-	41,900
ST1405	West Street	-	66,000	-	66,000	-	66,000
ST1405	S. Hancock Avenue	-	5,400	-	5,400	-	5,400
ST1405	Town Pointe Curb Ramps	-	3,000	-	3,000	-	3,000
ST1404	Village of Westover VI	-	264,800	-	-	264,800	264,800
ST1402	FY14 Sidewalk Program	70,000	70,000	-	-	70,000	70,000
N/A	Vehicles	181,500	181,500	-	-	181,500	181,500
	Street Division	$ 251,500	$ 1,473,600	$ 14,000	$ 943,300	$ 516,300	$ 1,473,600
	Adjusted FY14 Budget					$ 1,459,600	
ST1304	Garrison Farm Streets & Stormwater	$ 2,000,000	$ 2,000,000	$ 63,900	$ 1,936,100	$ -	$ 2,000,000
	Adjusted FY14 Budget					$ 1,936,100	
N/A	Sanitation - Vehicles (2)	$ 402,100	$ 402,100	$ -	$ -	$ 402,100	$ 402,100
N/A	Information Technology- Server	$ 7,000	$ 7,000	$ -	$ -	$ 7,000	$ 7,000
N/A	Facilities Mangement - Vehicle	$ 17,800	$ 17,800	$ -	$ -	$ 17,800	$ 17,800

City of Dover
Fiscal Year 2013/2014 Budget
First Amendment
Capital Investment Plan Amendments

Project #	Title	Original CIP Budget	Revised CIP Budget	Prior Fiscal Year(s) Expenses	Fiscal Year 2014 Prior Year Budget Balance	Fiscal Year 2014 Current Year Budget	Revised CIP Budget
N/A	Electronic Gate & Security Camera Procurement & Inventory	$ 55,000	$ 55,000	$ -	$ -	$ 55,000	$ 55,000
N/A	Mayor - Vehicle	$ -	$ 23,800	$ -	$ -	$ 23,800	$ 23,800
	Total General Capital Project Fund	**$ 24,204,600**	**$ 25,580,900**	**$ 20,514,900**	**$ 3,370,400**	**$ 1,695,600**	**$ 25,580,900**
	Adjusted FY14 Budget					**$ 5,066,000**	
ST1401	American Avenue	$ -	$ 62,800	$ -	$ 62,800	$ -	$ 62,800
CT1201	North Street Roundabout	500,000	572,200	-	572,200	-	572,200
CT1369	Bayard Avenue	130,000	289,400	-	289,400	-	289,400
CT1317	Wesley College Phase I	148,600	148,600	39,300	109,300	-	148,600
CT14xx	Buttner Pl, Susan Pl, & Lakeview Dr	-	43,200	-	-	43,200	43,200
CT14xx	Unidentified project request	500,000	500,000	-	-	500,000	500,000
	Total Community Transportation Fund	**$ 1,278,600**	**$ 1,616,200**	**$ 39,300**	**$ 1,033,700**	**$ 543,200**	**$ 1,616,200**
	Adjusted FY14 Budget					**$ 1,576,900**	
WD0804	1.0 MG Storage Tank - Denney's Road	$ 4,196,600	$ 2,556,000	$ 82,500	$ 2,083,500	$ 390,000	$ 2,556,000
WD0805	Piney Point Well	398,800	1,096,200	516,200	580,000	-	1,096,200
WQ0907	Rt. 13 Water Main Upgrade	1,023,700	2,326,000	2,173,200	152,800		2,326,000
WD1201	Pay As You Go Water Station	30,200	30,200	-	30,200	-	30,200
WD1302	Garrison Farm Storage Tank	2,000,000	4,235,000	212,600	1,787,400	2,235,000	4,235,000
WD1304	Future Columbia Well Design	55,000	34,800	-	34,800	-	34,800
WD1308	Emergency Generators	80,000	60,000	-	60,000	-	60,000
TBD	West Dover Connector - Water Design	-	11,000	-	-	11,000	11,000
TBD	Denneys Rd. - Water Alignment Design	-	33,200	-	-	33,200	33,200
FY14	Wellhead Redevelopment	75,000	75,000	-	-	75,000	75,000
FY14	Vehicles	143,600	26,800	-	-	26,800	26,800
	Water Division	$ 8,002,900	$ 10,484,200	$ 2,984,500	$ 4,728,700	$ 2,771,000	$ 10,484,200
	Adjusted FY14 Budget					$ 7,499,700	
WW1010	Tar Ditch Interceptor Upgrade	$ 518,200	$ 518,200	$ 31,900	$ 486,300	$ -	$ 518,200
WW1204	Baltray Pump Station Replacement	125,000	125,000	20,900	104,100	-	125,000
WW1205	Dover Brook Gardens Pump Station	65,000	65,000	12,200	52,800	-	65,000
WW1206	Brandywine Pump Station Replcmnt	402,000	402,000	33,900	368,100	-	402,000
WW1207	McKee Run Pump Station Imprvmnts	55,000	55,000	7,700	47,300	-	55,000
WW1301	Hazlettville Road Interceptor	770,000	770,000	-	30,000	-	30,000
WW1302	Lakeview Drive Pump Station Rplcmnt	502,000	502,000	-	52,000	-	52,000
WW1303	Westover Pump Station	768,800	768,800	-	65,000	-	65,000
WW1304	Garrison Farm Wastewater Projects	2,000,000	3,224,200	108,200	1,891,800	1,224,200	3,224,200
II13xx	Inflow/Infiltratrion - FY13 unidentified	1,000,000	758,900	-	867,000	(108,100)	758,900
II1309	Dover Downs Pump Station Upgrade	-	16,000	-	16,000	-	16,000
II1310	Puncheon Run Pump Station Upgrade	-	21,000	-	21,000	-	21,000
II1401	Kent Avenue I & I Repair	-	75,000	-	-	75,000	75,000
	West Dover Connector - WW Design	-	33,100	-	-	33,100	33,100
FY14	Vehicles	237,200	26,800	-	-	26,800	26,800
	Wastewater Division	$ 6,443,200	$ 7,361,000	$ 214,800	$ 4,001,400	$ 1,251,000	$ 5,467,200
	Adjusted FY14 Budget					$ 5,252,400	
N/A	Water Constuctuion - Vehicle	$ 90,000	$ 90,000	$ -	$ -	$ 90,000	$ 90,000
	Total Water/Wastewater I & E Fund	**$ 14,536,100**	**$ 17,935,200**	**$ 3,199,300**	**$ 8,730,100**	**$ 4,112,000**	**$ 16,041,400**
	Adjusted FY14 Budget					**$ 12,842,100**	

City of Dover
Fiscal Year 2013/2014 Budget
First Amendment
Capital Investment Plan Amendments

Project #	Title	Original CIP Budget	Revised CIP Budget	Fiscal Year 2014 Prior Fiscal Year(s) Expenses	Fiscal Year 2014 Prior Year Budget Balance	Fiscal Year 2014 Current Year Budget	Fiscal Year 2014 Revised CIP Budget
EG1212	MR Unit 3 Turbine Inspection	$ 1,021,000	$ 1,653,500	$ 503,700	$ -	$ 1,149,800	$ 1,653,500
EG1214	Industrial Wastewater Discharge System	272,000	282,300	274,300	8,000	-	282,300
EG1312	Unit 3 Generator Repairs (Originally in EG1212)	236,000	250,900	246,700	4,200	-	250,900
EG1402	Unit 3 Cooling Tower Repairs	42,000	42,000	-	-	42,000	42,000
EG1404	McKee Run #3 Aux System Component	116,000	116,000	-	-	116,000	116,000
EG1405	VanSant #11 Component Replacement	32,000	32,000	-	-	32,000	32,000
EG1406	McKee Run Energy Pipe Replacement	80,000	80,000	-	-	80,000	80,000
EG1407	Metering System Upgrades	25,000	25,000	-	-	25,000	25,000
EG1408	McKee/VanSant Safety & Compliance	86,000	86,000	-	-	86,000	86,000
EG1409	McKee Run NaturalGas Valves	65,000	65,000	-	-	65,000	65,000
EG1410	McKee/VanSant Crane Repair	125,000	125,000	-	-	125,000	125,000
EG1413	McKee/VanSant Preserve Structure	42,000	42,000	-	-	42,000	42,000
EG1415	McKee Run Units 1 & 2 Component Replmnts	105,000	105,000	-	-	105,000	105,000
EG1416	VanSant Capacity Increase	250,000	250,000	-	-	250,000	250,000
	Electric Generation	$ 2,497,000	$ 3,154,700	$ 1,024,700	$ 12,200	$ 2,117,800	$ 3,154,700
	Adjusted FY14 Budget					$ 2,130,000	
EE1414	New Developments	$ 600,000	$ 189,400	$ -	$ -	$ 189,400	$ 189,400
EE1410	Air Mobility Command	-	13,500	-	-	13,500	13,500
EE1411	Bergold Lane (DAFB)	-	29,000	-	-	29,000	29,000
EE1412	Capital City Trail	-	26,500	-	-	26,500	26,500
EE1418	The Grande	-	28,000	-	-	28,000	28,000
EE1419	Home 2 Suites Hotel	-	37,000	-	-	37,000	37,000
EE1422	Shorewash Car Wash	-	13,400	-	-	13,400	13,400
EE1423	7-Eleven New Service	-	5,800	-	-	5,800	5,800
EE1426	Eden Hill Entrance	-	52,400	-	-	52,400	52,400
EE1428	Tidewater General Green	-	34,000	-	-	34,000	34,000
EE1429	Clearview Meadows	-	88,000	-	-	88,000	88,000
EE1430	Calpine Equipment Move	-	83,000	-	-	83,000	83,000
EE1415	Meter Changeout Program	150,000	150,000	-	-	150,000	150,000
N/A	Vehicles & Equipment	350,000	350,000	-	44,600	350,000	394,600
	Transmission & Distribution	$ 1,100,000	$ 1,100,000	$ -	$ 44,600	$ 1,100,000	$ 1,144,600
	Adjusted FY14 Budget					$ 1,144,600	
EE1308	Horsepond Rd Substation	$ 761,800	$ 761,800	$ 30,900	$ 139,100	$ 591,800	$ 761,800
EE1312	General Scott Switchgear	1,150,000	1,150,000	-	50,000	800,000	850,000
EE1314	Capitol Park Overhead to Underground	308,000	568,200	320,200	-	248,000	568,200
EE1330	Morris Estates Overhead to Underground (Ph 1)	275,000	275,000	242,400	32,600	-	275,000
EE1401	Air Condition Replacement Monitors	12,000	12,000	-	-	12,000	12,000
EE1402	Substation Battery Replacement	24,500	24,500	-	-	24,500	24,500
EE1403	Distribution Upgrades	400,000	152,000	-	-	152,000	152,000
EE1404	Lighting Improvements	50,000	50,000	-	-	50,000	50,000
EE1405	Distribution Feeder Replacement Program	277,500	190,200	-	-	190,200	190,200
EE1406	Distrribution Capacitors & Controls	60,000	60,000	-	-	60,000	60,000
EE1407	Transmission Line Maintenance Program	75,000	75,000	-	-	75,000	75,000
EE1408	Substation Switch Replacement	80,000	80,000	-	-	80,000	80,000
EE1417	Bayside Drive (Persimmon Tree/White Oak Rd)	-	42,300	-	-	42,300	42,300
EE1424	McRun Substation Repairs - Emergency	-	45,000	-	-	45,000	45,000
N/A	Vehicles & Equipment	35,000	35,000	-	-	35,000	35,000
	Engineering Division	$ 3,508,800	$ 3,521,000	$ 593,500	$ 221,700	$ 2,405,800	$ 3,221,000
	Adjusted FY14 Budget					$ 2,627,500	
	Total Electric I & E Fund	**$ 7,105,800**	**$ 7,775,700**	**$ 1,618,200**	**$ 278,500**	**$ 5,623,600**	**$ 7,520,300**
	Adjusted FY14 Budget					**$ 5,902,100**	

CITY OF DOVER ORDINANCE # 2013-18
2013-2014 BUDGET ORDINANCES - FIRST AMENDMENT

GENERAL FUND
REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Forty Million, Five Hundred One Thousand, Five Hundred dollars ($40,501,500) or so much thereof as may be necessary are hereby appropriated from current revenues and ther funds for the use by several departments of the Municipal Government for the Fiscal Year beginning July 1, 2013 and ending June 30, 2014:

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE	$ 3,455,200	$ 4,219,800
REVENUES		
FINES AND POLICE REVENUE	666,000	666,000
INVESTMENT INCOME	75,000	75,000
LIBRARY REVENUES	66,600	66,600
KENT COUNTY BOOK REIMBURSEMENT	400,000	400,000
BUSINESS LICENSES	1,460,000	1,460,000
PERMITS AND OTHER LICENSES	1,167,500	1,167,500
MISCELLANEOUS CHARGES	63,300	63,300
POLICE EXTRA DUTY	650,000	650,000
PROPERTY TAXES	11,120,000	11,120,000
BID REVENUE	49,500	49,500
RECREATION REVENUE	133,000	133,000
FRANCHISE FEE	606,200	606,200
TRASH FEES	2,676,500	2,676,500
RENT REVENUE - GARRISON FARM	118,500	118,500
COURT OF CHANCERY FEES	863,200	863,200
REVENUES SUBTOTAL	20,115,300	20,115,300
INTERFUND SERVICE RECEIPTS		
INTRAFUND SERVICE RECEIPTS WATER/WASTEWATER	1,134,900	1,134,900
INTRAFUND SERVICE RECEIPTS ELECTRIC	3,319,400	3,319,400
INTERFUND SERVICE RECEIPTS SUBTOTAL	4,454,300	4,454,300
GRANTS		
POLICE RELATED	110,000	110,000
POLICE PENSION GRANT	500,000	500,000
GREEN ENERGY GRANT	98,500	98,500
MISCELLANEOUS GRANTS	25,000	25,000
GRANTS SUBTOTAL	733,500	733,500
TRANSFERS FROM		
TRANSFER TAX	1,315,500	1,315,500
MUNICIPAL STREET AID	527,400	531,100
CIVIL TRAFFIC PENALTIES	600,000	600,000
WATER/WASTEWATER	500,000	500,000
ELECTRIC	8,000,000	8,000,000
OTHER RESERVES	32,000	32,000
TRANSFERS FROM SUBTOTAL	10,974,900	10,978,600
TOTAL REVENUES	36,278,000	36,281,700
TOTALS	**$ 39,733,200**	**$ 40,501,500**

2013-2014 BUDGET ORDINANCES - CONTINUED

GENERAL FUND - EXPENDITURES AND BUDGET BALANCE FOR 2013-2014

DEPARTMENT EXPENSES	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
CITY CLERK	$ 334,400	$ 334,400
COUNCIL	107,800	107,800
TAX ASSESSOR	198,300	198,300
FIRE	692,100	692,100
GROUNDS MAINTENANCE	948,500	948,500
LIBRARY	1,330,400	1,330,400
RECREATION	708,200	708,200
LIFE SAFETY	468,200	468,200
CODE INFORCEMENT	377,100	377,100
PLANNING	444,800	444,800
INSPECTIONS	540,300	540,300
ECONOMIC DEVELOPMENT	215,200	215,200
POLICE	13,571,800	13,571,800
POLICE EXTRA DUTY	760,000	760,000
STREETS	603,700	603,700
SANITATION	2,153,800	2,153,800
CITY MANAGER	457,300	457,300
INFORMATION TECHNOLOGY	660,500	660,500
FINANCE	906,500	906,500
PUBLIC SERVICES - ADMINISTRATION	425,800	425,800
FACILITIES MANAGEMENT	632,600	632,600
CENTRAL SERVICES	517,600	517,600
FLEET MAINTENANCE	720,700	720,700
CUSTOMER SERVICES	1,109,400	1,109,400
HUMAN RESOURCES	334,300	334,300
MAYOR	83,300	83,300
DEPARTMENT SUBTOTALS	29,302,600	29,302,600
OTHER EXPENSES		
DEBT SERVICE	557,300	557,300
CONTRIBUTION TO DDP	162,400	162,400
MISCELLANEOUS GRANT RELATED EXPENSES	25,000	25,000
INSURANCE	658,900	658,900
RETIREES HEALTH CARE	1,636,500	1,636,500
OTHER EMPLOYMENT EXPENSES	400,000	400,000
PENSION UNFUNDED LIABILITY	1,159,100	1,923,700
POLICE PENSION FUND - STATE GRANT	500,000	500,000
POLICE PENSION FUND - UNFUNDED LIABILITY	307,400	307,400
UNCOLLECTIBLES - TRASH AND OTHER	10,000	10,000
STREET LIGHTS	836,000	836,000
OTHER EXPENSE SUBTOTAL	6,252,600	7,017,200
TRANSFERS		
TRANSFER TO CAPITAL FUND - PROJECTS	1,278,300	1,278,300
TRANSFERS SUBTOTAL	1,278,300	1,278,300
TOTAL EXPENDITURES	36,833,500	37,598,100
CURRENT YEAR BALANCE	2,899,700	2,903,400
TOTALS	**$ 39,733,200**	**$ 40,501,500**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

105 **GENERAL FUND CONTINGENCY**
106 **CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014**

107 **BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:**
108 The amount hereinafter named aggregating Seven Hundred Forty Six Thousand, Five Hundred
109 dollars ($746,500) or so much thereof as may be necessary are hereby appropriated from current
110 revenues and other funds for the use by several departments of the Municipal Government for the
111 fiscal year beginning July 1, 2013 and ending June 30, 2014:

112 CASH RECEIPTS

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
116 BEGINNING BALANCE	$ 732,100	$ 734,000
117 INTEREST EARNED	12,500	12,500
118 **TOTALS**	**$ 744,600**	**$ 746,500**

119 EXPENSE SUMMARY

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
123 TRANSFER TO OPERATING ACCOUNT	$ 21,000	$ 21,000
125 CARRY FORWARD TO NEXT YEAR	$ 723,600	$ 725,500
126 **TOTALS**	**$ 744,600**	**$ 746,500**

127 The City Manager is hereby authorized, without further approval of the City Council, to make
128 interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any
129 department with the exception of any transfers prohibited by City Procedure #F306.

130 ADOPTED:

2013-2014 BUDGET ORDINANCE-FIRST AMENDMENT - CONTINUED

GOVERNMENTAL CAPITAL PROJECTS FUND
REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

The amount hereinafter named aggregating Five Million, One Hundred Fifty Six Thousand, Eight Hundred dollars ($5,156,800) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 2,2013 and ending June 30, 2014:

REVENUES

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE	$ 241,200	$ 2,801,800
BEGINNING BALANCE - LIBRARY PROJECT	$ (74,700)	$ 256,500
REVENUES		
STATE GRANTS - OTHER	15,000	15,000
CONTRACTOR'S CONTRIBUTIONS	-	264,800
TRANSFER FROM COMMUNITY TRANSPORTATION		54,200
TRANSFER FROM GENERAL FUND FOR PROJECTS	1,278,300	1,278,300
TRANSFER FROM MUNICIPAL STREET AID - CAPITAL	-	251,200
TRANSFER FROM PARKLAND RESERVE	95,000	80,000
SUBTOTAL PROJECT RECEIPTS	1,388,300	1,943,500
STATE GRANTS - LIBRARY	-	150,000
LIBRARY CAPITAL PLEDGES	-	5,000
SUBTOTAL LIBRARY PROJECT RECEIPTS	-	155,000
TOTAL REVENUES	1,388,300	2,098,500
TOTAL BEGINNING BALANCE AND REVENUES	**$ 1,554,800**	**$ 5,156,800**

EXPENSE SUMMARY

DEPARTMENT EXPENSES	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
FIRE	$ 238,500	$ 238,500
GROUNDS MAINTENANCE	50,100	50,100
LIBRARY	-	411,500
RECREATION	95,000	95,000
CODE ENFORCEMENT	30,000	30,000
POLICE	257,300	339,500
STREETS	251,500	1,459,600
STREETS - GARRISON FARM INFRASTRUCTURE	-	1,936,100
SANITATION	402,100	402,100
INFORMATION TECHNOLOGY	7,000	7,000
FACILITIES MANAGEMENT	17,800	17,800
PROCUREMENT & INVENTORY	55,000	55,000
MAYOR	-	23,800
DEPARTMENT SUBTOTAL	1,404,300	5,066,000
CURRENT YEAR BALANCE	150,500	90,800
TOTALS	**$ 1,554,800**	**$ 5,156,800**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

2013-2014 BUDGET ORDINANCE-FIRST AMENDMENT - CONTINUED

GENERAL CAPITAL ASSET RESERVE
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Five Hundred Fifteen Thousand, Threes Hundred dollars ($515,300) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	REVISED 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE	$ 504,000	$ 507,300
RECEIPTS		
INTEREST EARNINGS	8,000	8,000
TOTAL RECEIPTS	8,000	8,000
TOTALS	**$ 512,000**	**$ 515,300**

EXPENSE SUMMARY

	REVISED 2013/14 BUDGET	REVISED 2013/14 BUDGET
CARRY FORWARD TO NEXT YEAR	$ 512,000	$ 515,300
TOTALS	**$ 512,000**	**$ 515,300**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

PARKLAND/RECREATION RESERVE
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Two Hundred Five Thousand, Four Hundred dollars ($205,400) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

OPERATING REVENUES

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
PRIOR YEAR BALANCE	$ 202,500	$ 202,900
INTEREST INCOME	2,500	2,500
TOTALS	**$ 205,000**	**$ 205,400**

OPERATING EXPENSES

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
TRANSFER TO CAPITAL PROJECTS FUND	$ 95,000	$ 80,000
CURRENT YEAR BALANCE	110,000	125,400
TOTALS	**$ 205,000**	**$ 205,400**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

2013-2014 BUDGET ORDINANCE-FIRST AMENDMENT - CONTINUED

WATER/WASTEWATER FUND
REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

The amount hereinafter named aggregating Fourteen Million,Nine Hundred Fifty Four Thousand, dollars ($14,954,000) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE - WATER	$ 770,800	$ 732,700
BEGINNING BALANCE - WASTEWATER	412,600	441,400
BEGINNING BALANCE - KCSA	141,600	(17,300)
TOTAL BEGINNING BALANCES	1,325,000	1,156,800
BASE REVENUE		
WATER FEES	4,730,700	4,730,700
WASTEWATER FEES	3,642,700	3,642,700
WASTEWATER ADJUSTMENT FEES	2,980,300	2,980,300
GROUNDWATER INFLOW ADJUSTMENT	1,324,600	1,324,600
WATER TANK SPACE LEASING	333,800	333,800
SEWER IMPACT FEES	323,000	323,000
WATER IMPACT FEES	357,000	357,000
INTEREST - WATER	9,100	9,100
INTEREST - WASTEWATER	14,000	14,000
MISCELLANEOUS SERVICE FEE	82,000	82,000
TOTAL REVENUES	13,797,200	13,797,200
TOTAL BEGINNING BALANCES AND REVENUES	**$ 15,122,200**	**$ 14,954,000**

2013-2014 BUDGET ORDINANCES - CONTINUED

WATER/WASTEWATER FUND - EXPENDITURES AND BUDGET BALANCE FOR 2013-2014

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
DIRECT EXPENSES		
ENGINEERING & INSPECTION	$ 664,400	$ 631,200
WATER CONSTRUCTION	351,400	351,400
WATER DEPARTMENT	433,900	433,900
WATER TREATMENT PLANT	1,501,800	1,501,800
WASTEWATER DEPARTMENT	945,100	945,100
DIRECT EXPENDITURE SUBTOTAL	3,896,600	3,863,400
OTHER EXPENSES		
DEBT SERVICE - WATER	403,800	403,800
DEBT SERVICE - WASTEWATER	615,700	615,700
RETIREES HEALTH CARE	200,000	200,000
OTHER EMPLOYMENT EXPENSES	25,000	25,000
PENSION UNFUNDED LIABILITY	339,400	339,400
KENT COUNTY TREATMENT CHARGE	3,524,800	3,524,800
INTRAFUND SERVICE FEES	1,233,400	1,233,400
OTHER EXPENSES SUBTOTAL	6,342,100	6,342,100
TRANSFER TO		
GENERAL FUND FROM WATER	250,000	250,000
GENERAL FUND FROM WASTEWATER	250,000	250,000
WATER IMP AND EXT	1,200,000	1,233,200
WASTEWATER IMP AND EXT	1,330,000	1,330,000
TRANSFER TO SUBTOTAL	3,030,000	3,063,200
TOTAL EXPENSES	13,268,700	13,268,700
CURRENT YEAR BALANCES		
CURRENT YEAR BALANCE WATER	1,056,400	1,018,300
CURRENT YEAR BALANCE WASTEWATER	797,100	825,900
CURRENT YEAR BALANCE KCSA	-	(158,900)
CURRENT YEAR BALANCE SUBTOTALS	1,853,500	1,685,300
TOTAL CURRENT YEAR BALANCES AND EXPENSES	**$ 15,122,200**	**$ 14,954,000**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

2013-2014 BUDGET ORDINANCE-FIRST AMENDMENT - CONTINUED

WATER/WASTEWATER CONTINGENCY RESERVE
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

The amount hereinafter named aggregating Two Hundred Ninety Seven Thousand, Four Hundred dollars ($297,400) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE - WATER	$ 103,800	$ 104,100
BEGINNING BALANCE - WASTEWATER	$ 188,300	$ 188,300
TOTAL BEGINNING BALANCES	$ 292,100	$ 292,400
RECEIPTS		
INTEREST EARNINGS	5,000	5,000
TOTAL RECEIPTS	5,000	5,000
TOTALS	**$ 297,100**	**$ 297,400**

EXPENSE SUMMARY

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
EXPENSES		
TRANSFER TO OPERATING FUND/RESERVES	$ -	$ -
TOTAL EXPENSES	-	-
CURRENT YEAR BALANCE - WATER	105,600	106,600
CURRENT YEAR BALANCE - WASTEWATER	191,500	190,800
CURRENT YEAR BALANCE SUBTOTALS	297,100	297,400
TOTAL EXPENSES AND CURRENT YEAR BALANCES	**$ 297,100**	**$ 297,400**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

2013-2014 BUDGET ORDINANCE-FIRST AMENDMENT - CONTINUED

WATER/WASTEWATER IMPROVEMENT & EXTENSION FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

The amount hereinafter named aggregating Fifteen Million, Four Hundred Fifty Four Thousand, Nine Hundred dollars ($15,454,900) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
PRIOR YEAR BALANCE - WATER	$ 1,620,000	$ 4,473,800
PRIOR YEAR BALANCE - WASTEWATER	660,900	2,807,000
TOTAL BEGINNING BALANCES	2,280,900	7,280,800
RECEIPTS		
BOND PROCEEDS - WATER - 2013 ISSUE	-	3,000,000
BOND PROCEEDS - WASTEWATER - 2013 ISSUE	-	1,067,900
BOND PROCEEDS - WASTEWATER - 2011 ISSUE (DRLP)		62,000
ARBITRAGE REBATE - IRS REFUND	-	66,000
TRANS FROM OPERATING FUND FOR WATER	1,200,000	1,233,200
TRANS FROM OPERATING FUND FOR WASTEWATER	1,330,000	1,330,000
TRANSFER FROM WATER IMPACT FEE RESERVE	390,000	390,000
TRANSFER FROM WASTEWATER IMPACT FEE RESERVE	-	1,000,000
INTEREST INCOME	25,000	25,000
TOTAL RECEIPTS	2,945,000	8,174,100
TOTALS	**$ 5,225,900**	**$ 15,454,900**

EXPENSE SUMMARY

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
EXPENSES		
WATER	$ 1,476,800	$ 7,499,700
WASTEWATER	1,251,000	5,252,400
WATER CONSTRUCTION	90,000	90,000
TOTAL EXPENSES	2,817,800	12,842,100
CURRENT YEAR BALANCE - WATER	1,655,700	1,552,800
CURRENT YEAR BALANCE - WASTEWATER	752,400	1,060,000
CURRENT YEAR BALANCE SUBTOTALS	2,408,100	2,612,800
TOTALS	**$ 5,225,900**	**$ 15,454,900**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

WATER/WASTEWATER CAPITAL ASSET RESERVE
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating One Million, Twenty Six Thousand, Nine Hundred dollars ($1,026,900) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE - WATER	$ 504,400	$ 505,400
BEGINNING BALANCE - WASTEWATER	503,700	504,300
TOTAL BEGINNING BALANCES	1,008,100	1,009,700
RECEIPTS		
INTEREST EARNINGS - WATER	8,600	8,600
INTEREST EARNINGS - WASTEWATER	8,600	8,600
TRANSFER FROM WATER	-	-
TRANSFER FROM WASTEWATER	-	-
TOTAL RECEIPTS	17,200	17,200
TOTALS	**$ 1,025,300**	**$ 1,026,900**

EXPENSE SUMMARY

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
CURRENT YEAR BALANCE - WATER	$ 513,000	$ 514,000
CURRENT YEAR BALANCE - WASTEWATER	512,300	512,900
CURRENT YEAR BALANCE SUBTOTALS	1,025,300	1,026,900
TOTALS	**$ 1,025,300**	**$ 1,026,900**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

2013-2014 BUDGET ORDINANCE-FIRST AMENDMENT - CONTINUED

ELECTRIC REVENUE FUND
REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Eighty Nine Million, Six Hundred Six Thousand, Five Hundred dollars ($89,606,500) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE	$ 7,152,400	$ 6,620,900
BASE REVENUE		
DIRECT SALES TO CUSTOMER	76,286,700	76,286,700
UTILITY TAX	1,492,200	1,492,200
MISCELLANEOUS REVENUE	602,000	602,000
RENT REVENUE	251,000	251,000
GREEN ENERGY	135,800	135,800
INTEREST EARNINGS	119,400	119,400
TRANSFER FROM RATE STABILIZATION	4,000,000	4,000,000
INTRAFUND SERVICE RECEIPTS WATER/WASTEWATER	98,500	98,500
TOTAL REVENUES	82,985,600	82,985,600
TOTALS	**$ 90,138,000**	**$ 89,606,500**

2013-2014 BUDGET ORDINANCES - CONTINUED

ELECTRIC REVENUE FUND - EXPENDITURES & BUDGET BALANCE FOR 2013-2014

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
EXPENSES		
POWER SUPPLY	$ 23,832,000	$ 23,832,000
SOLAR ENERGY	1,565,800	1,565,800
SOLAR RENEWAL ENERGY CREDITS	300,000	300,000
POWER SUPPLY MANAGEMENT	996,000	996,000
PJM CHARGES - ENERGY	12,812,900	12,812,900
PJM CHARGES - TRANSMISSION & FEES	4,740,000	4,740,000
CAPACITY CHARGES	15,787,200	15,787,200
SUB-TOTAL POWER SUPPLY	60,033,900	60,033,900
PLANT OPERATIONS	6,015,800	6,015,800
PJM SPOT MARKET ENERGY	(230,500)	(230,500)
PJM CREDITS	(397,000)	(397,000)
CAPACITY CREDITS	(15,079,800)	(15,079,800)
GENERATION SUBTOTAL	(9,691,500)	(9,691,500)
POWER SUPPLY & GENERATION SUBTOTAL	50,342,400	50,342,400
DIRECT EXPENDITURES		
TRANSMISSION/DISTRIBUTION	3,302,500	3,302,500
ELECTRICAL ENGINEERING	1,192,200	1,192,200
ADMINISTRATION	597,000	597,000
METER READING	220,300	220,300
SYSTEMS OPERATIONS	543,600	543,600
DIRECT EXPENDITURE SUBTOTALS	5,855,600	5,855,600
OTHER EXPENSES:		
UTILITY TAX	1,492,200	1,492,200
ALLOW FOR UNCOLLECTIBLES	200,000	200,000
CONTRACTUAL SERVICES - RFP'S	100,000	100,000
RETIREES HEALTH CARE	513,300	513,300
OTHER EMPLOYMENT EXPENSES	150,000	150,000
TRANSFER TO PENSION UNFUNDED LIABILITY	1,314,200	1,314,200
OPEB UNFUNDED LIABILITY	975,700	975,700
GREEN ENERGY PAYMENT TO DEMEC	135,800	135,800
INTRAFUND SERVICE FEES	3,319,400	3,319,400
INTEREST ON DEPOSITS	27,000	27,000
DEBT SERVICE	3,301,900	3,301,900
OTHER EXPENSES SUBTOTAL	11,529,500	11,529,500
TRANSFER TO		
IMPROVEMENT & EXTENSION	5,448,600	4,918,600
GENERAL FUND	8,000,000	8,000,000
TRANSFER TO SUBTOTAL	13,448,600	12,918,600
TOTAL EXPENSES	81,176,100	80,646,100
CURRENT YEAR BALANCE	8,961,900	8,960,400
TOTALS	**$ 90,138,000**	**$ 89,606,500**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

2013-2014 BUDGET ORDINANCE-FIRST AMENDMENT - CONTINUED

ELECTRIC UTILITY CONTINGENCY RESERVE
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

The amount hereinafter named aggregating Eight Hundred Twenty Six Thousand, Four Hundred dollars ($826,400) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE	$ 814,300	$ 814,200
RECEIPTS		
INTEREST EARNINGS	12,200	12,200
TOTAL RECEIPTS	12,200	12,200
TOTALS	**$ 826,500**	**$ 826,400**

EXPENSE SUMMARY

EXPENSES	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
TRANSFER TO INSURANCE STABILIZATION RESERVE	-	-
TOTAL EXPENSES	-	-
CURRENT YEAR BALANCE	826,500	826,400
TOTALS	**$ 826,500**	**$ 826,400**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

ELECTRIC UTILITY INSURANCE STABLIZATION RESERVE
SOURCES AND USE OF FUNDS FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

The amount hereinafter named aggregating Seven Hundred Forty Three Thousand, Nine Hundred dollars ($743,900) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE	$ 728,000	$ 733,000
INTEREST EARNINGS	10,900	10,900
TOTALS	**$ 738,900**	**$ 743,900**

EXPENSE SUMMARY

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
TRANSFER TO ELECTRIC IMPROVEMENT & EXTENSION	$ -	$ -
CURRENT YEAR BALANCE	738,900	743,900
TOTALS	**$ 738,900**	**$ 743,900**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

ELECTRIC UTILITY RATE STABLIZATION RESERVE
SOURCES AND USE OF FUNDS FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Seventeen Million, Six Hundred Forty Two Thousand, Five Hundred dollars ($17,642,500) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE	$ 17,383,600	$ 17,382,100
INTEREST EARNINGS	260,400	260,400
TOTALS	**$ 17,644,000**	**$ 17,642,500**

EXPENSE SUMMARY

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
TRANSFER TO ELECTRIC FUND	$ 4,000,000	$ 4,000,000
CURRENT YEAR BALANCE	13,644,000	13,642,500
TOTALS	**$ 17,644,000**	**$ 17,642,500**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

2013-2014 BUDGET ORDINANCE-FIRST AMENDMENT - CONTINUED

ELECTRIC UTILITY IMPROVEMENT AND EXTENSION FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

The amount hereinafter named aggregating Nine Million, Three Hundred Sixty Four Thousand dollars ($9,364,000) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE	$ 3,091,000	$ 3,980,200
RECEIPTS		
TRANSFER FROM ELECTRIC	5,448,600	4,918,600
GENERAL SERVICE BILLING	440,000	440,000
INTEREST EARNINGS	25,200	25,200
TOTAL RECEIPTS	5,913,800	5,383,800
TOTALS	**$ 9,004,800**	**$ 9,364,000**

EXPENSE SUMMARY

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
EXPENSES		
ELECTRIC GENERATION	$ 2,117,800	$ 2,130,000
TRANSMISSION AND DISTRIBUTION	1,100,000	1,144,600
ELECTRICAL ENGINEERING	2,405,800	2,627,500
TOTAL EXPENSES	5,623,600	5,902,100
CURRENT YEAR BALANCE	3,381,200	3,461,900
TOTALS	**$ 9,004,800**	**$ 9,364,000**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

ELECTRIC UTILITY DEPRECIATION RESERVE
SOURCES AND USE OF FUNDS FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Ten Million, Three Thousand, One Hundred dollars ($10,003,100) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE	$ 9,888,200	$ 9,855,700
INTEREST EARNINGS	147,400	147,400
TOTALS	**$ 10,035,600**	**$ 10,003,100**

EXPENSE SUMMARY

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
CURRENT YEAR BALANCE	10,035,600	10,003,100
TOTALS	**$ 10,035,600**	**$ 10,003,100**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

2013-2014 BUDGET ORDINANCE-FIRST AMENDMENT - CONTINUED

ELECTRIC UTILITY FUTURE CAPACITY RESERVE
SOURCES AND USE OF FUNDS FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

The amount hereinafter named aggregating Ten Million, One Hundred Forty Five Thousand, Eight Hundred dollars ($10,145,800) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE	$ 9,989,900	$ 10,004,200
INTEREST EARNINGS	141,600	141,600
TOTALS	**$ 10,131,500**	**$ 10,145,800**

EXPENSE SUMMARY

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
CURRENT YEAR BALANCE	10,131,500	10,145,800
TOTALS	**$ 10,131,500**	**$ 10,145,800**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

2013-2014 BUDGET ORDINANCE-FIRST AMENDMENT - CONTINUED

MUNICIPAL STREET AID FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

The amount hereinafter named aggregating Seven Hundred Eighty Two Thousand, Four Hundred dollars ($782,400) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE	$ 100	$ 251,500
STATE GRANT - OPERATIONS	527,400	530,900
STATE GRANT- CAPITAL	-	-
TOTALS	**$ 527,500**	**$ 782,400**

BUDGET SUMMARY

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
TRANSFER TO GENERAL FUND - OPERATIONS	$ 527,400	$ 531,100
TRANSFER TO GENERAL FUND - CAPITAL	-	251,200
CURRENT YEAR BALANCE	100	100
TOTALS	**$ 527,500**	**$ 782,400**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

COMMUNITY TRANSPORTATION IMPROVEMENT FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

The amount hereinafter named aggregating One Million, Five Hundred Seventy Seven Thousand, Four Hundred dollars ($1,577,400) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

OPERATING REVENUES

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
PRIOR YEAR BALANCE	$ 165,300	$ 189,300
GRANTS REVENUE - DELDOT	500,000	1,387,600
INTEREST INCOME	500	500
TOTAL REVENUES	500,500	1,388,100
TOTALS	**$ 665,800**	**$ 1,577,400**

OPERATING EXPENSES

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
PROGRAM EXPENSES - DELDOT	$ 500,000	$ 1,522,700
TRANSFER TO GENERAL CAPITAL PROJECT FUND	-	54,200
TOTAL EXPENDITURES	500,000	1,576,900
CURRENT YEAR BALANCE	165,800	500
TOTALS	**$ 665,800**	**$ 1,577,400**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

2013-2014 BUDGET ORDINANCE-FIRST AMENDMENT - CONTINUED

WORKERS COMPENSATION FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

The amount hereinafter named aggregating One Million, Seven Hundred Sixty Nine Thousand, One Hundred dollars ($1,769,100) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 2, 2013 and ending June 30, 2014:

OPERATING REVENUES

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
PRIOR YEAR BALANCE	$ 1,200,600	$ 1,267,800
INTEREST INCOME	10,600	10,600
PREMIUM FROM CITY	490,700	490,700
TOTALS	**$ 1,701,900**	**$ 1,769,100**

OPERATING EXPENSES

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
PROGRAM EXPENSES/SUPPLIES - CLAIMS	$ 450,000	$ 450,000
INSURANCE	76,500	76,500
BANK FEES	600	600
STATE OF DEL - SELF INSURANCE TAX	37,000	37,000
CONTRACTUAL SERVICES	57,000	57,000
TOTAL EXPENSES	621,100	621,100
CURRENT YEAR BALANCE	1,080,800	1,148,000
TOTALS	**$ 1,701,900**	**$ 1,769,100**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

2013-2014 BUDGET ORDINANCE-FIRST AMENDMENT - CONTINUED

LIBRARY GRANT FUND

CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

The amount hereinafter named aggregating Three Hundred Four Thousand, Four Hundred dollars ($304,400) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

OPERATING REVENUES

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE	$ -	$ 27,800
STATE GRANT	270,100	274,100
FEDERAL GRANT		2,500
TOTALS	**$ 270,100**	**$ 304,400**

OPERATING EXPENSES

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
PROGRAM EXPENSES/SUPPLIES	$ 28,000	$ 28,000
OFFICE SUPPLIES	24,000	24,000
PRINTING/DUPLICATING	8,900	8,900
POSTAGE	100	100
BOOKS	124,900	124,900
FURNITURE	2,000	2,000
AUDIO VISUAL SUPPLIES	74,000	74,000
TRAINING/CONF/FOOD/TRAV	3,500	3,500
OFFICE EQUIPMENT/REPAIRS & MAINT	2,000	2,000
COMPUTER HARDWARE	2,700	2,700
SUBTOTAL EXPENSES	270,100	270,100
CURRENT YEAR BALANCE	-	34,300
TOTALS	**$ 270,100**	**$ 304,400**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

2013-2014 BUDGET ORDINANCE-FIRST AMENDMENT - CONTINUED

POLICE GRANT FUNDS
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

The amount hereinafter named aggregating Four Hundred Eighty Eight Thousand, Six Hundred dollars ($488,600) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

OPERATING REVENUES

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE	$ 215,000	$ 100
GRANTS RECEIVED	413,000	488,500
TOTALS	**$ 628,000**	**$ 488,600**

OPERATING EXPENSES

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
PROGRAM EXPENSES/SUPPLIES	$ 191,000	$ 224,700
COMPUTER HARDWARE	60,000	60,000
TELEPHONE/FAX	15,000	15,000
TRAINING/CONF/FOOD/TRAV	36,000	36,000
CONSULTING/AUDIT FEES	1,000	1,000
TRANSFER TO GENERAL FUND	110,000	151,800
SUBTOTAL EXPENSES	413,000	488,500
CURRENT YEAR BALANCE	215,000	100
TOTALS	**$ 628,000**	**$ 488,600**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

2013-2014 BUDGET ORDINANCE-FIRST AMENDMENT - CONTINUED

CDBG FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

The amount hereinafter named aggregating Two Hundred Forty Nine Thousand, Six Hundred dollars ($249,600) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

OPERATING REVENUES

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
BEGINNING BALANCE - CDBG	$ -	$ 2,000
BEGINNING BALANCE - NSP	$ -	$ 2,800
GRANTS RECEIVED	223,600	244,800
TOTALS	**$ 223,600**	**$ 249,600**

OPERATING EXPENSES

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
CURRENT YEAR CLOSING COST/DOWNPAYMENT PROG	$ 40,000	$ 40,000
CURRENT YEAR DOVER INTERFAITH MINISTRY	27,500	27,500
CURRENT YEAR MHDC EMERGENCY HOME REPAIR	40,000	40,000
CURRENT YEAR ELIZABETH W MURPHEY SCHOOL	32,700	39,700
CURRENT YEAR NCALL RESEARCH INC	6,000	8,900
CURRENT YEAR MILFORD HOUSING H/O REHAB	32,700	39,700
CURRENT YEAR SALARIES	44,700	49,000
SUBTOTAL EXPENSES	223,600	244,800
CURRENT YEAR BALANCE	-	4,800
TOTALS	**$ 223,600**	**$ 249,600**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

2013-2014 BUDGET ORDINANCE-FIRST AMENDMENT - CONTINUED

AFTER SCHOOL PROGRAM - CJC GRANTS
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Eighty Eight Thousand, Six Hundred Thirty dollars ($88,630) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

OPERATING REVENUES

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
PRIOR YEAR BALANCE	$ -	$ -
GRANTS RECEIVED	-	55,630
RECREATION REVENUE	-	33,000
TOTALS	**$ -**	**$ 88,630**

OPERATING EXPENSES

	ORIGINAL 2013/14 BUDGET	REVISED 2013/14 BUDGET
PROGRAM EXPENSES	$ -	$ 55,630
TEMPORARY EMPLOYEES/BENEFITS	-	33,000
TOTAL EXPENSES	-	88,630
CURRENT YEAR BALANCE	-	-
TOTALS	**$ -**	**$ 88,630**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED:

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2013



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Prepared by the Finance Department
Donna S. Mitchell, Controller/Treasurer

Acknowledgements

The City of Dover's Comprehensive Annual Financial Report was prepared by the Finance Department.

Tracey Lisiecki,
Financial Reporting & Accounting Manager

Margaret Teal, CPA
Assistant Finance Director

Linda Gomes
Administrative Assistant

Jeffrey Dill
Accountant II

Karlett Walker
Accountant II

Sharon Daniel
Account Clerk II

Katie Heffington
Payroll Specialist

Special appreciation to:

Special appreciation is extended to Mr. Scott Koenig, City Manager and all personnel throughout the City for their continued support of the Finance Department.

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INTRODUCTORY SECTION



THIS SECTION CONTAINS THE FOLLOWING:

LETTER OF TRANSMITTAL

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

LIST OF ELECTED OFFICIALS

LIST OF APPOINTED OFFICIALS

LIST OF COMMISSIONS

ORGANIZATIONAL CHART

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December 9, 2013

The Honorable Mayor,
Honorable Council President,
Members of the City Council
and Citizens of the City of Dover
Dover, Delaware 19901

Ladies and Gentlemen:

I am pleased to submit the Comprehensive Annual Financial Report of the City of Dover for the fiscal year ended June 30, 2013. This report is published to comply with the provisions of Article IV, Section 46 of the City Charter. It is also intended to provide financial data to the tax and ratepayers, bondholders, trustees, banks, federal and state agencies and the financial community at large.

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

The financial statements in this report have been audited by SB & Company, LLC, an independent firm of certified public accountants as required by Section 46 of the City Charter. SB & Company, LLC has provided an unqualified opinion on the City of Dover financial statements for the year ended June 30, 2013. The independent public accountant's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it. Our MD&A can be found immediately following the report of our independent auditors.

THE REPORTING ENTITY AND ITS SERVICES

The City of Dover was incorporated in 1829 under a Charter granted by the General Assembly. Dover is the Capital of the State of Delaware and is located in the central part of the state. It is home to the State Governor's office, legislative offices, and is the County seat for Kent County. The City currently occupies a land area of 23 square miles and serves a population of approximately 36,492.

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Dover's governing body is composed of a Mayor and nine Council Members, with one Council Member elected by Council to serve as Council President. Two members of City Council are elected from each of the four districts; the ninth Council member of Council and the Mayor are elected at-large. On February 6, 2012, the City's Charter was amended to extend the term lengths of the Mayor and Council from two years to four years. Beginning with the municipal election scheduled for May 2013, elected officials will serve four-year staggered terms. The Council is responsible for all matters of policy and is the authority for levying taxes, securing revenues, authorizing expenditures of City funds and incurring City debts. The City of Dover operates under a Council – Manager form of government.

The City provides a full range of services as mandated by the Charter or adopted by the City Council. They include police protection, street and sanitation maintenance, recreation, library, community development, economic development, public improvements, planning and zoning, safety inspections, electric power generation and distribution, water and wastewater services, legislative services and general administration.

Within the City is a volunteer fire company that is autonomous. Under established criteria, the operations of the Robbins Hose Fire Company are not a part of this report. However, the City provides financing for dispatching personnel costs, most of the building and equipment maintenance, supplies and contractual services. The City also provides funding to Robbins Hose for payments on several pieces of firefighting apparatus. These payments are grouped under the Fire Department and are included in the General Fund.

The Fire Chief is elected by the volunteer members of the Fire Company. The City Council traditionally adopts the election and the City Council officially appoints the Fire Chief for a one-year term. Therefore, the position of Fire Chief is included in the City organization chart.

The Capital School District does not meet the established criteria for inclusion in the reporting entity and, accordingly, is excluded from this report.

The City Council shall, on or before the second Monday of June in each year, adopt a budget for the succeeding fiscal year. This annual budget serves as the foundation for the City of Dover's financial planning and control. The budget is prepared by fund and department. With approval of the City Manager and Controller/Treasurer, Department Heads may transfer resources within or between departments, with the exception of capital project budgets. Transfers between funds and transfers of capital project budgets, however, need special approval from the City Council.

ECONOMIC CONDITION AND FUTURE GROWTH

The City of Dover is distinguished as the dominant center of employment, commerce, educational opportunity, and cultural activity in central Delaware. Development activity in the Capital City continued to be slow during Fiscal Year 2013, consistent with the economic trends seen nationwide and recent prior years; however there seems to be an increase in construction and economic activity.

Residential growth continues to occur at a slow pace, and major institutions and government agencies continue to expand to meet the demands of a growing regional population and

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economy. Commercial corridor areas of U.S. Routes 13 and 113 and DE Route 8 have continued to be the center of commerce in Dover, and in the past year progress has been made in expanding commercial services in this area. Efforts to revitalize the traditional urban core of downtown Dover have continued, and the State has funded capital improvements to improve this area with a plaza, streetscape, and parking lot project.

Total value of construction was estimated at $51.7 million during the first eleven months of Fiscal Year 2013. This is a slight decrease from the $65 million in construction value during Fiscal Year 2012; however, it is noted that the value of the new Dover High School contributed to the large construction value of the prior year. The City of Dover issued 3,350 business licenses in the first 11 months of Fiscal Year 2013, an increase over the prior year. Building permits issued during this period totaled 979 which was a decline from the previous year. The City of Dover Planning Office processed 29 new development applications (site plans, subdivisions and conditional uses) and two rezoning applications during the reporting period, which is a slight decrease from the prior fiscal year. The City also processed two annexation requests during Fiscal Year 2013, which represent the first annexation activity since 2009.

Growth and development trends during Fiscal Year 2013 are further discussed and summarized below:

POPULATION GROWTH

The 2010 U.S. Decennial Census, which was conducted in April 2010, found that 36,047 people reside in Dover. The Delaware Population Consortium estimates, the City of Dover's population as of July 1, 2012 was 36,492. This change represents a 1.2% population increase over the decennial Census.

RESIDENTIAL DEVELOPMENT

A total of 33 new residential housing starts were recorded during the first eleven months of Fiscal Year 2013, which represents a slight decrease from the 56 during the prior fiscal year. Construction activity resumed in Clearview Meadows and Patriot Village, and steady build-out continued in Emerald Point and Lexington Glen. However, a number of abandoned and incomplete subdivisions continued to be the focus of staff during Fiscal Year 2013. The City began action to call the letters of credit for the Village of Westover Phase VI and the Village of Cannon Mill to complete the infrastructure in these subdivisions. The Village of Cannon Mill remains unresolved. Additionally, construction activity ceased in the Eden Hill Residential District, and the undeveloped portion of the subdivision is in foreclosure. This is expected to be a focus of staff as the new fiscal year begins.

The apartment market was strong in Fiscal Year 2013, as the Blue Hen Apartments have seen full occupancy. DoveView, which had sat vacant and incomplete for three years, was purchased and renamed The Grande. The first two buildings of the Grande, a 55 and over community, opened in late 2012, and the City issued a building permit for the third and final building in May 2013.

DOWNTOWN DOVER REDEVELOPMENT

Efforts to revitalize Downtown Dover remained strong, with the completion of capital projects along North Street between State Street and Governors Avenue with $3 million in funds allocated by the State of Delaware. The community plaza, consolidated parking lot, and

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streetscape project are now open to the public. Plans are underway to convert the site of a former dangerous building at the southeast corner of North Street and Governors Avenue to a pocket park. Renovations continued and are nearly complete on the building at 22-24 West Loockerman Street. These renovations include improvement of the facades on both Loockerman Street and North Street, and tenant fit-out for the location of EZ Pass offices in the building. The spirit of downtown remained strong, with First Friday festivities, and a number of other special events, celebrations and parades held throughout the year.

The Bayard Plaza opened in early 2013 at the southwest corner of Loockerman Street and Governors Avenue. Bayard Plaza includes 48 apartments and the Bayard Pharmacy on the first floor.

INSTITUTIONAL DEVELOPMENT

Institutional development has continued during fiscal year 2013. The historic Kent County Courthouse renovation project was completed. The new Dover Public Library opened on September 20, 2012. The Wesley College Streetscape project was completed, and Wesley College also acquired the Frear Federal Building and is preparing for renovations to the building so that the college's nursing program can be housed there. Significant progress was made on the construction of the Dover High School, which is expected to open in fall 2014. Delaware State University and Delaware Technical and Community College also continued with renovations on their campuses.

RETAIL/COMMERCIAL DEVELOPMENT

The retail sector remained slow during Fiscal Year 2013, as is consistent with the national economic slowdown and the trend of recent years. Redevelopment of the former Superfresh store in Greentree Shopping Center is well underway, and Redeners Supermarket is expected to open in August 2013. The long-awaited Grotto Pizza opened in Dover in May 2013 following an extensive renovation of the former Atlantic Bookstore site and building. Plans are still underway to redevelop the former Wal-Mart site, but not progress has been made to date. Construction of a Dick's Sporting Goods at the Dover Mall is underway, with plans to open in fall 2013. While commercial growth has been slow, these improvements seem to indicate that the commercial sector is rebounding.

INDUSTRIAL DEVELOPMENT

The Dover economy derives considerable benefits from a variety of large industrial and manufacturing companies including Kraft Foods, Procter and Gamble, Energizer/Playtex Family Products, and Berry Van Lines, as well as numerous small- to mid-sized industrial entities. Planning continued on development of the Garrison Oak Technical Park, including progress on the development of the Garrison Energy Center, a 618 MW dual cycle gas power plant.

OFFICE DEVELOPMENT

Dover's dominance as the place for business office locations downstate has continued; however, the market appears to be saturated with office space at this point in time. The recently completed State Street Commons remains vacant; however, the Silver Bullit, which had been abandoned, is now complete and occupied.

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INFRASTRUCTURE

The City has several large water and sewer projects underway to upgrade pump stations, distribution and transmission mains. These projects will improve water quality and reduce the inflow/infiltration in our sewer system. The City continues to upgrade the electric transmission and distribution system with systematic upgrades to substations and the transfer of overhead distribution lines to underground lines in the electric territory subdivisions. The City and the State has several transportation projects underway. The Garrison Tract infrastructure build out consisting of water, wastewater, storm water, and streets got underway in Fiscal Year 2013 and is expected to be completed in early 2015.

Summary

Dover continues to be affected by the nation's economic downturn; however, key construction projects continue to move forward. The large institutional presence of Bayhealth, the State, and the colleges and universities helps to strengthen the City's economy. The development of the Garrison Tract with the Dover Sun Park and the completion of the Calpine project will also serve to increase the City's economy. Dover remains a center for commerce, services and residential communities. As the economy rebounds, Dover is well positioned to support continued growth.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

The City completed the construction of the 42,000 square foot regional library in September 2012 as planned. The City is now underway with the infrastructure build out of the Garrison Oak Technology Park "GOTP" which will service as a technology and industrial park. The design of the GOTP subdivision includes fifteen parcels of which two are occupied and one is under contract. The Dover Sun Park has occupied one of the parcels since 2010 and the Calpine 305 megawatt electric generating station is currently under construction.

The City Council continues its focus on replacing or upgrading old infrastructure in order to improve the quality and reliability of our utility systems. In fiscal year 2013, $3.1 million of water and wastewater capital improvements were completed. This included the completion of the Route 13 water main two-pump station replacements and several sewer mains relined as planned in our inflow infiltration removal program.

The electric utility completed capital improvements of $3.3 million in fiscal year 2013. The major initiatives completed by our Transmission and Distribution crews were the completion of the Frazier substation, system upgrades to capacitors, lighting, and upgrades to 69kv switches. The infrastructure and lighting for the new Dover High School and several new services were also completed. The City's plant operator, North American Energy Services, completed the replacement of the industrial water wastewater system at the McKee Run generating plant. The Unit 3 Generator repairs were completed as well as stack repairs and the air heater expansion joint. Also completed was Units 1 & 2 stack repairs. The Unit 3 turbine inspection began in fiscal year 2012 and will continue through fiscal year 2014 at a projected total cost of $1.6 million.

The City maintains a five-year Capital Investment Plan which serves as its planning and budgeting tool to program upgrades and replacements to its equipment, facilities, and

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infrastructure. As part of this process, operating expenses are identified and funding sources are determined. Managers are required to rank capital expenditures by criticality based on the impacts on customer service and revenue losses. The fiscal year 2013/2014 Capital Investment Plan includes $2.0 million for vehicles and equipment and $23.4 million of infrastructure and utility improvement projects. The Capital Investment Plan is presented to City Council each year during the budget workshops and the final plan is approved by City Council along with the annual budget.

FINANCIAL POLICIES AND FINANCIAL PLANNING

Unreserved, undesignated fund balances in the General Fund (11.8%) fall within the policy guidelines of a minimum of 8% and maximum of 12% of revenues as approved by City Council in the City of Dover Financial policies. The water, wastewater, and electric utilities have the same policy requirement for their budget balances. If the balances fall below 8%, the City Manager is required to submit budgets to bring the balances up to minimum within three years. The current budget balances as of June 30, 2013 for the utilities are water (14.3%), wastewater (5.4%). The water and wastewater utilities are accounted for in the same fund and have a combined budget balance of 8.6%. The electric utility ended the year with a budget balance less than the 8.0% at 7.3%. This was attributed to higher than projected transmission cost from the regional transmission provider (PJM) that serves Dover's utility. The fiscal year 2014 budget will be adjusted to address the shortfall.

The City policies also require non-recurring revenues to be set aside for capital improvements as designated by City Council (reserve accounts) and a 2% contingency reserve in the General Fund, Water/Wastewater Fund and 1% contingency in the Electric Revenue Fund to address unforeseeable natural disasters and insurance losses. All major funds meet the contingency reserve requirement.

The water and wastewater utilities impose impact fees, which are reserved by ordinance, on new developments or facilities to assist with financing future expansion projects. The electric utility maintains depreciation and future capacity reserves to assist with asset replacements and system expansions. Financial policies require the electric utility to maintain a minimum of $10.0 million in each of these reserves, with replenishment over seven years when used to finance projects.

The City's Financial Policies also include an Electric Rate Stabilization Reserve account. The purpose of this reserve is to enable the City to absorb month-to-month power supply cost increases while adjusting budgets and implementing potential rate increases. If the cost of power supply decreases, the reserve can also be used to provide a power cost adjustment decrease to maintain competitive rates. The goal is to maintain a reserve balance equivalent to 10% of the power supply cost.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dover, Delaware for its comprehensive annual financial report (CAFR) for the fiscal year ended

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June 30, 2012. This was the twenty-eighth (28) consecutive year that the City of Dover has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Finance Department extends our thanks to you for your continued interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner. I also express my appreciation to the many City employees for their assistance and cooperation during the year in preparation of this report. My appreciation is extended to Mrs. Ann Marie Townshend, City Planner for her assistance with the preparation of the local economy section and Ms. Traci McDowell, City Clerk and their staff for their continued support of the Finance Department. Special appreciation is extended to the employees of the Finance Department, whose pride and dedicated service continues to make this report and each year a success.

Respectfully submitted,

Donna S. Mitchell, CPA
Controller/Treasurer

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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Dover

Delaware

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

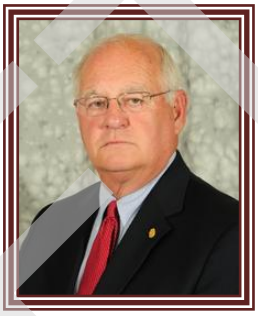
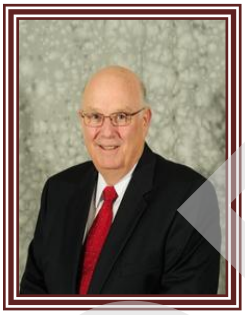
Executive Director/CEO

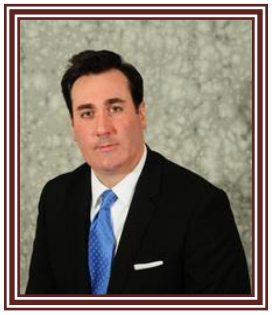
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Mayor Carlton Carey





City Council Members

1st row:
Council President & Councilman At large Timothy A. Slavin, First District: Beverly C. Williams and James L. Hutchison, Sr.

2nd row:
Second District: William F. Hare and Adam M. Perza, Third District: David L. Bonar and Sean Lynn.

3rd row:
Fourth District: David L. Anderson and Wallace R. Dixon

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CITY OF DOVER, DELAWARE
List of Elected Officials
June 30, 2013

	Length of Services	Term Expires
Mayor		
Carleton E. Carey, Sr.	6 Years	May 2015
City Council		
At-Large		
Timothy A. Slavin	1 Year	May 2017
First District		
Beverly C. Williams	11 Years	May 2015
James L. Hutchison, Sr.	2 Years	May 2017
Second District		
William F. Hare	2 Years	May 2017
Adam M. Perza	1 Year	May 2015
Third District		
David L. Bonar*	3 Years	May 2015
Sean M. Lynn	2 Years	May 2017
Fourth District		
Wallace R. Dixon	6 Months	May 2015
David L. Anderson	2 Years	May 2017

* Council President

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CITY OF DOVER, DELAWARE
List of Appointed Officials
June 30, 2013

	Length of Time in Position	Length of Time with the City
City Clerk/Assistant Treasurer – Traci A. McDowell	8 Years	27 Years
City Manager/Civil Defense Director – Scott D. Koenig	2 Years	23 Years
City Solicitor – Nicholas H. Rodriquez	45 Years	45 Years
Deputy City Solicitor – William W. Pepper	24 Years	24 Years
Council President – David L. Bonar	3 Years	3 Years
Assessor – Cheryl A. Russell	4 Years	21 Years
City Building Inspector - Ann Marie Townshend	1 Year	7 Years
City Planner – Ann Marie Townshend	1 Year	7 Years
Controller/Treasurer – Donna S. Mitchell	13 Years	13 Years
Fire Chief – Patrick W. West	6 Months	6 Months
Fire Marshal – David J. Truax	17 Years	22 Years
Police Chief – James E. Hosfelt	3 Years	24 Years

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CITY OF DOVER, DELAWARE
List of Commissions & Committees
As of June 30, 2013

Board of Adjustment
Kishor C. Sheth, Chairman
Arthur G. Ericson, Vice Chairman
William Hufnal
James N. Keller
Richard Senato

Construction Code Board of Appeals
Adam M. Perza, Chairman
Sean M Lynn, Councilman
Scott D. Koenig, City Manager

Election Board
William T. Garfinkel, Chairman
Anita L. McDowell Boyer
Lillie M. Johnson
Goldie Legates
Cherrita Matthews
Traci McDowell

Historic District
Richard Scrafford, Chairman
Charles A. Salkin, Vice Chairman
George M. Fisher, IV
Joseph McDaniel
C. Terry Jackson

Human Relations Commission
Roy Sudler, Jr., Chair
Justina Brewington
Linda D. Hackett
Richard Senato
Dr. Phyllis Edamatsu
Dawn Allen-Pyne
Anlee Baccio-Walker
Ellen O. Wasfi
Faye White

Legislative, Finance & Administration
Sean M. Lynn, Chairman
William F. Hare, Councilman
Timothy A. Slavin, Councilman
Michael G. Rushe
Daniel Shevock

OPEB Board
Donna S. Mitchell, Chair
William F. Hare, Councilman
Beverly C. Williams, Councilwoman
Scott D. Koenig, City Manager
Kimberly Hawkins, Human Resources Director

Parks, Recreation & Community Enhancement
Wallace R. Dixon, Chairman
Adam M. Perza, Councilman
James L. Hutchison, Councilman
M. Milford Caldwell, Jr.
Ann Baker Horsey

Pension – Civilian
David L. Bonar, Chairman
Sean M. Lynn, Councilman
Scott D. Koenig, City Manager
Donna S. Mitchell, Controller/Treasurer
Lester Blakeman
Kenneth Clendaniel
Frances P. Hettinger

Pension – Police
Timothy Mullaney, Chairman
David L. Bonar, Councilman
Sean M. Lynn, Councilman
Scott D. Koenig, City Manager
James Hosfelt, Chief of Police
Martin Stallings
Jay Unterkofler

Planning Commission
Col. Robert D. Welsh, Chairman
Fred Tolbert, Vice Chairman
Michael J. Ambruso, Sr.
John H. Baldwin, Sr.
Edgar C. Cregar, Jr.
Dean Holden
Thomas Holt
Dr. Bobby Jones
Kathleen Still

Property Maintenance Code
Board of Appeals
Scott D. Koenig, City Manager
Heather D. Ennis
Charles Martin

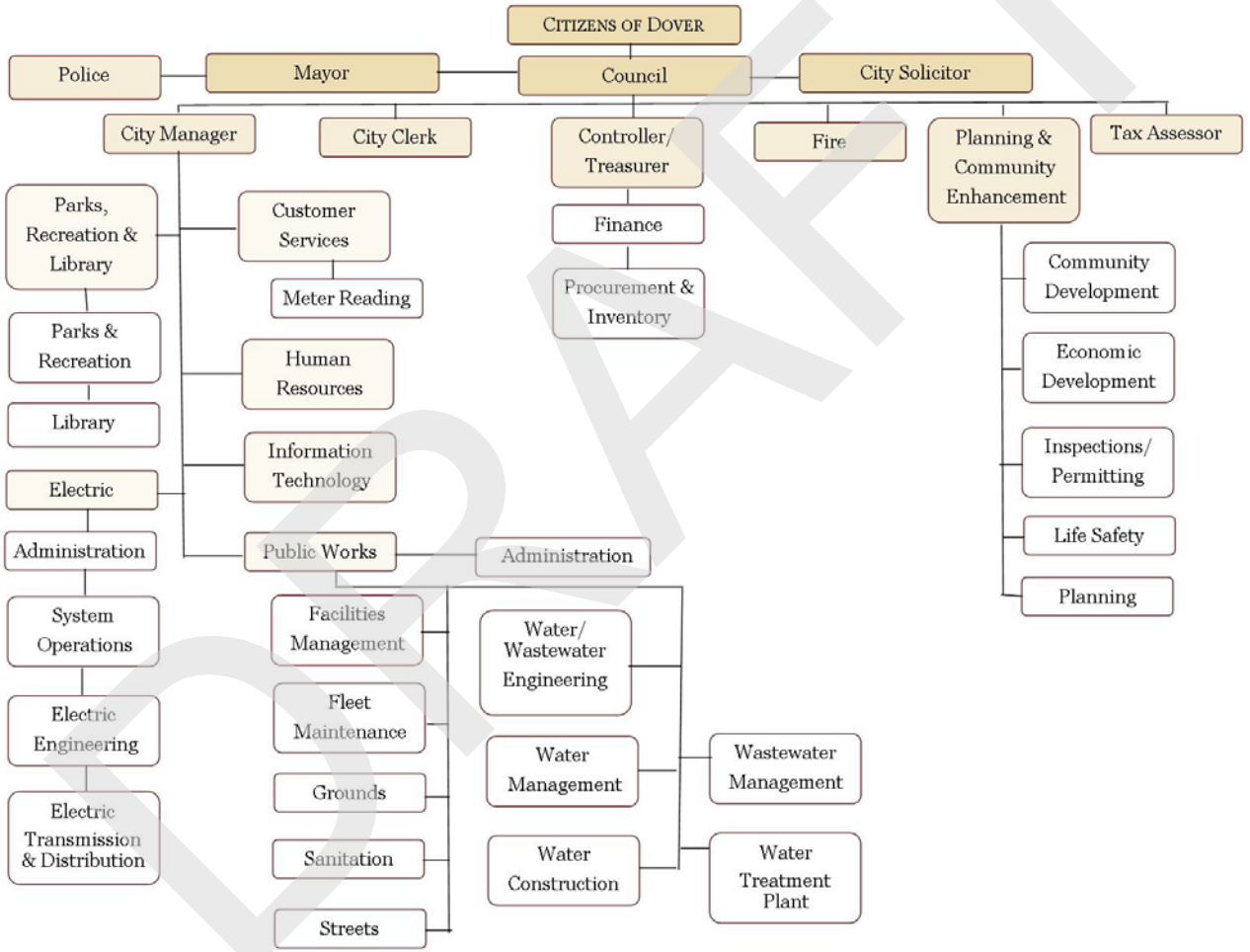
Safety Advisory & Transportation
James L. Hutchison, Chairman
Adam M. Perza, Councilman
Wallace R. Dixon, Councilman
John J. Davis
Thomas J. Keller, Jr.

Utility
David L. Bonar, Chairman
Adam M. Perza, Councilman
Beverly C. Williams, Councilwoman
Lester L. Blakeman
Richard Snaman

Youth Advisory Committee
Kristen Dietz, Co President
Dennis Hallock, II, Co-President
Kenneth Anderson
Chidinma Emenike
Karly Jones
Sonya Modi
Valerie Provotorova
Rachel Voak

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City of Dover
Organization Chart
Fiscal Year 2013



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The City of Dover, Delaware

Vision

The City of Dover is a place where people want to live! Through the team effort of its elected officials, employees, and citizens, Dover is a clean and safe community, with a future of balanced growth and opportunity where all citizens are heard, enjoy a high quality of life, and diversity is valued.

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FINANCIAL SECTION



THIS SECTION CONTAINS THE FOLLOWING:

PART - A
REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

PART - B
MANAGEMENT'S DISCUSSION AND ANALYSIS

PART - C
BASIC FINANCIAL STATEMENTS
Government-wide Financial Statements
Fund Financial Statements
Notes to Financial Statements

PART - D
REQUIRED SUPPLEMENTARY INFORMATION

PART - E
SUPPLEMENTARY INFORMATION
Combining Fund Statements
Budgetary Schedules

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Financial Section

Part - A

Report of Independent Public Accountants

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Financial Section

Part - B

Management's Discussion and Analysis

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The City of Dover
Management's Discussion and Analysis
For the Year Ended June 30, 2013

The City of Dover management offers readers of the City of Dover financial statements this narrative overview and analysis of the financial activities of the City of Dover for the fiscal year ended June 30, 2013. Readers are encouraged to consider the information included in Management's Discussion and Analysis along with additional information that we have presented in our letter of transmittal, which can be found on pages 2-6 of this report.

Financial Highlights

Total assets of the City exceeded its liabilities by $219.8 million (net position). Of this amount, $34.7 million was reported as "unrestricted net position" which represents the amount available to meet the City's ongoing obligations to citizens and creditors. The general government reported a deficit of $4.8 million and the business type activities, Water/Wastewater and Electric funds, reported $39.5 million of positive unrestricted net position. The governmental activities have been negatively impacted by the net obligation for other post-employment benefits. The difference between the unrestricted amounts and the total net position is $185.1 million, $35.4 million is restricted primarily for debt and capital construction purposes and $149.7 million is invested in capital assets net of related debt.

- The governmental activities remained consistent at $49.6 million invested in capital assets, an increase in restricted net assets of $.2 million, as well as an increase of $2.0 million in unrestricted net position resulting in a positive net change of $2.2 million.

- The business-type activities experienced a $1.8 million increase in investments in capital assets. An increase in restricted net position of $0.9 million as well as an increase in unrestricted net assets of $5.5 million, resulting in a positive change in net position of $8.2 million. The electric utility experienced significant savings in power supply cost over the past two years. As a result $5.0 million was transferred to the rate stabilization reserve awaiting the completion of a cost of service study and proposed new electric rates.

Overview of the Financial Statements

This Comprehensive Annual Financial Report (CAFR) consists primarily of three *required* parts - management's discussion and analysis (this section), the basic financial statements and required supplementary information. The CAFR also includes *optional* supplementary information that provides summary information and detail, and a statistical section.

The basic financial statements are of two kinds that present different views of the City:

- The first two statements are *government-wide financial statements* (pages 37-38) that provide both long-term and short-term information about the City's overall financial status.

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- The remaining statements (pages 39-47) are *fund financial statements* that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.

  - The governmental fund statements (pages 39-42) tell how general government services, like community services, planning, public safety, and public works, were financed in the short term as well as what remains for future spending.

  - Proprietary fund statements (pages 43-45) offer short and long-term financial information about the activities the government operates like businesses, which for the City of Dover are the Electric Revenue and Water/Wastewater Funds.

  - The *Fiduciary fund* statements (pages 46-47) provide information about the financial relationships in which the City acts solely as a trustee or agent for the benefit of others, to whom the resources belong. The City is the trustee, or fiduciary, for its Employee Pension plans and Other Postemployment Benefits plan and acts in an agency capacity for the Dover Downtown Partnership, Fourth of July Celebration Committee, and the Dover Library Foundation, none of which are considered to be component units of the City. All of the City's Fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. We exclude these activities from the City's other financial statements because the City may not use these assets to finance its operations. The City is responsible for insuring that the assets reported in these funds are used for their intended purposes.

The financial statements also include notes (pages 51-89) that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information (pages 94-97) that further explains and supports the information in the financial statements. Other supplementary information includes details on non-major funds and other information that can be found on pages 103 through 118.

The following page summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and content of each of the statements:

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Major Features of City's Government-wide and Fund Financial Statements

	Government-wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	***Entire City government (except fiduciary funds)***	***The activities of the City that are not proprietary or fiduciary, such as public safety and public works***	***Activities the City operates similar to private businesses, such as electric, water and wastewater funds***	***Instances in which the City is the trustee or agent for someone else's resources***
Required financial statements	• **Statement of net assets** • **Statement of activities**	• **Balance sheet** • **Statement of revenues, expenditures, and changes in fund balances**	• **Statement of net assets** • **Statement of revenues, expenses and changes in net assets** • **Statement of cash flows**	• **Statement of fiduciary net assets** • **Statement of changes in fiduciary net assets**
Accounting basis and measurement focus	***Accrual accounting and economic resources focus***	***Modified accrual accounting and current financial resources focus***	***Accrual accounting and economic resources focus***	***Accrual accounting and economic resources focus***
Type of asset/liability information	**All assets and liabilities, both financial and capital, and short-term and long-term**	**Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included**	**All assets and liabilities, both financial and capital, and short-term and long-term**	**All assets and liabilities, both short-term and long-term**
Type of inflow/outflow information	***All revenues and expenses during the year, regardless of when cash is received or paid***	***Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter***	***All revenues and expenses during the year, regardless of when cash is received or paid***	***All revenues and expenses during the year, regardless of when cash is received or paid***

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the City of Dover's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as net position. Net position is one way to measure

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the City's financial health or position. Over time, increases or decreases in the City's net assets are indicators of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the City, one needs to consider additional non-financial factors such as changes in the City's property tax base and the condition of the City's physical assets and infrastructure. The government-wide financial statements of the City are divided into two categories:

- *Governmental activities*—Most of the City's basic services are included here, such as general government, public safety, planning and code enforcement, public works, library and recreation, community and economic development, central services and financial administration. Property taxes, business licenses, permits, sanitation fees, fines, utility transfers and state and federal grants finance most of these activities.

- *Business-type activities*—The City charges fees to customers to help it cover the costs of certain services it provides. The City's electric, water, and wastewater services are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds—not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by State law and by covenants. The City Council may also establish other funds to control and manage money for particular purposes.

The City has three kinds of funds:

- *Governmental Funds* - Most of the City's basic services are included in governmental funds, which focus on (1) how cash, and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Since this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information on a separate page, which explains the relationship (or differences) between them.

  - Governmental Fund Balance classifications are reported to the extent to which they are constrained as promulgated by Governmental Accounting Standards Board Statement No. 54.

  - The City's general fund is the only governmental fund considered to be a major fund under the requirements of Governmental Accounting Standards Board Statement No. 34.

- *Proprietary Funds* - Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long and short-term financial information.

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- The City's enterprise funds (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flows.

- The City's two enterprise funds are both considered major funds under the requirements of GASB Statement No. 34.

- *Fiduciary Funds* – The City is responsible for assets that because of a trust arrangement can be used only for the trust beneficiaries. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operation.

Financial Analysis of the City as a Whole

The City produces government-wide financial statements using the full accrual basis of accounting and economic resource management focus. As year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the City as a whole.

The Net Position, of the City of Dover, as of June 30, 2012 and 2013 are as follows (presented in millions of dollars):

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	Governmental Activities		Business-Type Activities		Total	
	2012	2013	2012	2013	2012	2013
Assets						
Non-Capital Assets	$ 11.8	$ 14.1	$ 79.7	$ 86.7	$ 91.5	$ 100.8
Capital Assets	51.7	54.1	135.7	135.7	187.4	189.8
Total Assets	63.5	68.2	215.4	222.4	278.9	290.6
Liabilities						
Current Liabilities	4.6	3.0	9.2	9.8	13.8	12.8
Non-Current Liabilities	15.5	19.7	40.1	38.3	55.6	58.0
Total Liabilities	20.1	22.7	49.3	48.1	69.4	70.8
Net Position						
Invested in Capital Assets, Net of Related Debt	49.6	49.6	98.3	100.1	147.9	149.7
Restricted Net Assets	0.5	0.7	33.8	34.7	34.3	35.4
Unrestricted Net Assets	(6.8)	(4.8)	34.0	39.5	27.2	34.7
Total Net Position	$ 43.3	$ 45.5	$ 166.1	$ 174.3	$ 209.4	$ 219.8

The Changes in Net Position, for the City of Dover, as of June 30, 2012 and 2013 are as follows (presented in millions of dollars):

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	Governmental Activities		Business-Type Activities		Total	
	2012	2013	2012	2013	2012	2013
Revenues:						
Program Revenues						
Charges for Services	$ 11.3	$ 10.0	$ -	$ -	$ 11.3	$ 10.0
Water/Wastewater Charges for Services	-	-	13.8	13.4	13.8	13.4
Electric Charges for Services	-	-	93.5	90.7	93.5	90.7
Operating Grants and Contributions	2.6	2.9	-	-	2.6	2.9
Capital Grants and Contributions	6.3	2.1	0.5	-	6.8	2.1
General Revenues						
Property Taxes	11.1	11.1	-	-	11.1	11.1
Transfer Taxes	1.4	1.1	-	-	1.4	1.1
Earnings on Investments-Other	0.1	-	0.6	0.1	0.7	0.1
Total Revenues	32.8	27.2	108.4	104.2	141.2	131.4
Expenses						
General Government	2.0	2.3	-	-	2.0	2.3
Public Safety	17.6	18.0	-	-	17.6	18.0
Public Works	8.6	6.7	-	-	8.6	6.7
Library and Recreation	2.4	2.3	-	-	2.4	2.3
Community and Economic Development	0.8	1.1	-	-	0.8	1.1
Central Services	1.3	1.2	-	-	1.3	1.2
Financial Administration	3.0	3.0	-	-	3.0	3.0
Other Post-Employment Benefits	6.5	5.1	-	-	6.5	5.1
Interest Charges	0.1	0.1	-	-	0.1	0.1
Plus (less) Indirect Expense Allocation	(4.0)	(4.2)	4.0	4.2	-	-
Water/Wastewater	-	-	10.2	9.9	10.2	9.9
Electric	-	-	74.5	71.4	74.5	71.4
Total Expenses	38.3	35.6	88.7	85.5	127.0	121.1
Change in Net Position before Transfers	(5.5)	(8.4)	19.7	18.7	14.2	10.3
Transfers	8.3	10.5	(8.3)	(10.5)	-	-
Change in Net Position	2.8	2.1	11.4	8.2	14.2	10.3
Net Position, Beginning of Year	40.5	43.4	154.7	166.1	195.2	209.5
Net Position	$ 43.3	$ 45.5	$ 166.1	$ 174.3	$ 209.4	$ 219.8

Governmental Activities

Governmental net position increased by $2.2 million. Net revenues of $27.2 million were less than the prior year by $5.6 million.

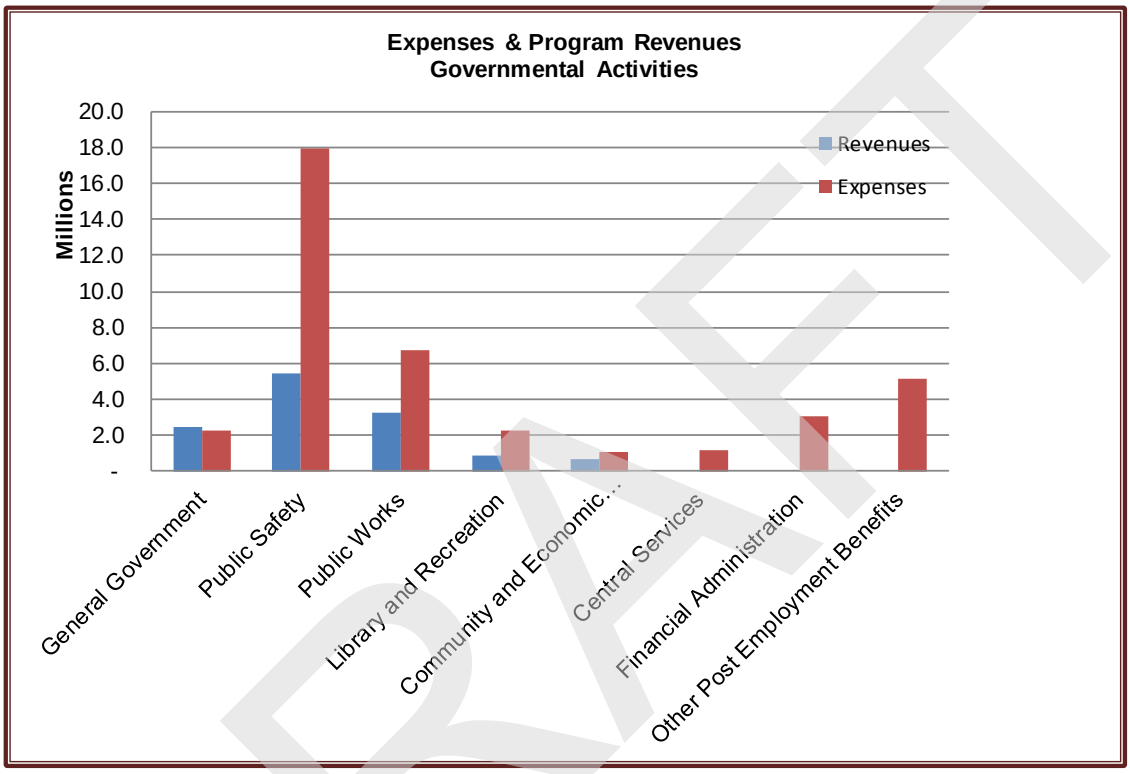
The General Governmental Charges for services line item decreased by $1.3 million from the prior year mainly due to a decrease in donations for the library which accounts for a decrease of $1.8 million. This decrease was offset by increases in police extra duty fees, court of chancery fees and sanitation fees totaling $.9 million. Other sources of decreased revenues from the previous fiscal year are attributed to police fines, recreation income and licenses and permits received totaling $.3 million.

Expenses of $35.6 million reflect an overall decrease of $2.7 million from the prior year. Post-employment benefits and pension benefit costs decreased by $1.4 million. Other decreases were to library and recreation, and central services. The increases to expense were in general government, public safety, community and economic development.

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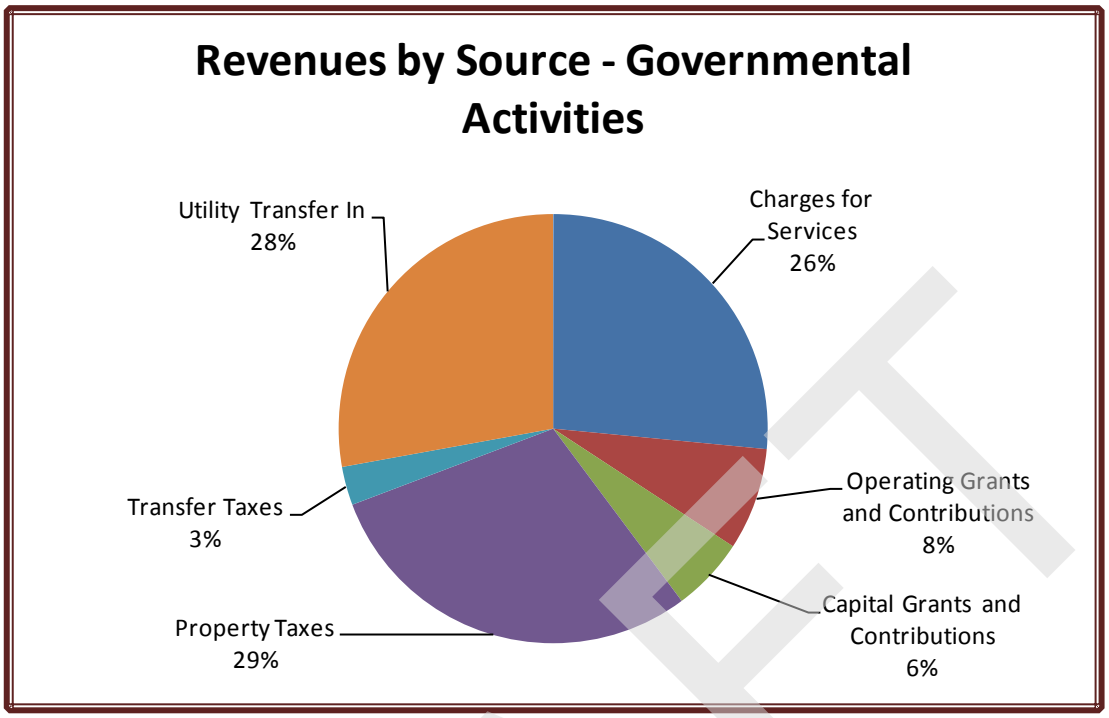
Transfers to the Governmental Funds from the Proprietary Funds increased $2.2 million of which $2.0 million was contributed towards infrastructure improvements at the Garrison Oak Technical Park. These improvements are required for the construction of the Calpine 305 megawatt electric generating facility.

The chart that follows allocates revenues to program costs as applicable. It shows that some City functions are in part self-supporting.



The following chart shows the sources of funding for program costs for the last fiscal year. As can be seen, a substantial portion of funding for governmental operations is provided by property taxes, charges for services and transfers from the utilities.

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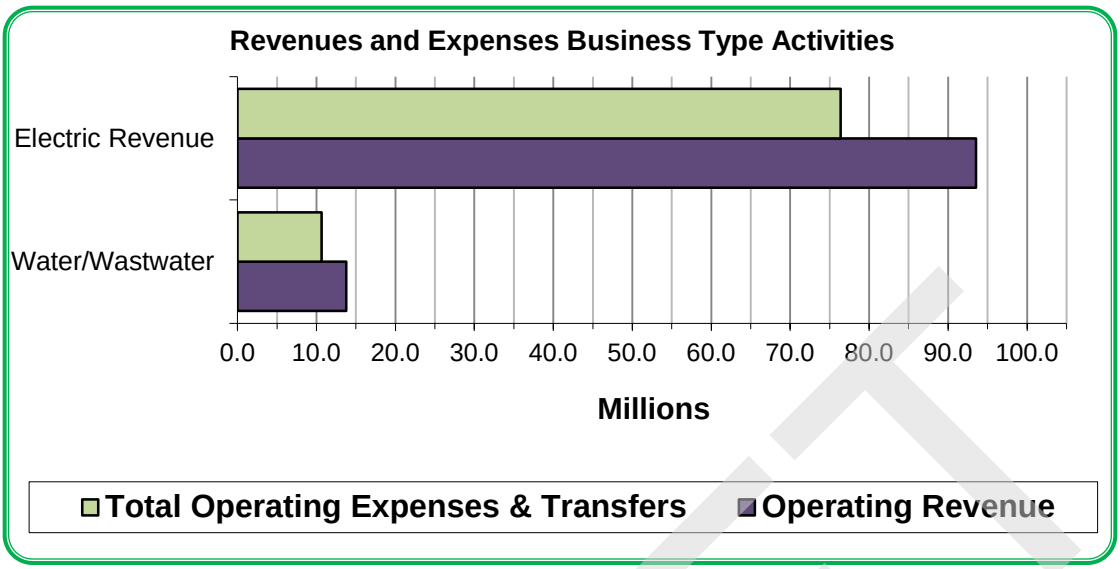
Business-Type Activities

As noted earlier, the business-type activities saw a positive change in net position of $8.2 million. Both utilities experienced a decrease in revenues which resulted in a combined net decrease of $4.2 million. The utilities expenses when combined also decreased in total by $3.2 million.

The water/wastewater utility had a positive change in net position of $2.0 million. The utility experienced a decrease in operating income of $0.4 million from the previous year. The decrease in operating income was primarily due to a decrease in water, sewer and impact fees, offset by increases in ground water adjustment fees and water tank space rent. The utility experienced a decrease in personnel and operating expenses of $0.3 million. Non-operating expenses netted an increase as a result of a decrease in the fair value of the investments and decreased capital contributions.

The electric utility realized a positive change in net position of $6.2 million. The utility experienced a decrease in operating revenues of $2.8 million from the previous year as a result of a reduction in electric rates resulting from reduced power supply cost. Operating expenses decreased as well in total by $3.2 million due to lower power supply cost and a $.5 million decrease in operating expenses. The decreases were offset by an increase in post-retirement benefits expense totaling $.6 million. Non-operating revenues and expenses reflect a negative result of $1.3 million. Interest earned on both operating and reserve funds $ .7 million were offset by the interest and fiscal charges of $1.4 million and decrease in fair value of investments of $.6 million. Transfers to the General Fund increased to $10.0 million from $7.9 million in the preceding year including a $2.0 million contribution towards infrastructure improvements at the Garrison Oak Technical Park.

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Financial Analysis of the City's Funds

Governmental Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Government funds focus on expendable resources and near term inflows and outflows of those resources. As such, fund balance is generally a good indicator of net resources available for spending at the end of the fiscal year, subject to any stated restrictions on its use.

The combined fund balances of the City's governmental funds at June 30, 2013, were $8.9 million. This represented an increase of $3.5 million during the year. Approximately 38% of the combined fund balances, $3.4 million, constitutes unassigned fund balance, which is available to meet the City's current and future needs. The remainder of fund balance is non-spendable, restricted, committed or assigned to indicate that it is not available for operational spending because it is constrained by legally enforceable contracts, other governmental agreements and legislation, City Council resolution or it is not convertible to cash within a reasonable period of time. Further detail of fund balances is presented in the Notes to the Basic Financial Statements in Note 7.

The General Fund is the primary operating fund of the City, accounting for such activities as general government, public safety, public works, library and recreation, community and economic development, central services and financial administration. The General Fund balance at June 30, 2013, was $8.2 million, which represents an increase of $3.3 million from the previous fiscal year. Both revenue and expenditures decreased due to completion of the new Library. The decrease in revenue was offset slightly by increases in revenues from Court of Chancery fees, property taxes and Sanitation fees and rebates. Library Services, which included expenditures for the library capital project in the prior year, decreased by $8.0 million. Other expenditure decreases were in public works, recreational services, streets and sanitation services, garage and stores and street light expense.

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Expenditure increases were in general government, public safety and law enforcement, financial administration, insurance, retiree health car and employee pension.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide Financial Statements, but in more detail.

As of June 30, 2013, the Water/Wastewater Fund has a net position of $50.7 million, of which $9.2 million is unrestricted. The fund's net position increased $2.0 million during the year as explained on page 29. At June 30, 2013, the Electric Fund has a net position of $123.9 million, of which $30.3 million is unrestricted. This fund experienced an increase in net position of $6.2 million during the year as explained on page 29.

General Fund Budgetary Highlights

During this fiscal year, the City Council amended the budget two times. These budget amendments or supplemental appropriation ordinances were primarily for the following purposes:

1. To amend the grant budgets, reserve accounts for the actual results of the prior fiscal year and to re-appropriate budget balances for ongoing capital projects.

2. To amend all carried forward budget balances for the major operating funds from the prior fiscal year, as well as program revenues and expenses based on the analyses provided by a mid-year review.

The General Fund financials in the Governmental Funds Balance Sheet (page 39) and Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds (page 41) include both the General Fund operating activities and the Governmental Capital Project Fund activities.

The General Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget & Actual is included in Part D-Required Supplementary Information (page 94-95).

The Governmental Capital Projects Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual is included in Part E- Supplementary Information (Page 96).
The Combining Statements – Combining General Fund Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances of the General Fund is included in Part E- Supplementary Information (page XX-XX)

The Final General Fund Budget incorporated the following changes to the Original Budget. The Budget Balance carried forward from the prior fiscal year was higher by $1.1 million than was projected. Receipts had a net decrease of approximately $.1 million. The most significant increases were attributed to police extra duty fees, property taxes, Garrison Farm

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rent and Court of Chancery fees. The most significant reductions of revenue were in intrafund service fees, and civil traffic penalties.

Expenditures were revised to reflect an aggregate increase of $0.3 million. Increases In transfers to the Police and Employee Pension funds accounted for most of the increased budget expense with slight increases in code enforcement, police and streets operations budgets. The increases were offset by decreases in fire, library, recreation, sanitation, customer services, vehicle maintenance and facilities management. The net result of these changes was a $0.6 million increase in the revised budget balance over the Original Budget Balance (on a non-GAAP basis).

Actual revenues and other financing sources exceeded the final budgeted amounts in the General Fund for the current fiscal year. The more significant positive variances were in permits and other licenses, police extra duty fees and court of chancery fees and were offset by fines and police revenue, transfer tax, trash fees, miscellaneous grants and civil traffic penalties netting $0.2 million over budgeted revenues. Expenditures were approximately $0.5 million under budget as a result of several operating departments experiencing personnel savings. The General Fund budget balance carry forward was $0.8 million higher than budgeted as a result of the above variances.

Capital Asset and Debt Administration

At the end of the current fiscal year, the City's governmental and proprietary funds had invested $54.1 million and $135.7 million, respectively, in a variety of capital assets and infrastructure, as reflected in the following schedule, which represents a net increase of $2.4 million for governmental activities and the proprietary funds remained the same in total since the end of last fiscal year (presented in millions of dollars). Additional detailed data for all capital assets of the City is presented in the Notes to the Basic Financial Statements in Note 4.

	Governmental Activities		Business-Type Activities		Total	
	2012	2013	2012	2013	2012	2013
Depreciable Assets, Net						
Buildings	$ 7.0	$ 26.3	$ -	$ -	$ 7.0	$ 26.3
Equipment	1.7	2.2	-	-	1.7	2.2
Vehicles	1.5	1.1	-	-	1.5	1.1
General Infrastructure	20.6	19.6	-	-	20.6	19.6
Utility, Plant, Buildings, and Infrastructure	-	-	130.5	131.7	130.5	131.7
Other	0.2	0.8	-	-	0.2	0.8
Non-depreciable Assets						
Land	3.9	4.0	1.6	1.6	5.5	5.6
Construction in Progress	16.8	0.1	3.6	2.4	20.4	2.5
	$ 51.7	$ 54.1	$ 135.7	$ 135.7	$ 187.4	$ 189.8

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A summary of debt outstanding at June 30, 2012 and 2013 is as follows which represents an increase of $4.1 million for the governmental funds and a decrease of $1.8 million for the proprietary funds, since the end of last year (presented in millions of dollars):

	Governmental Activities		Business-Type Activities		Total	
	2012	2013	2012	2013	2012	2013
Non-current liabilities						
Liability for Compensated Absences	$ 2.3	$ 2.1	$ 0.8	$ 0.8	$ 3.1	$ 2.9
Bonds (Net of Discount/Issuance Cost)	2.1	4.5	38.9	37.0	41.0	41.5
OPEB Obligation	11.2	13.1	0.4	0.5	11.6	13.6
	$ 15.6	$ 19.7	$ 40.1	$ 38.3	$ 55.7	$ 58.0

Additional detailed data for all debt of the City is presented in the Notes to the Basic Financial Statements in Note 5.

The City Charter limits the amount of general obligation debt the City can issue in any one year to .25% of the taxable assessed value of real property within the City. The aggregate of amounts borrowed for which the full faith and credit of the City is pledged cannot exceed 5% of assessed value of real property within the City boundaries. The City has used 2.9% of its debt limit.

Economic Factors and Next Year's Budgets and Rates

In Fiscal 2013 the City started to see a slight uptick in residential housing and commercial development. The City developed the fiscal year 2014 budget in accordance with the City's financial policies ensuring all budgets are balanced and reserve requirements were adhered to. The following changes over fiscal year 2013 were incorporated into the fiscal year 2014 budget.

- All vacant positions from 2013 were reviewed. Only those considered critical were budgeted to be filled, resulting in a reduction of three full-time and two part-time
- Negotiations with the collective bargaining units to include a 15% across the board cost sharing on all health care plans
- A 3% raise was included for non-bargaining employees
- Benefit rate changes were included for health care, pension, OPEB and worker's compensation resulting in an overall budget increase of $445,000
- No discretionary increases in operating expenses
- Funded the capital investment plan with a commitment to providing dollars for necessary infrastructure an utility improvements

The General Fund revenues are projected to increase by 1.6% and expenditures increasing by 3.5%. The net increase was made up by revising the fiscal year 2013 budget balance due to salary savings through attrition and debt service savings. All current rates and fees will be maintained in fiscal year 2014. The capital investment plan for fiscal year 2014 will be financed with a $1.3 million transfer from the General Fund and $80,000 from capital reserves and grants.

The Water/Wastewater Fund overall revenues decreased 1.4% and expenses decreased 5.3%. The revenue decrease is related to customer usage as property owners are being

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more conservation and weather has been milder. Expense reductions are a result of the usage reductions and capital projects that have reduced the County treatment fees. Transfers to the capital project fund were reduced in accordance with the plans for water projects. Water rates and wastewater rates will remain the same as the prior fiscal year. The City continues to maintain competitive water and wastewater rates within the State of Delaware. The capital investment plan for fiscal year 2014 will be financed with $2.5 million of operating income and $390,000 from impact fee reserves.

Once again in fiscal year 2013, the City contracted with Burns & McDonnell to update the Electric Cost of Service study so as to incorporate into the budget lower rates due to the decline in power supply cost. The Electric Fund overall revenues decreased 11.3% and expenses decreased by 10.8% to coincide with cost of service decreases. The Electric Fund will also be utilizing a $4.0 million transfer from the rate stabilization reserve in order to maintain the required budget balance. The City anticipates a negative growth rate attributed to demand response programs being implemented by large customers and conservation measures on the part of other commercial and residential customers. Capital projects are budgeted to be financed with a $5.5 million transfer from operating income.

The City continues to closely monitor the local economy and its impact on growth and revenues. Revenue enhancements, rate increases, and potential cost reductions will continue to be reviewed in order to maintain the City's financial policies.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Ms. Donna Mitchell, Controller/Treasurer at 302-736-7018 (TTY/TDD Operator 1-800-855-1155).

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FINANCIAL SECTION

PART - C

BASIC FINANCIAL STATEMENTS

- **GOVERNMENT-WIDE FINANCIAL STATEMENTS**
- **FUND FINANCIAL STATEMENTS**
- **NOTES TO FINANCIAL STATEMENTS**

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City of Dover
Statement of Net Position
June 30, 2013

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Cash Equivalents	$ 2,207,381	$ 4,743,549	$ 6,950,930
Investments	7,916,257	25,859,966	33,776,223
Receivables, Net	1,477,009	8,393,521	9,870,530
Internal Balances	207,510	(207,510)	-
Due from Other Governments	143,363	-	143,363
Inventory, at Cost	147,650	3,923,489	4,071,139
Prepaid Items	69,463	51,279	120,742
Restricted Cash and Cash Equivalents	1,619,543	8,146,564	9,766,107
Restricted Investments	18,252	27,902,862	27,921,114
Net Pension Asset	297,885	6,722,506	7,020,391
Net OPEB Asset	-	1,169,269	1,169,269
Land and Construction in Progress	4,076,042	4,049,402	8,125,444
Capital Assets, Net of Depreciation	49,979,976	131,683,597	181,663,573
Total Assets	68,160,331	222,438,494	290,598,825
Liabilities:			
Accounts Payable and Accrued Liabilities	1,613,267	6,941,229	8,554,496
Unearned Revenue	1,210,549	232,427	1,442,976
Customer Deposits	-	2,022,159	2,022,159
Other	156,984	677,104	834,088
Non-Current Liabilities			
Due within One Year	1,444,753	3,108,830	4,553,583
Due in more than One Year	5,115,314	34,727,258	39,842,572
Due in more than One Year - OPEB	13,112,314	449,016	13,561,330
Total Liabilities	22,653,181	48,158,023	70,811,204
Net Position:			
Net investment in capital assets	49,577,021	100,079,972	149,656,993
Restricted for:			
Capital Projects	85,867	34,665,736	34,751,603
Public Safety	216,344	-	216,344
Other Purposes	441,065	-	441,065
Unrestricted	(4,813,147)	39,534,763	34,721,616
Total Net Position	$ 45,507,150	$ 174,280,471	$ 219,787,621

The notes to financial statements are an integral part of this statement.

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City of Dover
Statement of Activities
For the Year Ended June 30, 2013

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business Type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental Activities								
General Government	$ 2,287,391	$ (813,346)	$ 2,463,437	$ 50,000	$ -	$ 1,039,392	$ -	$ 1,039,392
Public Safety	17,989,463	-	4,240,847	1,256,113	-	(12,492,503)	-	(12,492,503)
Public Works	6,716,039	(616,555)	2,624,877	663,953	161,698	(2,648,956)	-	(2,648,956)
Library and Recreation	2,313,048	-	656,001	276,863	1,945,746	565,562	-	565,562
Community and Economic Development	1,116,804	(176,838)	-	667,767	-	(272,199)	-	(272,199)
Central Services	1,184,169	(729,353)	-	-	-	(454,816)	-	(454,816)
Financial Administration	3,029,048	(1,906,218)	-	-	-	(1,122,830)	-	(1,122,830)
Other Post Employment Benefits	5,119,778	-	-	-	-	(5,119,778)		(5,119,778)
Interest Charges	114,785	-	-	-	-	(114,785)	-	(114,785)
Total Governmental Activities	39,870,525	(4,242,310)	9,985,162	2,914,696	2,107,444	(20,620,913)	-	(20,620,913)
Business Type Activities								-
Water/Wastewater	9,858,866	1,046,492	13,387,706	-	-	-	2,482,348	2,482,348
Electric	71,399,767	3,195,818	90,685,693	-	-	-	16,090,108	16,090,108
Total Business Type Activities	81,258,633	4,242,310	104,073,399	-	-			
Total Primary Government	$ 121,129,158	$ -	$ 114,058,561	$ 2,914,696	$ 2,107,444	$ (20,620,913)	$ 18,572,456	$ (2,048,457)
General Revenues								
Taxes								
Property Taxes						11,126,395	-	11,126,395
Transfer Taxes						1,107,686	-	1,107,686
Earnings on Investments						36,793	112,402	149,195
Total General Revenues						12,270,874	112,402	12,383,276
Transfers						10,491,718	(10,491,718)	-
Total General Revenues and Transfers						22,762,592	(10,379,316)	12,383,276
Changes in Net Position						2,141,679	8,193,140	10,334,819
Net Position Beginning						43,365,471	166,087,331	209,452,802
Net Position Ending						$ 45,507,150	$ 174,280,471	$ 219,787,621

The notes to financial statements are an integral part of this statement.

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City of Dover
Governmental Fund Balance Sheet
June 30, 2013

	General Fund	Total Nonmajor Funds	Total Governmental Funds
Assets:			
Cash and Cash Equivalents	$ 1,824,267	$ -	$ 1,824,267
Restricted Cash and Cash Equivalents	858,086	761,457	1,619,543
Investments	6,564,730	-	6,564,730
Restricted Investments	18,252	-	18,252
Receivables, net			
Accounts	1,208,735	1,304	1,210,039
Taxes	262,970	-	262,970
Due from Other Funds	452,808	56,110	508,918
Due from Other Governments	-	143,363	143,363
Prepaid Items	58,213	-	58,213
Inventory, at Cost	147,650	-	147,650
Total Assets	$ 11,395,711	$ 962,234	$ 12,357,945
Liabilities:			
Accounts Payable	$ 1,028,037	$ 103,181	$ 1,131,218
Unearned Revenue	1,210,549	-	1,210,549
Due to Other Funds	216,385	85,023	301,408
Other	156,984	-	156,984
Total Liabilities	2,611,955	188,204	2,800,159
Deferred Inflows of Resources:			
Unavailable revenue	577,437	60,236	637,673
Total Deferred Inflows of Resources	577,437	60,236	637,673
Fund Balances:			
Non-Spendable	227,457	-	227,457
Restricted	131,237	590,445	721,682
Committed	936,899	-	936,899
Assigned	3,519,012	123,349	3,642,361
Unassigned	3,391,714	-	3,391,714
Total Fund Balances	8,206,319	713,794	8,920,113
Total Liabilities, Deferred Inflows and Fund Balances	$ 11,395,711	$ 962,234	$ 12,357,945

The notes to financial statements are an integral part of this statement.

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City of Dover
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
June 30, 2013

Amounts reported for governmental activities in the statement of net position (page 37) are different because:

Total fund balances for governmental funds (Page 39)		$ 8,920,113
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		54,056,018
Other assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		637,673
The net pension asset resulting from contributions in excess of the annual required contribution (police and employee) is not a current financial resource, and, therefore, is not reported in the governmental funds.		
Police Pension Plan	$ 106,065	
General Pension Plan	191,820	297,885
An internal service fund (page 44) is used by the City to charge the cost of the workers' compensation fund. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		1,267,842
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities--both current and long-term--are reported in the statement of net position.		
Compensated absences represent amounts accrued for sick leave for those employees who are vested and accrued vacation for all employees.		
The net OPEB obligation resulting from contributions less than the annual required contribution (general) is not a use of current financial resources, and therefore, is not reported in the governmental funds.		
Current-		
General Obligation Bonds	$ (430,000)	
Compensated Absences	(1,014,753)	
	(1,444,753)	
Long-Term-		
General Obligation Bonds, net of discount	$ (4,048,997)	
Compensated Absences	(1,066,317)	
Net OPEB Obligation	(13,112,314)	
	(18,227,628)	(19,672,381)
Total net position of governmental activities		$ 45,507,150

The notes to financial statements are an integral part of this statement.

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City of Dover
Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds
For the Year Ended June 30, 2013

	General Fund	Total Nonmajor Funds	Total Governmental Funds
Revenues			
Fines	$ 612,193	$ 299,811	$ 912,004
Library Revenue- General	64,584	-	64,584
Library Revenue County Reimbursement	406,481	-	406,481
Licenses and Permits	2,548,913	-	2,548,913
Sanitation Fees and Rebates	2,624,877	-	2,624,877
Recreation	-	40,446	40,446
Miscellaneous Services	2,470,200	-	2,470,200
Property Taxes	11,225,834	-	11,225,834
Transfer Taxes	-	1,107,686	1,107,686
Grants Received	2,719,977	2,399,112	5,119,089
Court of Chancery Fees	917,700	-	917,700
Investment Income	43,799	1,399	45,198
Total Revenues	23,634,558	3,848,454	27,483,012
Expenditures			
Current:			
General Government	1,107,122	-	1,107,122
Library Services	5,240,504	273,713	5,514,217
Public Safety and Law Enforcement	17,688,100	360,542	18,048,642
Public Works	1,565,442	192,963	1,758,405
Recreational Services	651,341	-	651,341
Streets and Sanitation Services	2,990,430	-	2,990,430
Financial Administration	909,877	-	909,877
Garage and Stores	431,542	-	431,542
Insurance	241,395	-	241,395
Retiree Health Care	1,620,600	-	1,620,600
Employee Pension	1,693,500	-	1,693,500
Community and Economic Development	223,110	716,856	939,966
Street Lights	878,760	-	878,760
Debt Service:			
Principal Retirement	296,003	-	296,003
Interest and Fiscal Charges	73,071	-	73,071
Bond Issuance Costs	1,029	-	1,029
Total Expenditures	35,611,826	1,544,074	37,155,900
Excess (deficiency) of Revenues over Expenditures	(11,977,268)	2,304,380	(9,672,888)
Other financing Sources (Uses)			
Proceeds from Sale of Bonds	2,648,500	-	2,648,500
Transfers in	12,666,208	-	12,666,208
Transfers out	-	(2,174,490)	(2,174,490)
Total other Financing Sources (Uses)	15,314,708	(2,174,490)	13,140,218
Net Change in Fund Balances	3,337,440	129,890	3,467,330
Fund Balances at Beginning of Year	4,868,879	583,904	5,452,783
Fund Balances at End of Year	$ 8,206,319	$ 713,794	$ 8,920,113

The notes to financial statements are an integral part of this statement.

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City of Dover
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, 2013

Amounts reported for governmental activities in the statement of activities (page 39) are different because:

Net change in fund balances--total governmental funds (Page 41)		$ 3,467,330
Governmental fund reports capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capitalization of net capital asset expenditures including CIP	$ 4,872,122	
Loss on assets transferred in and not fully depreciated	(19,139)	
Current Year depreciation and amortization	(2,524,904)	2,328,079
Governmental funds report the repayment of principal of general long-term debt as an expenditure but the repayment reduces the liability in the statement of net position.		296,003
Changes in other assets are not available to pay for current period expenditures and therefore are not reported as revenues in the funds.		(196,430)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Amortization of 2003 Bond Issuance costs	$ (40,685)	
2012 Library Construction Loan Proceeds	(2,648,500)	(2,689,185)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for the transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, assets are not recognized in governmental funds unless they represent current financial resources but are recognized in the statement of activities as they accrue. The following differences, therefore, occur between the statement of activities and the governmental funds.		
Decrease in compensated absences	$ 199,054	
Decrease in net pension asset - Police Plan	(92,285)	
Increase in net pension asset - General Pension Plan	127,094	
Increase in net OPEB obligation - General Fund	(1,932,772)	(1,698,909)
An internal service fund is used by the City to charge the costs of workers' compensation insurance to individual funds. The change in net position of the internal service fund is transferred to the governmental funds and amounts attributable to internal charges are then allocated to functional expenditures. Net revenue is allocated back to respective functions and business type activities, as appropriate.		634,791
Change in net position of governmental activities (Page 38)		$ 2,141,679

The notes to financial statements are an integral part of this statement.

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City of Dover
Statement of Net Position - Proprietary Funds
June 30, 2013

	Business-type Activities			Governmental Activities
	Water/ Wastewater Fund	Electric Revenue Fund	Total Enterprise Funds	Internal Service Fund
Assets				
Current Assets:				
Cash and Cash Equivalents	$ 1,801,914	$ 2,941,635	$ 4,743,549	$ 383,114
Investments	7,858,347	18,001,619	25,859,966	1,351,527
Receivables, Net	918,428	7,475,093	8,393,521	4,000
Due from Other Funds-Charges	50,989	131,005	181,994	-
Inventory	81,271	3,842,218	3,923,489	-
Prepaid Items	-	51,279	51,279	11,250
Total Current Assets	10,710,949	32,442,849	43,153,798	1,749,891
Non-Current Assets:				
Restricted Assets				
Cash	1,383,690	6,762,874	8,146,564	-
Investments	3,890,328	24,012,534	27,902,862	-
Net Pension Asset	479,537	6,242,969	6,722,506	-
Net OPEB Asset	-	1,169,269	1,169,269	-
Land and Construction in Progress	1,252,427	2,796,975	4,049,402	-
Capital Assets, Net of Depreciation	45,537,043	86,146,554	131,683,597	-
Total Non-Current Assets	52,543,025	127,131,175	179,674,200	-
Total Assets	63,253,974	159,574,024	222,827,998	1,749,891
Liabilities				
Current Liabilities:				
Accounts Payable and Accrued Expenses	1,137,186	5,804,043	6,941,229	482,049
Due to Other Funds - Charges	116,852	272,652	389,504	-
Deferred Revenue	-	232,427	232,427	-
Accrued Interest Payable	74,327	602,777	677,104	-
Customer Deposits	-	2,022,159	2,022,159	-
Revenue Bonds Payable	706,083	2,150,000	2,856,083	-
Liability for Compensated Absences	76,444	176,303	252,747	-
Total Current Liabilities	2,110,892	11,260,361	13,371,253	482,049
Non-Current Liabilities:				
Net OPEB Obligation	449,016	-	449,016	-
Revenue Bonds Payable	10,220,634	23,960,000	34,180,634	-
Liability for Compensated Absences	95,211	451,413	546,624	-
Total Non-Current Liabilities	10,764,861	24,411,413	35,176,274	-
Total Liabilities	12,875,753	35,671,774	48,547,527	482,049
Net Position				
Invested in Capital Assets, Net of Related Debt	37,246,443	62,833,529	100,079,972	-
Restricted for Capital Construction	3,890,328	30,775,408	34,665,736	-
Unrestricted	9,241,450	30,293,313	39,534,763	1,267,842
Total Net Position	$ 50,378,221	$ 123,902,250	$ 174,280,471	$ 1,267,842

The notes to financial statements are an integral part of this statement.

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City of Dover
Statement of Revenues, Expenses and
Changes in Fund Net Position - Proprietary Funds
For the Year Ended June 30, 2013

	Business-type Activities			Governmental Activities
	Water/ Wastewater Fund	Electric Revenue Fund	Total Enterprise Funds	Internal Service Fund
Operating Revenues				
Charges for Services	$ 11,043,071	$ 88,331,196	$ 99,374,267	$ -
Miscellaneous Services/Income	2,344,635	2,354,497	4,699,132	1,214,013
Total Operating Revenues	13,387,706	90,685,693	104,073,399	1,214,013
Operating Expenses				
Water/Wastewater Services	7,174,128	-	7,174,128	-
General Administrative	1,175,225	4,470,795	5,646,020	433,214
Power Supply	-	55,681,251	55,681,251	-
Transmission/Distribution	-	3,267,698	3,267,698	-
Engineering	-	1,107,231	1,107,231	-
Metering	-	219,010	219,010	-
Systems Operations	-	544,405	544,405	-
Utility Tax	-	1,443,853	1,443,853	-
Depreciation	1,705,809	4,621,501	6,327,310	-
Contractual Services	-	-	-	33,700
Taxes	-	-	-	29,114
Retirees Pension	231,385	1,115,765	1,347,150	-
Retirees Health Care	261,019	696,500	957,519	-
Self Insurance-Workers' Compensation	-	-	-	74,789
Total Operating Expenses	10,547,566	73,168,009	83,715,575	570,817
Operating Income	2,840,140	17,517,684	20,357,824	643,196
Non-Operating Revenues (Expenses)				
Interest Earned:				
Operating Funds	114,833	190,469	305,302	-
Reserve Funds	87,675	506,771	594,446	12,459
Net Decrease in Fair Value of Investments	(172,357)	(614,989)	(787,346)	(20,864)
Interest and Fiscal Charges	(369,131)	(1,432,779)	(1,801,910)	-
Gain on Sale of Assets	11,339	5,203	16,542	-
Total Non-Operating Revenue (expenses)	(327,641)	(1,345,325)	(1,672,966)	(8,405)
Income before Contributions and Transfers	2,512,499	16,172,359	18,684,858	634,791
Transfers In	-	8,282	8,282	-
Transfers Out	(500,000)	(10,000,000)	(10,500,000)	-
Total transfers	(500,000)	(9,991,718)	(10,491,718)	-
Change in Net Position	2,012,499	6,180,641	8,193,140	634,791
Total Net Position--Beginning	48,365,722	117,721,609	166,087,331	633,051
Total Net Position--Ending	$ 50,378,221	$ 123,902,250	$ 174,280,471	$ 1,267,842

The notes to financial statements are an integral part of this statement.

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City of Dover
Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2013

	Business-type Activities			Governmental Activities
	Water Wastewater Fund	Electric Revenue Fund	Total Enterprise Funds	Internal Service Fund
Cash Flows from Operating Activities				
Receipts from Customers	$ 13,273,867	$ 89,805,855	$ 103,079,722	$ -
Payments to Suppliers (including Purchased Power)	(5,704,873)	(61,388,679)	(67,093,552)	(137,603)
Payments to Employees	(1,735,265)	(4,235,494)	(5,970,759)	-
Payments of Personnel Related Costs	(755,970)	(1,614,454)	(2,370,424)	1,152,388
Internal Activity--Payments from (to) Other Funds	(16,544)	-	(16,544)	14,459
Other Receipts (Payments) including Claims Paid	(281,241)	(7,634,455)	(7,915,696)	(363,919)
Net Cash Provided by Operating Activities	4,779,974	14,932,773	19,712,747	665,325
Cash Flows from Noncapital Financing Activities				
Transfers Out	(500,000)	(10,000,000)	(10,500,000)	-
Transfers in	-	8,282	8,282	-
Net Cash Used for Noncapital Financing Activities	(500,000)	(9,991,718)	(10,491,718)	-
Cash Flows from Capital and Related Financing Activities				
Acquisition and Construction of Capital Assets	(2,983,446)	(3,301,960)	(6,285,406)	-
Proceeds from Capital Debt	637,239	-	637,239	-
Bond Issuance Costs	(6,597)	(1,050)	(7,647)	-
Principal Paid on Revenue Bond Maturities	(687,229)	(2,110,000)	(2,797,229)	-
Interest Paid on Capital Debt	(251,180)	(1,233,804)	(1,484,984)	-
Net Cash Used for Capital and Related Financing Activities	(3,291,213)	(6,646,814)	(9,938,027)	-
Cash Flows from Investing Activities				
Interest on Investments	114,833	190,469	305,302	-
Redemption of IInvestment Securities	1,500,000	2,000,000	3,500,000	(741,502)
Purchase of Investment Securities	(2,509,828)	(4,815,151)	(7,324,979)	(8,308)
Interest on Restricted Cash	87,675	506,771	594,446	-
Net Cash Used for Investing Activities	(807,320)	(2,117,911)	(2,925,231)	(749,810)
Net Increase/(Decrease) in Cash and Cash Equivalents	181,441	(3,823,670)	(3,642,229)	(84,485)
Balances--Beginning of the Year	3,004,163	13,528,179	16,532,342	467,599
Balances--End of the Year	$ 3,185,604	$ 9,704,509	$ 12,890,113	$ 383,114
Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities:				
Operating Income	$ 2,840,140	$ 17,517,684	$ 20,357,824	$ 643,196
Adjustments to Reconcile Operating Income to Net Cash provided by (Used for) Operating Activities:				
Depreciation Expense	1,705,809	4,621,501	6,327,310	-
Changes in Assets and Liabilities				
(Increase)/Decrease in Receivables	(62,922)	(837,711)	(900,633)	15,564
(Increase)/Decrease in Due from Other Funds	(50,917)	(106,415)	(157,332)	-
(Increase)/Decrease in Inventory	(13,482)	21,316	7,834	-
(Increase)/Decrease in Prepaid Items	477	(36,297)	(35,820)	-
Increase/(Decrease) in Accounts Payable and Accrued Expenses	(278,415)	(45,452)	(323,867)	6,565
Increase/(Decrease) in Deferred Revenue	622,489	15,090	637,579	-
Increase/(Decrease) in Due to Other Funds	-	(53,440)	(53,440)	-
Increase/(Decrease) in Customer Deposits	(11,544)	(87,446)	(98,990)	-
Increase/(Decrease) in Liability for Compensated Absences	-	117,728	117,728	-
Increase/(Decrease) in NPO/NPA for Pension	(12,680)	(35,350)	(48,030)	-
Increase/(Decrease) in NPO/NPA for OPEB	41,019	(6,158,435)	(6,117,416)	-
Net Cash Provided by Operating Activities	$ 4,779,974	$ 14,932,773	$ 19,712,747	$ 665,325
Non-Cash Investing, Capital and Financing Activities:				
Change in Fair Value of Investments	$ (172,357)	$ (614,989)	$ (787,346)	$ (20,864)
Deferred charges expensed	$ (111,354)	$ (224,975)	$ (336,329)	$ -

The notes to financial statements are an integral part of this statement.

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City of Dover
Statement of Net Position
Fiduciary Funds
June 30, 2013

	Pension Trust Funds	OPEB Trust Fund	Agency Funds
Assets			
Cash and Cash Equivalents	$ 7,855,270	$ 486,852	$ 265,431
Investments at Fair Value - Mutual Funds	33,442,789	13,141,621	-
Receivables	-	-	50,771
Prepaid Items	-	-	45
Total Assets	41,298,059	13,628,473	316,247
Liabilities			
Accounts Payable	-	1,250	83,155
Due to Agencies	-	-	233,092
Total Liabilities	-	1,250	$ 316,247
Net Position			
Net Position Held in Trust for Retirement Benefits	$ 41,298,059	$ 13,627,223	

The notes to financial statements are an integral part of this statement.

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City of Dover
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended June 30, 2013

	Pension Trust Funds	OPEB Trust Fund
Additions:		
Net Investment Income	$ 2,543,986	$ 728,829
City's Contribution-Payroll Based	310,963	1,403,935
City's Contribution-Lump Sum	9,972,500	2,537,100
Employee Contribution	233,097	-
State Insurance Premium Tax Proceeds	577,765	-
Other	1,942	78,743
Total Additions	13,640,253	4,748,607
Deductions:		
Benefit Payments	4,970,885	2,027,056
General Administration	26,809	7,500
Refund of Pension Contribution	80,813	-
Total Deductions	5,078,507	2,034,556
Change in Net Position	8,561,746	2,714,051
Net Position - Beginning	32,736,313	10,913,172
Net Position - Ending	$ 41,298,059	$ 13,627,223

The notes to financial statements are an integral part of this statement.

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NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

1. FINANCIAL REPORTING ENTITY

A. The City

The City of Dover was incorporated in 1829 and is a municipal corporation governed by an elected mayor and a nine-member council. The accompanying financial statements present the financial position and operating results for fiscal year ended June 30, 2013.

B. Reporting Entity

In evaluating how to define the reporting entity, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit was made by applying the criteria set forth in Accounting Principles Generally Accepted in the United States of America (GAAP). The criterion used is that set forth by Statement of Governmental Accounting Standards number 14, which defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Based upon this criterion, the following is a brief review of each potential component unit addressed in defining the government's reporting entity.

Included within the reporting entity:
The City provides many services as follows - police protection, street maintenance, sanitation, recreation, library, community development, public improvements, planning, safety inspections, electric generation and distribution, water and wastewater services, legislative services and general administration, including employee benefits. These functions are part of the City's daily operations and therefore are not legally separate component units.

Not included within the reporting entity:
The City has joined the State of Delaware Police Pension Plan for uniformed police officers employed by the City after September 1, 1982. The plan is completely managed by the State of Delaware and, therefore, is not included in the financial statements.

The Robbins Hose Volunteer Fire Company and the Capital School District are not included within the financial reporting entity because they do not meet the criteria for inclusion set forth by GAAP.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City conform to generally accepted accounting principles as applicable to governments. A summary of the more significant policies follows:

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A. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Individual funds are not displayed but the statements distinguish governmental activities, generally funded by taxes and other City revenue, from business-type activities (BTAs), generally funded in whole or in part with fees charged to external users. Eliminations have been made for the doubling-up effect of certain internal activities.

The government-wide statement of activities presents a comparison between direct program expenses and program revenues for each function of the City's governmental activities and for each of the City's identifiable business-type activities. Direct expenses are those that are specifically associated with a program, function or activity. Program revenues include (a) charges paid by the recipients or beneficiaries of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

The City allocates the costs of certain governmental services to the costs of business-type activities (indirect expense allocation). These costs include allocated amounts of city management, centralized budgetary formulation and oversight, accounting, financial reporting, payroll, procurement contracting and oversight, investing and cash management, personnel services, etc. The allocations are charged to the BTAs based on the use of these services. As a matter of policy, the costs of certain governmental functions are not allocated to the business-type activities such as public safety, library and recreation and community services.

Fund Financial Statements: The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The fund financial statements provide information about the City's funds, including fiduciary funds. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

The City reports the following major governmental fund:

General Fund
The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

The City reports the following major proprietary funds:

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Water/Wastewater Fund
This fund accounts for transactions related to water and wastewater services, including the payment of fees to Kent County for the treatment of sewage. The City also holds lease agreements with cell phone companies for equipment placed on City water towers.

Electric Revenue Fund
This fund incorporates all transactions related to the generation, transmission and distribution of electricity. The City has contracted with both The Energy Authority and North American Energy Services to manage the City's power supply and generation assets.

The City reports the following non-major funds:

Internal Service Fund
The City has created one internal service fund to account for the activities related to self-insured Workers' Compensation. Receipts are provided from contributions by the City's three major funds. Expenses are related to payment of claims, premiums, and administration costs. Actuarial analyses are completed every three years to insure sufficient reserves for claims for the Workers' Compensation Fund.

Special Revenue Funds
The City has ten Special Revenue Funds to account for proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Fiduciary Funds
Fiduciary funds consist of trust and agency funds and are used to report assets held by the City in a trustee or agency capacity for other purposes. These funds are, therefore, not available to support City programs.

The City is the trustee for the City's two pension plans, the Police Pension Fund and the Employee Pension Fund, as well as, the Other Post Employment Benefit Trust. The activity of these plans is accounted for in the Basic Financial Statements.

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations or other governments. The City has three agency funds.

The City acts as the receiving and paying agent for the Downtown Dover Partnership, Fourth of July Celebration Committee, and Dover Library Foundation.

B. Basis of Accounting and Measurement Focus

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All Governmental Funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Their revenues are recognized when they become measurable and available as net current assets.

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Revenues that are susceptible to accrual include property taxes, grants and billable service charges. All other revenues are accounted for when they are received.

Property taxes are recognized in the fiscal period for which they are levied provided they are “available”- i.e., they are collected in the current period or are expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty-days after year-end, except for trash collection, which has a thirty-day collection period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The exception to this general rule is principal and interest on general long-term debt which is recognized when due. Also, claims and judgments and compensated absences are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The government-wide financial statements as well as all proprietary and fiduciary trust funds are accounted for using the accrual basis of accounting and the economic resources measurement focus. Agency funds have no measurement focus.

A reconciliation of the governmental fund financial statements prepared on the modified accrual basis of accounting to the government-wide financial statements prepared on the accrual basis of accounting is also provided. The types of transactions included in program revenues in the government-wide statement of activities include charges for services, operating grants and capital grants.

Operating income reported in the proprietary fund financial statements includes revenue and expenses related to the continuing operations of the fund. Principal operating revenue for proprietary funds is charges to customers for sales and services.

Principal operating expenses are the costs of providing goods and services, which include purchased power, administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

As permitted by GASB Statement No. 20, with regards to its Enterprise funds the City has elected to apply all applicable GASB pronouncements and all FASB Statements and interpretations, Accounting Principles Board (APB) Opinions and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements.

C. Capital Assets and Long-Term Liabilities

Capital assets used in Governmental Fund type operations (general capital assets) are accounted for in the government-wide financial statements rather than in the funds. Public domain ("infrastructure") general capital assets consisting of certain improvements other

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than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are capitalized in the government-wide financial statements along with other general capital assets. The capitalization threshold for the City's assets is $5,000. Personal computers and related hardware valued under $5,000 are manually controlled by the Information Technology Department. All capital assets are valued at historical cost and donated assets are shown at a fair market value as of the date of donation. Depreciation has been provided on general capital assets and is shown in Note 4. Depreciation has been provided over the estimated useful lives using the straight-line method. Estimated useful lives are as follows:

Buildings	20	-	50	years
Infrastructure	20	-	50	years
Vehicles	4	-	7	years
Equipment, Furniture, Fixtures	5	-	15	years

Long-term liabilities expected to be financed from governmental funds and the long-term estimated liabilities for compensated absences are accounted for in the government-wide financial statements, but not in the Governmental Funds.

Depreciation of all exhaustible capital assets used by Proprietary Funds is charged as an expense against their operations. Accumulated depreciation is shown in Note 4 of this section. Depreciation in the proprietary funds has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are presented below:

Buildings, Mains, Plant	25	-	90	years
Improvements	10	-	20	years
Equipment	5	-	15	years
Vehicles	4	-	7	years

D. Budget Procedures

Legally adopted budgets are prepared for the General Fund, Water/Wastewater Fund, Electric Revenue Fund, the Internal Service Fund and the following non-major special revenue funds: Municipal Street Aid Fund, Community Development Block Grant Fund (Federal), State Department of Transportation Grants Fund (Community Transportation), Police Grant Funds, and Library Grants Fund.

The General Governmental Capital Projects Fund provides for separate budgets to cover the planning and control of capital items for the governmental programs. The financial transactions of this fund are included in the financial statements of the General Fund. The Electric Improvement and Extension Fund and the Water/Wastewater Improvement and Extension Fund are sections of each utility enterprise. These sections are required by bond resolutions. Separate budgets for these funds cover the planning and control of only the capital items of the utilities. The financial transactions of these funds are included in the financial statements of the Electric Revenue Fund and the Water/Wastewater Fund.

The City prepares the budget for the General Fund revenues on a modified accrual basis. The expenditures are accounted for when the purchase orders are issued. The budget and actual schedule (in the legal budget format (non-GAAP), adopted by the City) for the

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General Fund, the City's major governmental fund, is presented in the required supplementary information section of this report.

Budgets for the Electric Revenue Fund, Water/Wastewater Fund and Internal Service Fund are prepared on an accrual basis. Budgets are prepared under the assumption that the principal redemption of long-term debt must be assumed by Enterprise Fund activity in conformity with the bond ordinance.

The Combining General Fund Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances of the General Fund as well as the budget and actual schedules of the other funds are also presented in the supplementary information section of this report because they are "not required."

According to the City's procedures, the preceding year's ending net budgetary balances are considered as resources for the following year. The beginning balances become operating items of revenues in the budgets. Estimated ending budgetary balances provide the balancing amount for each budget. In accordance with the City's financial policies, adopted by City Council, the major operating funds of the City are required to maintain an 8% minimum ending budget balance expressed as a percentage of operating revenues excluding the beginning budget balance.

E. Major Transfers

The Electric Revenue Fund and Water/Wastewater Fund annually transfer a budgeted portion of their revenues to the General Fund. In this fiscal year transfers were also made from the Realty Transfer Tax Fund, Municipal Street Aid Fund, Electronic Red Light Safety Program (ERLSP) Fund, State Department of Transportation (D.O.T.) Fund, and Police Grant Fund to the General Fund. The purpose of these transfers is to provide routine subsidies to the General Fund for operating functions, capital project expenditures and debt service requirements.

All transfers between the General Fund and the non-major governmental funds are netted in the government-wide financial statements.

F. Inventories and Prepaid Items

Both inventories and prepaid items are accounted for using the consumption method. Inventories are treated as operational expenditures at the time of use rather than at the time of purchase for both the governmental and proprietary funds. Prepaid expenses are reflective of insurance policies and commitments due on July 1 for the following fiscal year.

The warehouse inventories, consisting mostly of parts and supplies, are maintained on a perpetual inventory basis. Inventories of all funds are valued at cost and net of reserves, utilizing a weighted moving average method of valuation. The City maintains inventory reserves to charge off any damaged or obsolete items.

The Electric Revenue Fund maintains fuel inventory for the generating assets on a perpetual basis and utilizes the weighted moving average method of valuation.

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G. Cash and Investments

The City's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Investments consist of United States Government and its agencies notes and bonds, corporate bonds and common stocks and open-end mutual funds. The fair value of investments is determined by current market value.

H. Accounts Receivable

Allowances for uncollectible accounts are maintained and uncollectible accounts are charged off against these allowances. The authority to write off accounts is vested with the City Council. Current balances of allowances are as follows:

General Fund	$154,086
Water/Wastewater Fund	108,234
Electric Revenue Fund	386,346

I. Restricted Assets

Certain assets are restricted because their use is limited by bond covenants, endowments, or other similar third party restrictions.

Restricted assets as of June 30, 2013 total $37,687,221 including cash and cash equivalents of $9,766,107 and $27,921,114 in investments. Of this amount, $1,637,795 is attributed to governmental activities and $36,049,426 is attributable to business-type activities.

J. Unbilled Service Receivables

The City follows a policy of billing for services in accordance with billing cycle procedures. All known services rendered are billed and incorporated in the books at the end of the fiscal year. Billing information which is unreported by June 30, 2013, by the operating departments is billed and accounted for in the month the information is received.

K. Bond Accounts/Issuance Costs

The City has elected to recognize bond discounts and issuance cost in governmental funds, as well as the proprietary funds, as a current period expense in accordance with GASB 65. As of June 30, 2013 the unamortized bond discounts and issuance costs held by the General fund and the Proprietary funds have been expensed

L. Deferred inflows of resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified

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accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, demolitions, general billings, grass cutting, police extra-duty, and State grants.

M. Fund Balances and Net Position

Governmental fund balances are reported based on a hierarchy of constraints on the nature or specific purpose to which the funds can be spent. The classifications of fund balance are as follows:

- The Non-spendable fund balance classification includes amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
- The Restricted fund balance classification includes amounts that can be spent only for specific purposes because of the City Charter, the City Code, state or federal laws, or externally imposed conditions by grantors or creditors.
- The Committed fund balance classification includes amounts that can be used only for specific purposes determined by the formal action of a City ordinance which is approved by City Council majority vote the highest level of decision-making authority.
- The Assigned fund balance classification includes amounts authorized and established by City Council. The City's Financial Policies as adopted by City Council includes the purpose and description of all classes of fund balance. Modifications require City Council approval.

The city considers restricted, committed, or assigned amounts to have been spent when a related expenditure is incurred. Proprietary funds report net position in three categories:

1) Invested in capital assets net of related debt;
2) Restricted
3) Unrestricted

Fund balances and net position are further explained in Note 7.

N. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. DEPOSITS AND INVESTMENTS

A. Cash in Bank and Cash Equivalents

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Custodial credit risk – deposits. The bank collateralizes the City of Dover's deposits over and above those covered by the $250,000 FDIC Insurance limit with specific securities, which are 'marked to market' daily against the aggregate balances. The market value of the collateral is at a minimum of or equal to 102% of the amount of applicable deposits. Collateral consists solely of either full faith and credit obligations of the United States Government or fixed rate obligations of agencies or instruments of the United States Government.

On June 30, 2013, the carrying amount of unrestricted cash totaled $6,950,930 and the bank cash balances totaled $6,339,903. The carrying amount of restricted cash totaled $9,766,107 and the bank cash balances on restricted accounts totaled $9,795,432. The restricted deposits are held by the City for bond related transactions, special purpose operating and capital grants. Fiduciary fund deposits of $8,607,553 are excluded.

B. Investments

The City Council has adopted an investment policy which is reviewed every two years and updated as needed for best practices. The Pension Boards have their own distinct investment policy over the Pension Trust funds since the objectives differ from those of the City. The City investments are segregated from the Pension Trust investments for clarity. As of June 30, 2013, the City had the following investments:

i. Investments Held by Third Party Custodian

Investment Type	Fair Value	(Years)
Government-Wide:		
Fixed income securities:		
U.S. Government Treasuries	$ 13,679,771	1.59
U. S. Government Agencies	21,571,889	2.41
Municipal Obligations	5,042,288	2.55
Corporate Bonds	17,963,293	2.91
Certificate of Deposit	3,193,680	1.55
Fair Value of fixed income securities	$ 61,450,921	
Portfolio weighted average maturity		2.34
Other investments:		
Money Market Mutual Funds & Certificate of Deposit	223,259	
Equity Stock and Other	23,157	
Total Other Investments	246,416	
Total Government-Wide Investments	$ 61,697,337	

Interest rate risk: As a means of limiting its exposure to fair value losses arising from rising interest rates the City's investment policy limits U.S. Government securities to a maximum maturity of 10 years from the date of purchase. For most other securities, the maximum maturity is five years from the date of purchase. Short-term cash flow balances are invested up to one year.

The investments are held in the City's name at a third party custodian.

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Credit risk: The City's investment policy is to apply the prudent-person rule. Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital and, in general, avoid speculative investments. As of June 30, 2013, the City's fixed income and short-term investments had the following risk characteristics as compared to the Standard's & Poor's:

Authorized Investments	Policy Minimum Rating Category	Portfolio Ratings	Percent Allocation
U.S. Government	N/A	AA+	22.20%
U.S. Government Agency	N/A	AA+	35.10%
Certificates of Deposit and	Short-Term A-1	Short-Term A-1+	5.20%
Time Deposits	Long-Term AA	Long-Term AA-	
Corporate Debt	Issued by a US Corporation		
Commercial Paper	A-1	N/A	
Corporate Notes/Bonds	AA	AA- to AAA	29.20%
Repurchase Agreements	Short-Term A-1 Long-Term AA	N/A	
Registered Investment Companies (money market funds)	AAAm	AAAm	
Municipal Obligations	AA	AA to AA+	8.20%

Concentration of credit risk: The City has sector and issuer limitations on its investment portfolio as follows:

Authorized Investments	Sector and Issuer Restrictions
U.S. Government	Up to 100% per sector
U.S. Government Agency	Up to 100% per sector
Certificates of Deposits and Time Deposits	Up to 25% per sector; 5% per issuer
Corporate Debt	
Commercial Paper	Up to 25% per sector; 5% per issuer
Corporate Notes/Bonds	Up to 50% per sector; 5% per issuer
Delaware Domicled Institutions	Up to 20% per sector; 5% per issuer
Repurchase Agreements	Up to 25% per sector
Registered Investment Companies (money market funds)	Up to 25% per sector
Mortgage-Backed Securities	Up to 50% per sector; 5% per issuer
Municipal Obligations	Up to 30% per sector; 5% per issuer

ii. Investments Held by Trustee for Post Employee Benefits & Pensions

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Investment Type	Fair Value	(Years)
Other Postemployment Benefits (OPEB) and Pension Funds (Trustee held):		
Corporate Bonds - OPEB Trust	$ 4,840,623	1.72
Short-term corporate bond open-end mutual funds	340,395	0.08
Intermediate-term corporate bond open-end mutual funds	5,275,041	1.50
Long-term corporate bond open-end mutual funds	6,216,774	3.70
Fair value of fixed income investments	16,672,833	
Portfolio weighted average maturity		1.75
Other investments:		
Domestic equity open-end mutual funds	18,282,026	
International equity open-end mutual funds	11,629,551	
Fair value of other investments	29,911,577	
Total fair value OPEB and pension funds	$ 46,584,410	

The Pension Trust and OPEB Trust have their investments exclusively in open-end mutual funds, with limits on its investments as follows:

Authorized Investments Pension Plans	Target%	Benchmark
Domestic Equities:		
Large Cap Value	10.00%	S&P/Citi 500 Value
Large Cap Growth	11.00%	S&P/Citi 500 Growth
Mid Cap	5.00%	S&P/Citi Mid-Cap 400 Value
Small Cap	5.00%	S&P/Citi Small Cap 600 Value
Real Estate/REIT	5.00%	FTSE NAREIT Equity REIT
Non-US Stock:		
Non-US Equity	10.00%	MSCI EAFE
Non-US Small Cap		MSCI EAFE Small Cap
Emerging Markets:		
Emerging Markets	15.00%	MSCI EM (Emerging Markets)
Fixed Income		
Short Term Bonds	0.05%	BofA Merrill Lynch 1-3 Yr Corp
Inflation Protected Bonds	2.00%	Barclays US Treasury US TIPS TR
Intermediate Term Bonds	13.00%	Barclays Cap Interm US GOVT/Credit Index
Long Term Bonds	19.00%	Barclays Cap Long GOVT Credit Index
Cash & Cash Equivalents	4.50%	CitiGroup 3 Month Tbill

Custodial credit risk-investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To avoid custodial credit risk, it is the City's policy to have its investments held at a third party custodian in the City's name.

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4. CAPITAL ASSETS

A summary of the Capital asset activity for the year ended June 30, 2013 is presented below:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	$ 3,958,887	$ -	$ -	$ 3,958,887
Construction in progress	16,759,414	4,229,390	20,871,649	117,155
Total capital assets, not being depreciated	20,718,301	4,229,390	20,871,649	4,076,042
Capital assets, being depreciated:				
Buildings	10,941,377	19,612,149	-	30,553,526
Furniture and fixtures	180,350	653,372	-	833,722
Equipment	6,965,654	750,636	-	7,716,290
Vehicles	4,677,659	192,999	212,198	4,658,460
Lights	614,531	-	-	614,531
Improvements other than buildings	39,696,715	305,225	-	40,001,940
Books and audio visuals	8,115	-	-	8,115
D.R.M.O. police equipment	-	-	-	-
Total capital assets, being depreciated	63,084,401	21,514,381	212,198	84,386,584
Less accumulated depreciation for:				
Buildings	(3,916,836)	(292,575)	-	(4,209,411)
Furniture and fixtures	(169,965)	(44,410)	-	(214,375)
Equipment	(5,247,449)	(379,625)	104,968	(5,522,106)
Vehicles	(3,176,538)	(453,158)	88,091	(3,541,605)
Lights	(455,182)	(9,952)	-	(465,134)
Improvements other than buildings	(19,100,657)	(1,345,184)	-	(20,445,841)
Books and audio visuals	(8,136)	-	-	(8,136)
D.R.M.O. police equipment	-	-	-	-
Total accumulated depreciation	(32,074,763)	(2,524,904)	193,059	(34,406,608)
Total capital assets, being depreciated, net	31,009,638	18,989,477	19,139	49,979,976
Governmental activities capital assets, net	$ 51,727,939	$ 23,218,867	$ 20,890,788	$ 54,056,018

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	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Electric Revenue Fund				
Capital assets, not being depreciated				
Land	$ 1,458,066	$ -	$ -	$ 1,458,066
Construction in progress	789,014	1,253,188	703,293	1,338,909
Total capital assets, not being depreciated	2,247,080	1,253,188	703,293	2,796,975
Capital assets, being depreciated				
Buildings	17,456,628	162,721	-	17,619,349
Production	64,610,399	445,707	16,057	65,040,049
Transmission	33,106,748	910,689	6,751	34,010,686
Distribution	60,680,365	1,139,933	67,829	61,752,469
Administration	1,634,017	109,737	-	1,743,754
Vehicles	640,096	22,118	36,338	625,876
Total capital assets, being depreciated	178,128,253	2,790,905	126,975	180,792,183
Less accumulated depreciation for:				
Buildings	(11,400,308)	(395,571)	-	(11,795,879)
Production	(41,416,622)	(1,281,863)	16,057	(42,682,428)
Transmission	(10,344,554)	(1,195,920)	3,457	(11,537,017)
Distribution	(25,322,267)	(1,574,515)	64,536	(26,832,246)
Administration	(1,196,545)	(121,987)	2,000	(1,316,532)
Vehicles	(464,219)	(51,646)	34,338	(481,527)
Total accumulated depreciation	(90,144,515)	(4,621,502)	120,388	(94,645,629)
Total capital assets, being depreciated, net	87,983,738	(1,830,597)	6,587	86,146,554
Total electric revenue fund capital assets, net	90,230,818	(577,409)	709,880	88,943,529
Water/Wastewater Fund				
Capital assets, not being depreciated				
Land	163,240	-	-	163,240
Construction in progress	2,792,579	1,774,185	3,477,577	1,089,187
Total capital assets, not being depreciated	2,955,819	1,774,185	3,477,577	1,252,427
Capital assets, being depreciated				
Plant, wells, pumping stations, and storage	15,718,500	451,166	-	16,169,666
Distribution mains, hydrants, and accessories	17,673,573	2,392,065	-	20,065,638
Sewage plant mains, and pumping stations	31,580,569	1,334,502	-	32,915,071
Vehicles and equipment	4,578,855	520,441	78,932	5,020,364
Total capital assets, being depreciated	69,551,497	4,698,174	78,932	74,170,739
Less accumulated depreciation for:				
Plant, wells, pumping stations, and storage	(6,708,797)	(332,879)	-	(7,041,676)
Distribution mains, hydrant, and accessories	(5,810,392)	(372,108)	-	(6,182,500)
Sewage plant mains, and pumping stations	(11,164,961)	(705,400)	-	(11,870,361)
Vehicles and equipment	(3,322,671)	(295,420)	78,932	(3,539,159)
Total accumulated depreciation	(27,006,821)	(1,705,807)	78,932	(28,633,696)
Total capital assets, being depreciated, net	42,544,676	2,992,367	-	45,537,043
Total water/wastewater fund capital assets, net	45,500,495	4,766,552	3,477,577	46,789,470
Business-type activities capital assets, net	$135,731,313	$ 4,189,143	$ 4,187,457	$135,732,999

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Depreciation expense was charged to functions/ programs of the primary government as follows:

Governmental activities:	
General government	$ 11,625
Central services	90,771
Public safety	447,858
Public works	1,644,602
Library and recreation	266,892
Financial administration	63,156
Total depreciation expense - governmental activities	$ 2,524,904

5. LONG -TERM OBLIGATIONS

A. Summary of Bonded Indebtedness by Issue

	Original	Remaining	Interest	Maturity	Arbitrage	Purpose
Governmental Activities						
2003 General Obligation Bonds	$3,430,000	$990,000	3.870%	7/1/04 - 7/1/16	No	Refunding of '92 &'95 issues
2012 General Obligation Bonds	$3,500,000	$3,488,997	2.600%	6/25/13 - 5/25/19	No	Construction of New Library, Street Paving Program
Business Type Activities						
Water/Wastewater Bonds						
2000 State of Delaware - Revolving Loan Fund - Municipal Revenue	$750,000	$324,940	3.600%	10/1/00 - 4/1/20	No	Wastewater Pump Station # 7 - Leipsic
2003 Revenue Bonds	$7,980,000	$2,300,000	3.790%	7/1/04 - 7/1/23	Yes	Complete refund 1986B Series; partial refunding 1993 and 1993A Series; expansion and upgrades of water and sanitary sewer systems
2009 State of Delaware - Revolving Loan Fund - Municipal Revenue	$5,581,059	$5,344,454	2.000%	12/1/12 - 12/1/31	No	Pump station replacements/upgrades and sanitary sewer main relining
2010 State of Delaware - Revolving Loan Fund - Municipal Revenue	$2,404,017	$2,254,263	2.470%	4/1/12 - 10/1/30	No	Water quality improvements and main replacements
2011 State of Delaware - Revolving Loan Fund - Municipal Revenue	$765,060	$765,060	2.000%	6/1/12 - 12/1/31	No	Pump station replacements/upgrades and sanitary sewer main relining
(Coverage ratio on Water/Wastewater Bonds requires net revenues to be at least 1.2 times the maximum annual debt service)						
Electric Revenue Bonds						
2010 Revenue Bonds	$8,810,000	$5,440,000	1.777%	7/1/11 - 7/1/15	Yes	Complete refund 2004 Series
2008 Revenue Bonds	$22,200,000	$20,670,000	4.810%	7/1/09 - 7/1/33	Yes	Expansion and upgrades of electric system
(Coverage ratio on Electric Bonds requires net revenues to be at least 1.25 times the maximum annual debt service)						

B. Status as of June 30, 2013 – General Obligation Bonds

Long-term indebtedness of the City of Dover consists of the following general purpose General Obligation Bonds:

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2003 Series	$ 990,000
2012 Series	3,488,997
	$ 4,478,997

The total General Obligation Bonds outstanding amount includes $430,000 payable within one year.

C. Change in Long-Term Debt

The following tables summarize the debt transactions for the year ended June 30, 2013:

i. General Long-Term Debt

Item	Balance 7/01/12	Additions	Reductions	Balance 6/30/13	Payable within one Year
Compensated Absences	$ 2,280,124	$ 1,231,423	$ 1,430,477	$ 2,081,070	$ 1,014,753
General Obligation Bonds	2,126,500	2,648,500	296,003	4,478,997	430,000
OPEB Obligation	11,179,542	1,932,772	-	13,112,314	-
Sub-total of General Long-Term Debt	$ 15,586,166	$ 5,812,695	$ 1,726,480	$ 19,672,381	$ 1,444,753

ii. Enterprise Funds Debt Water/Wastewater Fund

Item	Balance 7/01/12	Additions	Reductions	Balance 6/30/13	Payable within one Year
Compensated Absences	$ 184,335	$ 109,804	$ 122,484	$ 171,655	$ 76,444
Revenue Bonds-Water and Wastewater	2,610,000	-	310,000	2,300,000	320,000
State of Delaware Municipal Revenue Bond - Wastewater	365,083	-	40,144	324,939	41,602
State of Delaware Municipal Revenue Bond - Wastewater	5,581,059	-	236,604	5,344,455	241,360
State of Delaware Municipal Revenue Bond - Water	2,354,745	-	100,482	2,254,263	103,121
State of Delaware Municipal Revenue Bond - Wastewater (a)	65,822	637,238	-	703,060	15,287
OPEB Obligation	407,997	41,019	-	449,016	-
Sub-total of Water/ Wastewater Fund	$ 11,569,041	$ 788,061	$ 809,714	$ 11,547,388	$ 797,814

(a) During fiscal year 2011 the City issued revenue bonds through the State of Delaware Revolving Fund Loan program for Wastewater projects. The amount of the Wastewater Bond is $765,060. The loan program is set up for the City to draw down the funds as capital expenses are paid. The City pays interest only during the construction period, which is capitalized with the asset. The financed capital projects have been completed by June 30, 2013 the final drawdown of $62,000 will be received in Fiscal 2014.

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iii. Enterprise Funds Debt
Electric Revenue Fund

Item	Balance 7/01/12	Additions	Reductions	Balance 6/30/13	Payable within one Year
Compensated Absences	$ 663,066	$ 244,088	$ 279,438	$ 627,716	$ 176,303
Revenue Bonds	28,220,000	-	2,110,000	26,110,000	2,150,000
Sub-total of Electric Revenue Fund	28,883,066	244,088	2,389,438	26,737,716	2,326,303
Sub-total of Enterprise Fund Debt	40,452,107	1,032,149	3,199,152	38,285,104	3,124,117
Grand Totals of Long-Term Debt	$ 56,038,273	$ 6,844,844	$ 4,925,632	$ 57,957,485	$ 4,568,870

The City does not receive reimbursement for debt service from any other governmental units. The City does not have any special assessment debt or defeased bonds as of June 30, 2013.

D. Debt Service Requirements

The following are the debt service requirements to maturity on the City's general obligation bonds and revenue bonds.

i. Governmental Activities:

Fiscal	2003 General Obligation Bonds		2012 General Obligation Bonds		
Year	Principal	Interest	Principal	Interest	Total
2014	$295,000	$32,440	$ 134,991	$ 90,412	$ 552,843
2015	220,000	22,950	138,650	86,753	468,353
2016	230,000	14,285	142,123	83,280	469,688
2017	245,000	4,900	146,142	79,261	475,303
2018	-	-	150,041	75,362	225,403
2019	-	-	2,777,050	65,457	2,842,507
Total	$990,000	$74,575	$3,488,997	$480,525	$ 5,034,096

ii. Business-type Activities

a. Water/Wastewater Fund

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	Water/Wastewater Fund			
Fiscal	2003 Revenue Bonds		2000 Municipal Revenue Bonds	
Year	Principal	Interest	Principal	Interest
2014	$ 320,000	$ 89,813	$ 41,602	$ 11,327
2015	330,000	77,783	43,113	9,816
2016	155,000	68,490	44,679	8,250
2017	160,000	62,268	46,302	6,627
2018	165,000	55,685	47,984	4,945
2019	175,000	48,584	49,727	3,202
2020	180,000	40,995	51,533	1,396
2021	190,000	32,945	-	-
2022	200,000	24,265	-	-
2023	210,000	14,935	-	-
2024	215,000	5,053	-	-
Total	$ 2,300,000	$ 520,814	$ 324,940	$ 45,561

	Water/Wastewater Fund					
Fiscal	2009 Municipal Revenue Bonds		2010 Municipal Revenue Bonds		2011 Municipal Revenue Bonds	
Year	Principal	Interest	Principal	Interest	Principal	Interest
2014	$ 241,360	$ 105,688	$ 103,121	$ 58,168	$ 15,287	$ 13,775
2015	246,211	100,837	105,831	55,459	31,405	26,719
2016	251,160	95,888	108,611	52,679	32,547	25,578
2017	256,208	90,840	111,464	49,825	33,729	24,395
2018	261,358	85,690	114,392	46,897	34,955	23,170
2019	266,611	80,437	117,397	43,892	36,225	21,900
2020	271,970	75,078	120,481	40,808	37,541	20,584
2021	277,437	69,611	123,646	37,643	38,905	19,220
2022	283,013	64,035	126,895	34,395	40,318	17,806
2023	288,702	58,346	130,228	31,061	41,783	16,341
2024	294,505	52,543	133,649	27,640	43,302	14,823
2025	300,424	46,624	137,160	24,129	44,875	13,250
2026	306,463	40,585	140,764	20,526	46,505	11,619
2027	312,623	34,425	144,461	16,828	48,195	9,929
2028	318,906	28,142	148,257	13,033	49,946	8,178
2029	325,316	21,732	152,151	9,138	51,761	6,364
2030	331,855	15,193	156,148	5,141	53,642	4,483
2031	338,526	8,522	79,606	1,039	55,591	2,534
2032	171,806	1,718	-	-	28,548	514
Total	$ 5,344,454	$ 1,075,934	$ 2,254,263	$ 568,299	$ 765,060	$ 281,182

b. Electric Fund

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	Electric Revenue Fund				Total
Fiscal	2008 Revenue Bonds		2010 Revenue Bonds		Business-type
Year	Principal	Interest	Principal	Interest	Activities
2014	$ 430,000	$ 975,704	$ 1,740,000	$ 193,000	$ 4,338,844
2015	450,000	953,704	1,810,000	130,700	4,371,577
2016	475,000	930,579	1,890,000	47,250	4,185,709
2017	695,000	901,329	-	-	2,437,987
2018	730,000	865,704	-	-	2,435,779
2019	765,000	831,580	-	-	2,439,554
2020	800,000	798,706	-	-	2,439,092
2021	840,000	763,856	-	-	2,393,263
2022	880,000	726,756	-	-	2,397,483
2023	925,000	686,694	-	-	2,403,091
2024	970,000	644,056	-	-	2,400,571
2025	1,015,000	599,394	-	-	2,180,856
2026	1,065,000	551,928	-	-	2,183,390
2027	1,120,000	501,400	-	-	2,187,862
2028	1,175,000	446,125	-	-	2,187,587
2029	1,230,000	386,000	-	-	2,182,462
2030	1,290,000	323,000	-	-	2,179,462
2031	1,355,000	256,875	-	-	2,097,692
2032	1,420,000	187,500	-	-	1,810,086
2033	1,485,000	114,875	-	-	1,599,875
2034	1,555,000	38,875	-	-	1,593,875
Total	$20,670,000	$12,484,639	$ 5,440,000	$ 370,950	$ 52,446,095

The preceding tables do not include compensated absences.

E. Bond Discounts/Issuance Cost Unamortized

The following remaining bond discounts/issuance costs were expensed in the funds as of June 30, 2013:

General Fund GO Bonds Discounts/Issuance Costs	$40,685
Water/Wastewater Bonds Discounts/Issuance Costs	$111,355
Electric Revenue Bonds Discounts/Issuance Costs	$224,975

6. RESTRICTED NET POSITION

In the government-wide financial statements the restricted net position of the governmental activities and business type activities are as follows:

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Governmental Activities

Grants-capital projects	This represents the State DOT grant reported in the non-major special revenue funds.	$85,867
Grants-public safety	These represent the Police grants, ERLSP grant and Substance Abuse Prevention grant in the special revenue type funds.	216,344
Other Purposes	These represent all other funds reported in the special revenue type, except the grants reserved for capital construction and public safety. Also included is an endowment from Mary Elizabeth Paton and patronage stocks.	441,065
Total Restricted Net Position		$743,276

Business Type Activities

Net restricted position for construction purposes - expendable

Water/Wastewater	Restrictions on investments imposed by bond covenants	$3,890,328
Electric	Restrictions on investments imposed by bond covenants	30,775,408
Total Restricted Net Position		$34,665,736

7. FUND BALANCES & NET POSITION

In the governmental fund financial statements, fund balances are reported based on a hierarchy of constraints on the specific purposes for which the funds can be spent. Non-spendable fund balances represent items that are not in spendable form and not expected to be converted to cash. This criterion also applies to the corpus of permanent funds, which would include the Mary Paton library endowment.

Restricted fund balances represent amounts that have externally imposed restrictions by creditors, grantors, enabling legislation or laws and regulations of other governments. The fund balances of the City's grant funds fall into this category, as well as a couple of accounts that have contractual restrictions imposed by a third party.

Committed fund balances represent amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action to which it previously committed the amount.

Assigned fund balances represent amounts constrained by the City's intent to be used for specific purposes. These amounts represent the City's capital asset appropriations and the City's matching funds for grant related projects. Also, included are donated assets to be used for law enforcement purposes. The constraints placed on assigned fund balances are implemented through internal processes such as a budget ordinance

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or motion of City Council. Therefore, they do not have the same restrictive nature of a restricted fund balance.

Unassigned fund balance is the residual amount that has not met the criteria for the aforementioned classifications. The unassigned fund balance is available for expenditures as they are incurred.

The composition of the City fund balances is as follows:

	General Fund	Other Governmental Funds	Total
Fund balances:			
Nonspendable:			
Inventory & Prepaids	$ 205,863	$ -	$ 205,863
Patronage Stock	16,594	-	16,594
Library Endowment	5,000	-	5,000
Subtotal Nonspendable:	227,457	-	227,457
Restricted for:			
Library Endowment Interest	1,658	-	1,658
Verizon cable franchise	129,579	-	129,579
Highway resurfacing	-	85,867	85,867
ERLSP	-	100	100
Realty Transfer Tax	-	100	100
CDBG	-	4,806	4,806
CDBG- State for ADA Improvements	-	3,931	3,931
Substance Abuse Prevention	-	41,008	41,008
Municiple Street Aid	-	251,558	251,558
Library Grants	-	27,839	27,839
Police Grants	-	175,236	175,236
Subtotal Restricted for:	131,237	590,445	721,682
Committed to:			
Contingency	733,985	-	733,985
Parkland	202,914	-	202,914
Subtotal Committed to:	936,899	-	936,899
Assigned to:			
Capital Assets	3,504,253	-	3,504,253
Police Investigations	14,759	-	14,759
Highway resurfacing	-	123,349	123,349
Subtotal Assigned to:	3,519,012	123,349	3,642,361
Unassigned	3,391,714	-	3,391,714
Total fund balances	$ 8,206,319	$ 713,794	$ 8,920,113

8. PROPERTY TAXES

Property taxes are levied under the authority of the City Charter on all real property located within the City limits. The City assessor is in charge of the property assessments and the City Council levies the property tax rate. The following table provides important dates with reference to property taxes.

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Beginning of fiscal year for taxes	July 1
Tax rate levied	June
Taxes billed	July 1
Taxes due and payable at par	July 31
Penalty of one and one half percent starts	August 1
Lien established on property for property taxes	July 1
Tax sales of property with unpaid taxes	2 years from date of billing

There are no material delinquent property taxes as of June 30, 2013.

9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2013 is as follows:

A. Due to/from other funds – Charges and Allocations

Receivable Fund	*Payable Fund*	*Amount*
General Fund	Non-major governmental funds	$76,741
	Water/ Wastewater Fund	103,415
	Electric Revenue Fund	272,652
Water/ Wastewater Fund	General Fund	50,989
Electric Fund	General Fund	109,286
	Water/Wastewater Fund	13,437
	Non-major governmental funds	8,282
Non-Major Governmental Funds	General Fund	56,110
Total		$690,912

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

B. Interfund Transfers

	Transfers In -		
	General Fund	Electric Fund	Total
Transfers Out			
Non-major governmental funds	$2,166,208	$8,282	$2,174,490
Water/ Wastewater Fund	500,000	-	500,000
Electric Revenue Fund	10,000,000	-	10,000,000
Total	$12,666,208	$ 8,282	$ 12,674,490

Transfers are generally made for the purpose of providing operating capital or debt service subsidies to the receiving fund in accordance with City policy.

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10. RENTAL INCOME

The City currently has three lease agreements at the Garrison Oak Technical Park (GOTP) that are included in miscellaneous revenue in the General Fund. The first lease is with a farmer for agricultural use of the undeveloped land on the GOTP which generated $34,390 in rental income. The second lease is with LS Power – White Oak Solar Energy LLC, which generated $57,080 in rental income and the third lease is with Garrison Energy Center which generated $25,760 in rental income.

The City's Electric Revenue Fund owns a professional office building which houses the City's Customer Service, Finance and Information Technology Departments. At June 30, 2013, the City had leases with three tenants for the remaining space available. Lease revenue is $234,488 in the Electric Revenue Fund consisting of office space rental of $150,640, substation rental of $30,000 and pole rentals of $53,848.

The City maintains several water tower leases for a group of telecommunications companies. These are recorded as revenue of the Water/Wastewater Fund and total $300,067 in the current fiscal year.

11. MATERIAL COMMITMENTS

A. The City budgets monies to assist the volunteer fire company with payments on two pieces of firefighting equipment. The apparatus payments are budgeted as expenditures in the Governmental Capital Projects Fund budget.

   The payments are as follows:

Ladder #2	$ 92,901
Ladder #1	145,614

B. The City entered into a five-year management contract with The Energy Authority effective July 1, 2011 to provide a market-based approach for power supply management. The Energy Authority manages energy purchases and utilizes the City's generating assets to provide a level of rate stability as necessary to mitigate the effects of rising and volatile energy prices. The Energy Authority also provides oversight of the plant operator contract and monitors their performance.

C. The City also entered into a management contract with North American Energy Services (NAES) to operate and maintain the generating assets of the electric utility in May 2006. The City extended the contract with NAES in fiscal year 2010 through June 30, 2013. The City has incorporated the budgets and financial activity of the plant into its procedures used for all other divisions of the electric utility. These procedures include a line item budget and adherence to City policies. All personnel are employed by NAES and personnel costs are billed to the City bi-weekly. Any capital improvements are included in the City's capital improvement plan. The contract also provides for a monthly management fee and a performance incentive based on budget and plant performance. The fiscal year 2013 annual cost for management and the incentive is $336,490 and is included in the plant-operating

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budget.

D. The City is the guarantor on a $1.3 million loan held by the Downtown Dover Partnership. The loan is secured by a parcel in the downtown business district that the Downtown Dover Partnership is marketing for its redevelopment initiative. The interest on the loan is paid monthly from rental receipts the Partnership receives from its current tenants in the property. Originally the principal balloon payment was due in July 2013. It has been extended to July 2014.

12. FORWARD CONTRACTS

Pursuant to the July 1, 2011 Energy Management Agreement between the City and The Energy Authority (TEA), the City has formed an Executive Risk Management Committee ("ERMC"). The ERMC has adopted a Governing Policy for Energy Commodity Risk Management (Policy) aimed at addressing the energy commodity risks and the Procedures and Controls Manual for Energy Commodity Risk Management ("Procedures Manual"). The Procedures Manual further describes the risk management philosophy under which TEA, the City's designated provider of energy risk management services conducts its activities.

The Procedures authorize TEA to enter into physical forward transactions which shall be governed by Edison Electric Institute (EEI), North American Energy Standards Board (NAESB), or similar agreements with counterparties approved by the City.

These agreements will enable the City to hedge the forward price of purchased power, natural gas or fuel oil for delivery as needed to meet its load requirements. No speculative transactions for volumes in excess of forecasted power and fuel needs are permitted. TEA also provides advisory services to the City for financial hedges in determining if they would be beneficial to mitigate market and credit risk.

Under the Procedures the City will not extend credit to any potential counterparty that has a credit rating below investment grade (defined as BBB as rated by Standard & Poor's or Baa2 as rated by Moody's). Any counterparty that is unrated by either S & P or Moody's must be approved by the ERMC prior to the execution of any trading activities.

Credit risk is mitigated through the use of collateral thresholds, credit limits, maximum nominal exposure and term limitations. A collateral threshold is the amount of unsecured credit granted to the counterparty. Unsecured credit exposure includes amounts owed by the counterparty, whether billed or not, and the market-to-market differences in value of any collateral held. Any net exposure above the collateral threshold will require the posting of collateral by the counterparty. Collateral thresholds, term limitations and credit exposure limits are subject to maximums as established by the ERMC.

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Counterparty Credit Risk ($000's)

Counterparty	Counterparty or Guarantor Credit Rating	Counterparty Threshold	Line Availability	Maximum Amount of Loss due to Credit Risk w/o Respect to Collateral ($)	Collateral Description
Barclays Bank, PLC	A-	$15,000	$13,856	$1,144	No Collateral if exposure under specified threshold
BP Energy Company	BBB+	$15,000	$15,000	$0	No Collateral if exposure under specified threshold
Coectiv Energy Supply, Inc	BBB-	$3,000	$3,000	$0	No Collateral if exposure under specified threshold
DB Energy Trading, LLC	A	$15,000	$13,648	$1,352	Up to $15,000 is guaranteed buy Deutsche Bank AG
EDF Trading North America, LLC	A-	$18,000	$17,628	$372	No Collateral if exposure under specified threshold
Exelon Generation Company, LLC	BBB	$30,000	$24,951	$5,049	No Collateral if exposure under specified threshold
Integrys Energy Services, Inc	BBB+	$10,000	$9,216	$784	No Collateral if exposure under specified threshold in the event of potential default, performance from counter party is required
Macquarie Energy, LLC	A	$15,000	$14,023	$977	No Collateral if exposure under specified threshold
Morgan Stanley Capital Group, Inc	BBB+	$10,000	$8,974	$1,026	Unlimited dollars are guaranteed by Morgan Stanley
NextEra Energy Power Marketing, LLC	BBB+	$10,000	$6,884	$3,116	Up to $10,000 is guaranteed by NextEra Energy Capital Holdings
Public Service Electric and Gas Company	BBB+	$12,000	$12,000	$0	No Collateral if exposure under specified threshold
Sempra Energy Trading	BBB+	$15,000	$15,000	$0	No Collateral if exposure under specified threshold

13. SUBSEQUENT EVENTS

On August 15, 2013 the City closed on Series 2013 Water and Sewer Revenue Bonds in the amount of $6,125,000. The proceeds from the sale of the Bonds will be used to (i) finance certain water and sewer capital projects in relation to the Calpine project, (ii) refund, on a current refunding basis, certain outstanding water and sewer bonds of the City of Dover, (iii) fund required reserves, if any, and, (iv) pay the costs of issuances of the Series 2013 Bonds.

14. INSURANCE

A. Health Insurance – State of Delaware

The City participates in the State of Delaware Health Insurance Program. The State offers four health plan options. The administration of benefits is coordinated with Aetna and Blue Cross Blue Shield of Delaware. Pre-determined premiums consisting of the City and employee contributions are subsequently paid out to the State of Delaware.

B. Workers' Compensation Fund – Self-Insurance

On July 1, 1990, the City began self-insuring its Workers' Compensation insurance. For this purpose, the City has established a separate fund. Claims are processed and administered by a third party administrator. The City manages the revenue and expenditures in this fund and maintains all the records. The City maintains a fund balance to cover any incurred but not reported claims.

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The City's actuary completed an updated valuation in fiscal year 2013. As of June 30, 2013, there is $481,951 reserved for open claims in this fund. An appropriate umbrella policy for the excess coverage has been purchased and is in effect as of June 30, 2013. The City received $61,625 in fiscal year 2013 for insurance reimbursements and amounts covered under the umbrella policy.

Workers' Compensation activity is as follows:

	2013	2012
Claims payable beginning of year	$474,281	$170,509
Claims incurred	433,214	1,769,964
Payment of claims	(425,544)	(1,466,192)
Claims payable end of year	$481,951	$474,281

C. Other than Health or Workers' Compensation Insurance

The City purchases commercial insurance policies to cover risks not insured through self-insurance funds. The City has designated a contingency account to provide for uninsured capital losses (See Note 7). There have been no significant reductions or settlements exceeding coverage in the past five fiscal years.

15. COMPENSATED ABSENCES

The City grants a specific number of vacation days with pay to its employees. Upon termination or retirement, an employee is paid for accumulated vacation days. The City also grants one paid sick day per month to all employees with the exception of employees covered by the International Brotherhood of Electric Workers (IBEW) contract. The IBEW employees are granted eleven sick days per year.

The City of Dover follows a terminal leave policy which varies with each of the 4 unions as well as the non-bargaining group. The maximum accumulated sick days payable upon retirement is 150 days for 25 years of service. No accrued sick leave is paid when an employee is terminated.

In the government-wide and proprietary fund financial statements, unpaid compensated absences are recorded as a liability as the vested employees' benefits accrue, to the extent it is probable that the employee will be paid for sick benefits at retirement.

In governmental funds, compensated absences are recorded as expenditures as payments become due; accordingly, no liability is recorded in the Governmental Funds statement. Typically the General Fund has been used in prior years to liquidate the liability for compensated absences recorded in governmental activities.

16. OTHER POST EMPLOYMENT BENEFITS

Plan Description

On May 11, 2009 the City of Dover Other Post-Employment Benefits Trust (OPEB

Trust) was established pursuant to Section 115 of the Internal Revenue Code. Policy for and management of the OPEB benefits provided to retirees are the responsibility of the City of Dover. No stand-alone financial report is issued for the OPEB Trust.

The OPEB Trust is a single-employer defined benefit plan. The OPEB Trust provides retirement medical coverage to pensioners and their eligible dependents in the City of Dover defined benefit and defined contribution pension plans.

The City purchases health insurance from the State of Delaware through a cooperative purchasing arrangement permitted by State code. The State Office of Benefits provides the City with the medical insurance premiums by type of coverage and carrier during the budget cycle each year. The City also pays a five percent risk premium and contract administration fee for each contract in addition to the premium. Any premiums paid over or under the benefits paid out for City employees revert to the State.

Membership of the plan consisted of the following at June 30, 2013:

Retirees and beneficiaries receiving benefits	266
Terminated plan members entitled to but not yet receiving the benefits	14
Active eligible plan members	308
Total	588

Substantially all City employees become eligible for post-retirement benefits if they reach retirement age while working for the City. The costs of providing these benefits are shared between the City and the retired employee. The Dover Organization of Employees (DOE) union employees hired after July 1, 1994 are not eligible for post-retirement medical benefits if they elect early retirement. The eligibility provisions are as follows:

- Age 55 with 10 years of continuing service, or
- If hired May 1, 1994 or later, Age 55, and whose attained age plus years of continuous service is equal to or greater than 80, or
- If hired before May 1, 1994, 25 years of continuous service, or has attained the age of 50 years and completed 20 years of continuous service

Spouse and Survivor Coverage:
Spouse and survivor coverage are both available under any of the plan options with similar retiree contributions with one exception. The International Brotherhood of Electrical Workers (IBEW) collective bargaining agreement does not include spouse and survivor coverage.

Employer and Employee Contributions:
The City started contract negotiations with its collective bargaining units in fiscal year 2012. The contract for the Fraternal Order of Police Lodge #15 was approved. As of July 1, 2012 the contract includes a provision for 15% employee contributions for all health care plans, including the individual coverage. The same provision was implemented for non-bargaining (management) employees as well effective July 1,

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2012.

Effective March 1, 2013 the IUE/DOE collective bargaining unit agreed to a 9.5% contribution of the total monthly individual coverage health care premium effective until July 1, 2013, after this date, these employees will be responsible for 15% of the total monthly individual coverage health care premium.

The City is still in negotiations with the IBEW collective bargaining unit with proposed changes to employee contributions for all health care plans, including individual coverage.

On July 27, 2012 a group of non-bargaining employees petitioned the Public Employment Relations Board for union representation by the American Federation of State, County, and Municipal Employees, Council 81. The petition was granted and a majority vote of the applicable employees approved the union affiliation. Contract negotiations began on July 11, 2013. As of June 30, 2013 these employees do not have a contract and will follow the same contributions as the non-bargaining employees until a contract is approved.

The City of Dover funds the other postemployment benefits for current retirees on a pay-as-you-go basis along with funding for future benefits at a rate that is approved in the annual budget, but not actuarially determined. Additional funding has also been provided on an ad hoc basis. The employer contributions towards retiree health care premiums this fiscal year are as follows:

General Government	$ 2,834,327
Water/Wastewater Fund	314,255
Electric Revenue Fund	871,196
Total Benefit Provided	$ 4,019,778

Transactions are recorded in the OPEB Trust for the payment of administrative and investment expenses and financed through investment earnings. City appropriations and other employer contributions for health care are recorded in the OPEB Trust. The OPEB Board of Trustees is responsible for the management of the trust investments.

Contributions

The contribution rates for the employer are established annually by the budgeting process of the City. Those rates include an employer contribution based on projected pay-as-you-go financing requirements as a percent of premiums, with an additional amount to prefund benefits, which is not actuarially determined.

Annual OPEB Cost and Net OPEB Obligation/ (Asset)

The City's annual OPEB cost is calculated based on the ARC of the employer, an amount actuarially determined in accordance with GAAP. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period of thirty years. Amounts "required" but not actually set aside to pay for these benefits are accumulated as part of the net OPEB obligations. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and the

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City's net OPEB obligation:

	Total	Governmental Activities	Water/ Wastewater Fund Activities	Electric Fund Activities
Annual Required contribution	$6,098,972	$4,927,856	$361,274	$809,842
Interest on OPEB obligation	549,345	585,403	21,850	(57,908)
Adjustment to annual required contribution	(700,200)	(746,160)	(27,850)	73,810
Annual OPEB Cost	5,948,117	4,767,099	355,274	825,744
Employer Contributions	(4,019,778)	(2,834,327)	(314,255)	(871,196)
Increase/(decrease) in net OPEB obligation	1,928,339	1,932,772	41,019	(45,452)
Net OPEB obligation (asset) at beginning of year	10,463,722	11,179,542	407,997	(1,123,817)
Net OPEB obligation (asset) at end of year	$12,392,061	$13,112,314	$449,016	($1,169,269.0)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation thru fiscal year 2013 are as follows:

Fiscal Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	7,625,628	43.5%	8,580,431
2012	7,528,602	75.0%	10,463,722
2013	5,948,117	67.6%	12,392,061

The City did not meet its funding obligation for Fiscal Year 2013. In 2009 the City elected a ten-year phase-in plan to achieve the appropriate funding level. During this time the City will be researching alternative benefit plan options to reduce the AAL and ARC.

Funded Status and Funding Progress

As of June 30, 2013, the most recent GASB 45 Actuarial Valuation date, the plan was 15.4% funded. The actuarial accrued liability for benefits was $71.02 million, and the actuarial value of assets was $10.9 million, resulting in an unfunded actuarial accrued liability (UAAL) of $60.1 million for the primary government. The covered payroll (annual payroll of active employees covered by the plan) was $17.3 million, and the ratio of the UAAL to the covered payroll was 347%.

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information regarding whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include 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.

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Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the OPEB 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 employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The Projected Unit Credit Cost Method was used to determine the Annual Required Contribution for the June 30, 2013 actuarial valuation. Investments are valued at market rates. The actuarial assumptions included a 5.25% investment rate of return, which is a blended rate of the expected long-term investment returns on plan assets and on the City's own investments calculated based on the funded level of the plan at the valuation date, and an initial medical trend rate of 7% with an ultimate rate of 3.5%. The discount rate of 5.25% is representative of the ten-year phase-in plan. The UAAL is being amortized as a level dollar amount over 30 years based on an open group using a 0% rate of salary increase. The inflation assumption is 7.80% < 65 and 7.20% >= 65.

17. DEFERRED COMPENSATION PLAN

Effective November 14, 1983, the City added a self-directed 457 Deferred Compensation Plan to its employee benefit options. The plan is administered by the International City Management Retirement Corporation (RC). The assets are held in the name of each participant with the ICMA (International City/County Management Associations) Retirement Trust. Employees are eligible to make contributions to the plan not to exceed the ceiling set by federal regulations. The City later added an alternative investment firm for the Deferred Compensation Plan with Nationwide Retirement Solutions.

In May 1994, the City offered to employees the 457 Deferred Compensation Plan as their pension plan in lieu of participation in the General Employee Pension Plan. At that time 41 employees opted out of the Defined Benefit Pension Plan and enrolled in the Deferred Compensation Plan. Currently, the ICMA 457 Deferred Compensation Plan has assets of $7,010,217 (market value) as of June 30, 2013, with 140 employees participating. The Nationwide plan has assets of $3,102,033 (market value) as of June 30, 2013 with 30 employees participating. Quarterly statements are mailed to each participant by the plan administrators. All administration fees are borne by the participants. All contributions are 100% vested upon election of the plan. Employees are eligible to withdraw or rollover to another plan the employer and employee benefits upon separation of service. Withdrawals prior to age 59½ could be subject to penalty.

Employees who select the defined benefit plan or the defined contribution plan are also eligible for the 457 Deferred Compensation Plan. No matching employer contribution is made to the 457 Deferred Compensation Plan. As of June 30, 2013, there are 313 employees eligible to enroll in the 457 Deferred Compensation Plan.

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18. RETIREMENT PLANS

The City participates and/or manages four retirement plans on behalf of its employees. Three of the pension plans are defined benefit plans and one is a defined contribution plan with two plan providers. Two of the defined benefit plans are closed to new hires. All full-time employees are required to enroll in a pension plan. During fiscal year 2013 the total wages were $20, 411,248 and the total pensionable wages were $17,217,327 for all full-time employees. The number of active employees as of June 30, 2013 is 313.

A. Defined Contribution Plan

Effective July 1, 2000, the City implemented an IRC 401a Money Purchase Plan "401a Plan," a self-directed defined contribution plan, as an alternative choice for pension benefits. The contribution and funding requirements of the plan are established by the City and may be amended by the City. The plan is administered by the International City Management Retirement Corporation (RC). The assets are held in the name of each participant with the ICMA (International City/County Management Associations) Retirement Trust. Quarterly statements are mailed to each participant by RC. All administration fees are borne by the participants.

The City provides a 3% match of the employees required contribution to the 401a Plan, and up to an additional 3% to the 401a Plan for a potential total contribution of 6%, if the employee contributes up to an additional 3% to their 457 Plan (see note 17 – Deferred Compensation). The 401a Plan and 457 Plan contributions are calculated on base wages plus on-call pay, pay adjustments, and scheduled overtime. All full-time regular employees are eligible, excluding law enforcement personnel. Personnel that elect the defined contribution plan are not eligible for the defined benefit plan. All contributions are 100% vested upon election of the plan. To be eligible for benefit payments, the participant must meet the same eligibility requirements as the participants in the defined benefit plan. Employees are eligible to withdraw or rollover to another plan the employer and employee benefits upon separation of service. Withdrawals prior to age 59 ½ could be subject to penalty.

As of June 30, 2013, there were 98 eligible full-time employees in the 401a plan. The City contributed a total of $229,642 on wages of approximately $4.1 million and employees contributed $125,976 to the 401a Money Purchase Plan and $456,508 to the 457 ICMA Deferred Compensation Plan and $97,467 to the Nationwide Deferred Compensation Plan. The market value of the 401a plan assets totaled $3,778,471 as of June 30, 2013.

B. Defined Benefit Plans

The City participates in three defined benefit pension plans: City of Dover Police Pension Plan (closed), City of Dover General Employee Pension Plan (closed), and State of Delaware County and Municipal Police Pension Plan. The City of Dover Police Pension Plan, a single employee defined benefit plan, covers all uniformed police officers hired prior to September 1, 1982. The City of Dover General Employee Pension Plan, a single employer defined benefit plan, covers all full-time

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permanent employees, other than police officers. The State of Delaware County and Municipal Police Pension Plan, a multi-employer cost sharing defined benefit plan, covers all uniformed police officers hired on or after September 1, 1982. The City makes employer contributions to all three plans.

The City holds and administers the assets of the two single-employer defined benefit plans and, accordingly, is required to prepare pension trust fund financial statements using the accrual basis of accounting. As of June 30, 2013 there were no outstanding payables. Separate pension fund financial statements for each plan have not been issued.

Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due, pursuant to formal commitments, to provide contributions. Benefits or refunds are recognized when due and payable in accordance with the terms of each plan. Investment management and consultant fees are paid from the Pension Trusts Funds. All actuarial costs are paid from other City funds.

Total eligible full-time employee wages covered by the two active defined benefit pension plans were $13.1 million this fiscal year.

i. City of Dover Police Pension Plan

This contributory pension plan began on January 1, 1970 under the authority of the City Code, Chapter 62, Article III, Pension Plan, Section 62-71 through 62-84. The contribution and funding requirements of the plan are established by the City and may be amended by the City. It is a closed plan. The last active employee retired June 29, 2006. An officer's pension right is vested upon the completion of 15 years of continuous service. As of June 30, 2013, there are 48 retirees and beneficiaries receiving benefits.

The percentage of covered payroll, which employees contribute, is stated in the City Code, and is considered by the actuaries in their determination of the actuarial requirement for employer normal cost.

Fully vested employees who have completed 20 to 25 years of continuous service are entitled to annual benefits equal to 2 ½% of their average earnings for each year of continuous service. The maximum benefit is 62 ½% of average earnings. If a participant terminates after completing 15 years of service, the participant will be eligible for a deferred benefit commencing at age 60 with a benefit accrued at the date of termination. In place of this vesting, participants may elect to receive their accumulated contributions.

Disability benefits are paid to a participant who is totally or partially disabled in the performance of his or her duties. The total duty-connected disability benefit is payable monthly and equal to 75% of the monthly rate of earning at the time of disability. The partial duty-connected disability benefit is the accrued benefit at the date of disability if not less than 50% of average earnings. Disability benefits cease if the participant recovers or dies. If the disabled participant reaches his normal retirement date, the

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benefit is reduced by one-third.

Survivor's benefits are payable monthly in an amount equal to 75% of the participant's rate of earnings, for a duty related death. Survivor's benefits are payable monthly in an amount not to exceed 25% of the participant's rate of earnings, for a non-duty related death, if the participant has completed 10 years of service. If a retired participant dies, his or her spouse receives 50% of the benefit. All benefits under the plan, including survivor's benefits, are increased 2% per annum.

The plan investments are managed by the City of Dover Police Pension Board which is established in the City Code.

The State contributes to the City of Dover Police Pension Plan on behalf of the City. The State assesses a .25% surcharge on insurance policies issued in the state. Each year this amount is allocated to the municipalities in Delaware in direct ratio to the number of officers employed. The State also provides 75% for the annual cost of living increase (COLA) granted to police retirees on January 1 each year. These amounts are included as Grants received revenue and Public Safety and Law Enforcement expenditures in the General Fund. For the year ended June 30, 2013, the State contributions totaled $577,765.

The legally defined liability for the City of Dover Police Pension Plan is the full amount required to pay the current year's total benefits. The City has met this liability for the current fiscal year. An actuarial valuation report as of June 30, 2013 in accordance with GASB Statement 25 and 27 has been completed. The City's actuary is Milliman of Wayne, PA.

The annual required contribution (ARC) conforms to the entry age normal cost method as defined in Statement 25.

During the past year, the City contributions combined with the State insurance tax proceeds did not exceed the calculated annual pension cost and has resulted in a reduction of the overall net pension asset (NPA). The Governmental Activities accumulated value of contributions, deficiencies, or excesses over required contributions of $297,885 of which $106,065 is attributed to the Police Pension Plan is as follows:

	Governmental Activities
Annual required contribution	$1,155,796
Interest on net pension asset	(13,885)
Adjustment to annual required contribution	24,973
Annual pension cost	1,166,884
Contributions	(1,074,599)
(Increase)/decrease in net pension asset	92,285
Net pension (Asset) at beginning of year	(198,350)
Net pension (Asset) at end of year	($106,065)

There have been no significant changes affecting benefits during the valuation periods

shown in the preceding table.

The following summarizes activity for this plan for the past three years:

	Annual Pension Cost	Percentage Contributed	NPO (Asset) End of Year
2011	1,128,669	56%	(535,811)
2012	1,005,735	66%	(198,350)
2013	1,166,884	92%	(106,065)

Funded Status and Funding Progress

As of June 30, 2013, the most recent actuarial valuation date, the plan was 53.8% funded. The actuarial accrued liability for benefits was $19.9 million, and the actuarial value of assets was $10.7 million, resulting in an unfunded actuarial accrued liability (UAAL) of $9.2 million for the primary government. There are no active officers, therefore there is no covered payroll or ratio of the UAAL to cover payroll. There have been no changes in Actuarial Assumptions or Methods since the prior valuation.

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

The funding requirement for fiscal year 2012-2013 for this plan is presented below:

1.	Employer's Contribution Additional Lump Sum	$495,000	Lump sum contribution as actuarially determined to fund the unfunded liability
2.	State of Delaware Contributions	$577,765	Surcharge on insurance premiums and COLA
3.	Annual Pension Cost	$1,166,884	Actuarially computed using entry age cost method
4.	Net Pension Asset	$106,065	As of June 30, 2013

The net pension asset is a result of matching funds that the State of Delaware provides (75%) for the annual cost of living increase granted to police retirees on January 1 of each year. The July 1, 2012 valuation takes into account the January 1, 2012 State COLA contributions and the State .25% surcharge on insurance policies.

Actuarial methods and significant assumptions:

Valuation date	July 1, 2012
Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percentage of projected payroll
Remaining amortization period	12 years
Amortization Period	Closed

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Asset valuation method	Current market value
Actuarial Assumptions:	
Investment rate of return	7.0%
Discount rate	7.0%
Projected salary increases	none, no remaining active participants
Includes inflation at	none, no remaining active participants
Automatic Cost of Living (retirees)	2.0%

ii. City of Dover General Employee Pension Plan

The City of Dover General Employee Pension Plan started on July 1, 1967, under the authority of the City Code, Chapter 2, Article IV, Division 7, General Employee Pension Plan, Sections 2-321 through 2-370, and was made contributory on July 1, 1983. The contribution and funding requirements of the plan are established by the City and may be amended by the City. Employees contribute 3.5% of gross salary, exclusive of unscheduled overtime. An employee's pension right is vested upon completion of 10 years of continuous service. At the present time, 123 employees and 207 retirees participate in the plan, while 98 employees are enrolled in the defined contribution plan, which began July 1, 2000. Current membership in the General Employee Pension Plan as of June 30, 2013, is comprised of the following:

Retired and beneficiaries currently receiving benefits		207
Active employees:	Fully Vested	73
	Non-Vested	50
Deferred Vested:		16

The percentage of covered payroll which employees contribute is stated in the City Code, and is considered by the actuaries in their determination of the actuarial requirement for employer normal cost. For the year ended June 30, 2013, gross payroll earnings of $7.4 million were reported to and covered by this plan.

An employee hired before May 1, 1994 is eligible for normal retirement benefits under this plan: when he/she attains the age of 65 with 10 years of continuous service. This same employee is eligible for early retirement when he/she attains the age of 50 with 20 years of continuous service or has completed 25 years of service.

Employees hired on or after May 1, 1994 who attained age 55 and whose attained age plus years of continuous service is equal to or greater than 80 are eligible for early-unreduced retirement benefits under this plan. The monthly benefits are 1/50 of the average monthly earnings multiplied by years and months of credited service upon retirement (highest 36 consecutive months in his/her final 10 years of continuous service). The monthly benefit shall not be less than $200 per month. Benefits are paid for the lifetime of the participant. Upon the death of the participant, 50% of the benefit continues to the eligible survivor.

An employee may also take an early-reduced retirement on any date following the attainment of age 55 and the completion of 10 years of continuous service. However, the early retirement benefit is calculated in the same manner as the normal retirement benefit, reduced by one-half of one percent for each month the benefit commences prior

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to the age 65.

Survivor's benefits are payable to eligible survivors of a participant who dies after completing 10 years of continuous service. The amount of the death benefit is equal to 50% of the retirement benefit the participant would have received had he retired the day before he died. A participant is vested in the pension plan after completing 10 years of continuous service, with survivor benefits commencing when the employee would have attained the age of 65.

The benefit is calculated using the normal retirement benefit formula and service at date of termination. If an employee terminated before becoming vested in the plan, they are eligible to withdraw this total contribution with interest compounded annually.

The plan investments are managed by the City of Dover Employees' Pension Board which is established in the Code. The City Council must authorize changes to the City Code. The rate of the City contribution is determined by the actuarial study. The Pension Board of Trustees does not issue a separate comprehensive annual financial report, and the City of Dover General Employee Pension Plan is included in the City's Comprehensive Annual Financial Report as a Pension Trust.

The legally defined liability for the City of Dover General Employee Pension Plan is the full amount required to pay the current year's total benefits. The City has met this liability for the current fiscal year. An actuarial valuation report as of July 1, 2012 has been completed in accordance with GASB Statements No. 25 and 27. The City's actuary is Milliman of Wayne, PA.

The annual required contribution (ARC) conforms to the aggregate entry age cost method as defined in Statement 25. During the past year, the City contributions exceeded the calculated annual pension cost and have resulted in an increase of the overall net pension asset (NPA), defined as the accumulated value of contributions, deficiencies, or excesses over required contributions of $6,914,326.

The Governmental Activities have a net pension asset of $297,885 of which $106,065 is attributed to the City of Dover Police Pension Plan and $191,820 is attributed to the General Pension Plan as indicated in the table below. The Business-Type Activities have a net pension asset of $6,722,506 of which $479,537 is attributed to the Water/Wastewater Fund and $6,242,969 is attributed to the Electric Revenue Fund as included in the following table.

	Total	Governmental Activities	Wastewater Fund Activities	Electric Fund Activities
Annual required contribution	$3,217,964	$1,752,130	$267,853	$1,197,981
Interest on net pension obligation	(24,528)	(4,532)	(14,079)	(5,917)
Adjustment to annual required contribution	31,085	5,744	17,842	7,499
Annual pension cost	3,224,521	1,753,342	271,616	1,199,563
Contributions made	(9,788,465)	(1,880,436)	(550,031)	(7,357,998)
(Increase)/decrease in net pension asset	(6,563,944)	(127,094)	(278,415)	(6,158,435)
Net pension (Asset) at beginning of year	(350,382)	(64,726)	(201,122)	(84,534)
Net pension (Asset) at end of year	($6,914,326)	($191,820)	($479,537)	($6,242,969)

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There have been no significant changes affecting benefits provided by the Plan during the valuation periods shown in the preceding table.

The following summarizes activity for this plan for the past three years:

	Annual Pension Cost	Percentage Contributed	NPO (Asset) End of Year
2011	3,151,824	106%	(343,372)
2012	3,135,924	100%	(350,382)
2013	3,224,521	304%	(6,914,326)

On May 1, 1994, a deferred compensation option was offered to employees in lieu of participation in the General Employee Pension Plan, and at that time 41 employees elected to switch to the deferred compensation plan. (See Note 18 – Deferred Compensation Plan)

Effective September 29, 2009 the City Council voted to close the General Employee's Pension plan to new hires.

Funded Status and Funding Progress

As of July 1, 2012, the most recent actuarial valuation date, the plan was 40.3% funded. The actuarial accrued liability for benefits was $55 million, and the actuarial value of assets was $22.2 million, resulting in an unfunded actuarial accrued liability (UAAL) of $32.8 million for the primary government. The covered payroll (annual payroll of active employees covered by the plan) was $7.1 million, and the ratio of the UAAL to the covered payroll was 463%.

There have been no changes in Actuarial Assumptions or Methods since the prior valuation.

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

The funding requirement for fiscal year 2012-2013 for this plan is as follows:

1.	Employee Contribution	3.5% of payroll	As required by the City Code and the plan provisions ($233,097)
2.	Employer's Contribution July 2012– June 2013	4.67% Plus $9.5 million	Actuarially determined percent of payroll for current normal cost ($9,788,463)
3.	Annual Pension Cost	$3,224,521	Actuarially computed using entry age cost method

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4. Net Pension Asset $6,914,326 As of June 30, 2013

Actuarial Methods and significant assumptions:

Valuation date	July 1, 2012
Actuarial cost method	Aggregate entry age normal cost method
Amortization method	Level percentage of projected payroll
Remaining amortization period	23 years
Amortization Period	Closed
Asset valuation method	Current market value
Actuarial Assumptions:	
Investment rate of return	7.0%
Discount rate	7.0%
Projected salary increases	0.0%
Includes inflation at	3.5%

iii. State of Delaware Police Pension Plan

The City participates in the State of Delaware "County and Municipal Police Pension Plan" for uniformed police officers whose employment with the City started on or after September 1, 1982 under the authority of the City Code, Chapter 62, Article III, Pension Plan, Section 62-71. This is a cost–sharing multiple-employer defined benefit pension plan. The State of Delaware enacted legislation to provide for the plan and is responsible for setting benefits, contributions and amending plan provisions. This is a contributory plan with the employee contributing 7% of gross salary, exclusive of overtime. For the year ended June 30, 2013, $6.4 million in payroll earnings were reported to and covered by this plan.

The City's contribution percentages were 13.9%, 14.53% and 14.75% for the fiscal years ended June 30, 2011, 2012 and 2013, respectively. The City's contributions to the plan for years ending June 30, 2011, 2012 and 2013 were $848,349, $940,562 and $936,894 and were equal to the required contributions for each year. These contributions cover the City's total liability for funding, as determined by the State of Delaware's actuary. The City does not have any unfunded liability in this plan.

The pension plan is managed by the State of Delaware Board of Pension Trustees. The Comprehensive Annual Financial Report of the Delaware Public Employees Retirement System can be obtained from the Office of Pensions, 680 Silver Lake Boulevard, Dover, Delaware, 19904-2402 or at www.delawarepensions.com .

As of June 30, 2013 city membership in this plan is comprised of the following:

Retired and beneficiaries currently receiving benefits		35
Active employees:	Fully Vested 10 years	47
	Non-Vested	45

The State of Delaware County and Municipal Police Pension Plan provides benefits equal to 2½% of final average monthly compensation multiplied by years of service up to

20 years inclusive, plus 3.5 % of final average monthly compensation multiplied by years of service above 20 years. Vesting occurs after 10 years of credited service. Retirement is at age 62 with 10 years of service, when age plus credited service (but not less than 10 years) equals 75, or 20 years of service.

Disability benefits paid to a participant who is totally disabled in the performance of duty are 75% of final average compensation plus 10% for each dependent not to exceed 25% for all dependents. Partial disability benefits for duty-related or ordinary disability are calculated the same as a service pension (subject to maximum and minimum limitations).

If a retired participant dies, the eligible survivor receives 50% of the monthly benefit. If an active employee dies, the survivor receives 50% of the monthly benefit that the employee would have received at age 62.

Assets of the plan are managed by many investment firms approved by the State Pension Board. Details are available from the State Pension Office, Dover, Delaware at: www.delawarepensions.com.

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FINANCIAL SECTION

PART - D

REQUIRED SUPPLEMENTARY INFORMATION

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Services to Our Residents and Customers

Animal Control Enforcement
Beautification Building
Inspections City
Elections
Community Development/Housing
Community Policing
Economic Development
Electricity
Emergency Preparedness
Fire Protection
Leaf Collection
Library
Parks
Planning & Zoning
Police Protection
Recreation
Street Maintenance/Cleaning
Snow Removal
Trash Collection
Bulk Trash Collection
Tree Maintenance & Management
Water/Sewage Service

The City also Offers

Historic Preservation
Parking

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CITY OF DOVER
GENERAL FUND

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Non-GAAP Basis)

For the Year Ended June 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Beginning Balance - Working Capital	$ 2,666,600	$ 3,752,200	$ 3,851,086	$ 98,886
REVENUES:				
Fines & Police Revenue	605,000	605,000	548,856	(56,144)
911 Fee	63,000	63,000	63,337	337
Interest Earnings	75,000	75,000	93,173	18,173
Library Revenues - General	66,200	66,200	64,584	(1,616)
Library Revenues - County Reimbursement	405,900	405,900	406,481	581
Business Licenses	1,455,000	1,455,000	1,462,503	7,503
Permits & Other Licenses	1,053,300	1,053,300	1,162,765	109,465
Miscellaneous Revenues	55,500	70,900	106,997	36,097
Police Extra Duty Fees	494,400	636,100	703,575	67,475
Property Taxes	10,997,400	11,039,200	11,076,335	37,135
Bid Revenue	51,600	51,600	50,060	(1,540)
Recreations Revenue	130,000	130,000	144,490	14,490
Franchise Fees	550,000	600,000	618,347	18,347
Transfer Tax	1,370,000	1,370,000	1,107,959	(262,041)
Trash Fees	2,690,200	2,676,500	2,624,877	(51,623)
Garrison Farm Rent	62,000	117,200	117,247	47
Court of Chancery Fees	753,800	807,200	917,700	110,500
Intrafund Service Receipts Water/Wastewater	1,104,600	1,045,800	1,046,492	692
Intrafund Service Receipts Electric	3,224,500	3,177,100	3,195,818	18,718
Grants:				
Green Energy Grant	98,500	98,500	-	(98,500)
DEMA Grant	-	-	92,641	92,641
Miscellaneous Grants	25,000	25,000	1,224	(23,776)
Police Pension Grant	500,000	500,000	577,765	77,765
Verizon Reserve	-	-	50,000	50,000
Transfer from Police Grant Funds	85,000	112,100	170,337	58,237
Transfer from Municipal Street Aid	527,400	527,400	531,121	3,721
Transfer from Civil Traffic Penalties	750,000	350,000	299,828	(50,172)
Transfer from Verizon and CI Reserves	11,000	11,000	4,485	(6,515)
Transfer from Water/Wastewater Fund	500,000	500,000	500,000	-
Transfer from Electric Fund	8,000,000	8,000,000	8,000,000	-
Total Revenues	35,704,300	35,569,000	35,738,997	169,997
TOTAL BEGINNING BALANCE & REVENUES	$ 38,370,900	$ 39,321,200	$ 39,590,083	$ 268,883

(continued)

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(continued)

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES:				
Tax Assessor	$ 187,500	$ 187,500	$ 187,438	$ 62
Fire	688,300	645,200	654,884	(9,684)
Library	1,250,200	1,225,400	1,169,605	55,795
Recreation	713,400	674,900	644,346	30,554
Planning Commission	410,300	416,100	399,461	16,639
Public Inspections	592,200	577,100	493,902	83,198
Life Safety	469,900	451,800	452,175	(375)
Code Enforcement	293,100	323,100	326,437	(3,337)
Economic Development	231,100	231,100	219,947	11,153
Police	13,774,600	14,180,100	14,258,132	(78,032)
Streets	756,700	772,200	705,071	67,129
Sanitation	2,140,700	2,072,000	2,003,887	68,113
Allocated Expenditures:				
Human Resources	319,700	310,800	295,146	15,654
Customer Services	901,200	866,900	860,657	6,243
City Manager	420,000	420,000	497,281	(77,281)
Information Technology	642,700	633,300	611,301	21,999
Finance	879,500	879,500	854,310	25,190
Public Services-Administration	468,600	401,200	360,118	41,082
Facilities Management	678,800	660,600	638,748	21,852
Central Services	576,900	578,700	530,208	48,492
Vehicle Maintenance	712,700	678,500	630,686	47,814
City Clerk	326,900	326,900	315,512	11,388
Mayor	82,400	82,400	81,073	1,327
Council	114,200	114,200	101,707	12,493
Grounds Maintenance	993,300	980,400	961,489	18,911
Insurance	600,000	600,000	628,633	(28,633)
Contribution to Downtown Dover Partnership	180,000	180,000	180,000	-
Tree Grant Expense	25,000	25,000	-	25,000
Other Employment Expenses	463,400	94,700	-	94,700
Retiree Benefits	1,620,600	1,620,600	1,620,600	-
Subtotal	31,513,900	31,210,200	30,682,754	527,446
Debt Service - Principal and Interest	624,200	474,200	369,073	105,127
Transfer to Capital Fund for Projects	613,400	613,400	613,400	-
Transfer to Police Pension Fund	500,000	500,000	577,765	(77,765)
Transfer to Uncollectbles trash and other	10,000	10,000	10,000	-
Transfer to Verizon Reserve	-	-	50,000	(50,000)
Appropriation to Police Pension Fund	95,000	495,000	495,000	-
Appropriation to Pension Fund	1,310,500	1,693,500	1,693,500	-
Street Lights	869,700	869,700	878,760	(9,060)
Total Expenditures	35,536,700	35,866,000	35,370,252	495,748
Budget Balance - Working Capital	2,834,200	3,455,200	4,219,831	(764,631)
Total Budget Balance & Expenditures	$ 38,370,900	$ 39,321,200	$ 39,590,083	$ (268,883)

Budget Balance - Working Capital	$ 4,219,831
Perspective and GAAP (Non-GAAP) Differences:	
Fair value of investment adjustment	(52,736)
Deferred Revenues - Non-spendable	(569,518)
Inventory & Prepaids - Non-spendable	(205,863)
Unassigned Fund Balance	$ 3,391,714

The notes to financial statements are an integral part of this statement

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1. GOVERNMENTAL BUDGETS

A. Budgetary Basis of Accounting

The City prepares its budget for the General Fund revenue on a modified accrual basis. The expenditures are accounted for when the purchase orders are issued. Encumbrances are established when purchase orders are issued and accounted for as a reservation of fund balance at year-end. The budget is amended in the subsequent year for the outstanding encumbrances of the prior year. The modified accrual basis of accounting is used for the fund financial statements. The City considers the beginning fund balance an item of revenue for budgetary purposes.

General Fund actual revenues were higher than the final budget by $169,997 mainly as a result of increased interest earnings, business licenses and permits, miscellaneous revenues, police extra duty fees, Property taxes, Court of Chancery fees, DEMA and public safety grants. Several of the increases were offset by decreases in police fines, transfer taxes, trash fees, green energy grants, miscellaneous grants, and civil traffic penalties. Expenditures were lower than budget by $495,748 across several functions as a result of personnel reductions through attrition. The police expenditures exceeded their budget as a result of increased extra duty work which is offset by the increased revenue. The net result is an increase of $764,631 to the General Fund ending fund balance.

B. Budget Amendments

During this fiscal year, the City Council amended the budget two times. These budget amendments or supplemental appropriation ordinances were primarily for the following purposes:

1. To amend the grant budgets, reserve accounts for the actual results of the prior fiscal year and to re-appropriate budget balances for ongoing capital projects.

2. To amend all carried forward budget balances for the major operating funds from the prior fiscal year, as well as program revenues and expenses based on the analyses provided by a mid-year review.

2. PENSION PLANS

A. Police Pension Plan

The unfunded actuarial accrued liability for this plan is being amortized over 30 years beginning July 1, 1994, 12 of which remain as of July 30, 2013 with payments increasing at 3½% per year. Investment gains or losses are spread over five years. The amortization period is closed. The City completed a full valuation for fiscal year 2013.

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Police Pension Fund
Required Supplementary Information
Schedule of Funding Progress

Valuation Date	Plan Assets	Actuarial Accrued Liability	Unfunded Accrued Liability	Funded Ratio
7/1/07	13,950,322	17,589,169	3,638,847	79.3%
7/1/08	12,500,417	17,615,785	5,115,368	71.0%
7/1/09	10,188,899	17,651,507	7,462,608	57.7%
7/1/10	10,378,602	19,849,553	9,470,951	52.3%
7/1/11	11,553,751	19,737,000	8,183,249	58.5%
7/1/12	10,687,727	19,867,849	9,180,122	53.8%

Police Pension Fund
Required Supplementary Information
Schedule of Employers' Contribution

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2008	358,807	201%
2009	520,505	139%
2010	786,436	63%
2011	1,082,956	44%
2012	979,132	68%
2013	1,155,796	93%

B. Employee Pension Plan

General Employee Pension Fund
Required Supplementary Information
Schedule of Funding Progress

Valuation Date	Plan Assets	Actuarial Accrued Liability	Unfunded Accrued Liability	Funded Ratio	Payroll	Unfunded as a Percent of Payroll
7/1/07	17,616,172	42,335,142	24,718,970	41.6%	8,006,103	308.8%
7/1/08	19,381,391	43,800,212	24,418,821	44.2%	8,716,361	280.1%
7/1/09	19,880,033	45,525,384	25,645,351	43.7%	8,786,981	291.9%
7/1/10	19,963,426	52,462,693	32,499,267	38.1%	8,256,751	393.6%
7/1/11	21,472,928	53,486,000	32,013,072	40.1%	7,990,890	400.6%
7/1/12	22,177,831	55,006,282	32,828,451	40.3%	7,076,322	463.9%

The unfunded actuarial accrued liability for this plan is being amortized over 25 years beginning July 1, 2010, 23 of which remain as of June 30, 2012, with payments increasing at 3 1/2% per year. Investment gains or losses are spread over five years. The amortization period is closed. The City utilizes the level percentage of projected payroll method to amortize the unfunded liabilities.

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Employee Pension Plan
Required Supplementary Information
Schedule of Employer's Contribution

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2008	2,269,802	128%
2009	2,356,529	106%
2010	2,564,767	89%
2011	3,149,493	106%
2012	3,130,022	109%
2013	3,217,964	304%

3. OTHER POSTEMPLOYMENT PLAN

The following information presents additional information related to funding status and progress of Other Postemployment Benefits. It is intended to help readers assess the individual plans' funding status on a going-concern basis and assess progress made in accumulating sufficient assets to pay benefits when due.

The amount shown below as actuarial accrued liability is a measure of the difference between the actuarial present value of future plan benefits, and the actuarial present value of future normal cost.

OPEB Trust
Schedule of Funding Status and Progress

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded Actuarial Accrued Liabilities (UAAL) (2) – (1)	(4) Funded Ratio (1)/(2)	(5) Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
7/1/2008	$ -0-	$64,297,063	$64,297,063	0.0%	$18,162,177	354%
7/1/2009	4,761,141	64,812,543	60,051,402	7.3%	18,797,853	319%
7/1/2010	4,882,375	83,518,121	78,635,746	5.8%	18,292,104	430%
7/1/2011	7,047,987	83,441,000	76,393,013	8.4%	18,454,162	414%
7/1/2012	10,913,172	71,021,484	60,108,312	15.4%	17,335,618	347%

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Valuation Date	July 1, 2012
Actuarial Cost Method	Projected Unit Credit Cost Method
Amortization Method	Level Dollar Amount Open
Remaining Amortization Period	30 years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return	7.00%
Discount Rate	5.25%
Rate of Salary Increases	N/A%
Ultimate Rate of Medical inflation	Varies between 5.00% and 5.70%
Initial Rate of Medical Inflation	7.80%< 65 and 7.20% >=65

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FINANCIAL SECTION

PART - E

SUPPLEMENTARY INFORMATION

- COMBINING FUND STATEMENTS
- BUDGETARY SCHEDULES

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FINANCIAL STATEMENTS
GENERAL FUND COMBINING STATEMENTS

The budgetary comparison for the Governmental Capital Projects Fund has its own separate budget and is presented in this section to show legal compliance. The perspective difference between the basis of budgeting and GAAP is explained in the reconciliation of the basis of budgeting to GAAP.

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The City of Dover
Combining General Fund Balance Sheet
June 30, 2013

	General Fund	General Capital Projects Fund	Total General Funds
Assets:			
Cash and Cash Equivalents	$ 1,698,864	$ 125,402	$ 1,824,266
Restricted Cash and Cash Equivalents	-	858,086	858,086
Investments	3,261,366	3,303,364	6,564,730
Restricted Investments	18,252	-	18,252
Receivables, net			
Accounts	1,200,815	7,919	1,208,734
Taxes	262,970	-	262,970
Due from Other Funds	377,129	75,680	452,809
Prepaid Items	58,213	-	58,213
Inventory, at Cost	147,651	-	147,651
Total Assets	$ 7,025,260	$ 4,370,451	$ 11,395,711
Liabilities:			
Accounts Payable	$ 788,175	$ 239,862	$ 1,028,037
Deferred Revenue	1,420,674	367,312	1,787,986
Due to Other Funds	160,275	56,110	216,385
Other	156,984	-	156,984
Total Liabilities	2,526,108	663,284	3,189,392
Fund Balances:			
Non-Spendable			
Inventory and Prepaids	205,863	-	205,863
Library Endowment	5,000	-	5,000
Patronage Stock	16,594	-	16,594
Restricted			
Library Endowment	1,658	-	1,658
Verizon Cable Franchise	129,579	-	129,579
Committed			
Contingency	733,985	-	733,985
Parkland Reserve	-	202,914	202,914
Assigned			
Police Investigations	14,759	-	14,759
Capital Assets	-	3,504,253	3,504,253
Unassigned	3,391,714	-	3,391,714
Total Fund Balances	4,499,152	3,707,167	8,206,319
Total Liabilities and Fund Balances	$ 7,025,260	$ 4,370,451	$ 11,395,711

The notes to financial statements are an integral part of this statement

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The City of Dover
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances of the General Fund - Budgetary Basis
For the Year Ended June 30, 2013

	General Fund	General Capital Projects Fund	Total General Funds
Revenues			
Fines	$ 612,193	$ -	$ 612,193
Library Revenue- General	64,584	-	64,584
Library Revenue County Reimbursement	406,481	-	406,481
Licenses and Permits	2,625,268	-	2,625,268
Sanitation Fees and Rebates	2,624,877	-	2,624,877
Miscellaneous Services	1,690,656	711,351	2,402,007
Property Taxes	11,126,395	-	11,126,395
Grants Received	721,630	2,003,665	2,725,295
Court of Chancery Fees	917,700	-	917,700
Investment Income	93,173	25,987	119,160
Total Revenues	20,882,957	2,741,003	23,623,960
Expenditures			
Current:			
General Government	1,074,271	33,000	1,107,271
Library Services	1,169,605	4,070,899	5,240,504
Public Safety and Law Enforcement	17,258,295	429,534	17,687,829
Public Works	1,343,800	221,642	1,565,442
Recreational Services	644,346	6,995	651,341
Streets and Sanitation Services	2,708,958	281,472	2,990,430
Financial Administration	807,288	102,589	909,877
Garage and Stores	431,541	-	431,541
Insurance	241,395	-	241,395
Retiree Health Care	1,620,600	-	1,620,600
Employee Pension	1,693,500	-	1,693,500
Community and Economic Development	223,109	-	223,109
Street Lights	878,760	-	878,760
Debt Service:			
Principal Retirement	296,003	-	296,003
Interest and Fiscal Charges	73,071	-	73,071
Bond Issuance Costs	-	1,029	1,029
Total Expenditures	30,464,542	5,147,160	35,611,702
Excess (deficiency) of Revenues over Expenditures	(9,581,585)	(2,406,157)	(11,987,742)
Other financing Sources and Uses			
Proceeds from Sale of Bonds	-	2,648,500	2,648,500
Reserve Transfers	(45,515)	(100)	(45,615)
Interfund Transfers	9,995,845	2,670,363	12,666,208
Total other Financing Sources and Uses	9,950,330	5,318,763	15,269,093
Net Change in Fund Balances	368,745	2,912,606	3,281,351
Fund Balances at Beginning of Year	3,851,086	145,647	3,996,733
Fund Balances at Beginning of Year - Restated	3,851,086	145,647	3,996,733
Fund Balances at End of Year	$ 4,219,831	$ 3,058,253	$ 7,278,084
Perspective and GAAP (Non-GAAP) Differences:			
Fair value of investment adjustment	$ (52,736)	$ (53,389)	$ (106,125)
Deferred Revenues - Non-spendable	(569,518)	(7,919)	(577,437)
Inventory & Prepaids - Non-spendable	(205,863)	-	(205,863)
Capital Asset - Assigned	-	(2,996,945)	(2,996,945)
Unassigned Fund Balance	$ 3,391,714	$ -	$ 3,391,714

The notes to financial statements are an integral part of this statement

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CITY OF DOVER
GENERAL FUND

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Non-GAAP Basis)

For the Year Ended June 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Beginning Balance - Working Capital	$ 2,666,600	$ 3,752,200	$ 3,851,086	$ 98,886
REVENUES:				
Fines & Police Revenue	605,000	605,000	548,856	(56,144)
911 Fee	63,000	63,000	63,337	337
Interest Earnings	75,000	75,000	93,173	18,173
Library Revenues - General	66,200	66,200	64,584	(1,616)
Library Revenues - County Reimbursement	405,900	405,900	406,481	581
Business Licenses	1,455,000	1,455,000	1,462,503	7,503
Permits & Other Licenses	1,053,300	1,053,300	1,162,765	109,465
Miscellaneous Revenues	55,500	70,900	106,997	36,097
Police Extra Duty Fees	494,400	636,100	703,575	67,475
Property Taxes	10,997,400	11,039,200	11,076,335	37,135
Bid Revenue	51,600	51,600	50,060	(1,540)
Recreations Revenue	130,000	130,000	144,490	14,490
Franchise Fees	550,000	600,000	618,347	18,347
Transfer Tax	1,370,000	1,370,000	1,107,959	(262,041)
Trash Fees	2,690,200	2,676,500	2,624,877	(51,623)
Garrison Farm Rent	62,000	117,200	117,247	47
Court of Chancery Fees	753,800	807,200	917,700	110,500
Intrafund Service Receipts Water/Wastewater	1,104,600	1,045,800	1,046,492	692
Intrafund Service Receipts Electric	3,224,500	3,177,100	3,195,818	18,718
Grants:				
Green Energy Grant	98,500	98,500	-	(98,500)
DEMA Grant	-	-	92,641	92,641
Miscellaneous Grants	25,000	25,000	1,224	(23,776)
Police Pension Grant	500,000	500,000	577,765	77,765
Verizon Reserve	-	-	50,000	50,000
Transfer from Police Grant Funds	85,000	112,100	170,337	58,237
Transfer from Municipal Street Aid	527,400	527,400	531,121	3,721
Transfer from Civil Traffic Penalties	750,000	350,000	299,828	(50,172)
Transfer from Verizon and CI Reserves	11,000	11,000	4,485	(6,515)
Transfer from Water/Wastewater Fund	500,000	500,000	500,000	-
Transfer from Electric Fund	8,000,000	8,000,000	8,000,000	-
Total Revenues	35,704,300	35,569,000	35,738,997	169,997
TOTAL BEGINNING BALANCE & REVENUES	$ 38,370,900	$ 39,321,200	$ 39,590,083	$ 268,883

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(continued)

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES:				
Tax Assessor	$ 187,500	$ 187,500	$ 187,438	$ 62
Fire	688,300	645,200	654,884	(9,684)
Library	1,250,200	1,225,400	1,169,605	55,795
Recreation	713,400	674,900	644,346	30,554
Planning Commission	410,300	416,100	399,461	16,639
Public Inspections	592,200	577,100	493,902	83,198
Life Safety	469,900	451,800	452,175	(375)
Code Enforcement	293,100	323,100	326,437	(3,337)
Economic Development	231,100	231,100	219,947	11,153
Police	13,774,600	14,180,100	14,258,132	(78,032)
Streets	756,700	772,200	705,071	67,129
Sanitation	2,140,700	2,072,000	2,003,887	68,113
Allocated Expenditures:				
Human Resources	319,700	310,800	295,146	15,654
Customer Services	901,200	866,900	860,657	6,243
City Manager	420,000	420,000	497,281	(77,281)
Information Technology	642,700	633,300	611,301	21,999
Finance	879,500	879,500	854,310	25,190
Public Services-Administration	468,600	401,200	360,118	41,082
Facilities Management	678,800	660,600	638,748	21,852
Central Services	576,900	578,700	530,208	48,492
Vehicle Maintenance	712,700	678,500	630,686	47,814
City Clerk	326,900	326,900	315,512	11,388
Mayor	82,400	82,400	81,073	1,327
Council	114,200	114,200	101,707	12,493
Grounds Maintenance	993,300	980,400	961,489	18,911
Insurance	600,000	600,000	628,633	(28,633)
Contribution to Downtown Dover Partnership	180,000	180,000	180,000	-
Tree Grant Expense	25,000	25,000	-	25,000
Other Employment Expenses	463,400	94,700	-	94,700
Retiree Benefits	1,620,600	1,620,600	1,620,600	-
Subtotal	31,513,900	31,210,200	30,682,754	527,446
Debt Service - Principal and Interest	624,200	474,200	369,073	105,127
Transfer to Capital Fund for Projects	613,400	613,400	613,400	-
Transfer to Police Pension Fund	500,000	500,000	577,765	(77,765)
Transfer to Uncollectbles trash and other	10,000	10,000	10,000	-
Transfer to Verizon Reserve	-	-	50,000	(50,000)
Appropriation to Police Pension Fund	95,000	495,000	495,000	-
Appropriation to Pension Fund	1,310,500	1,693,500	1,693,500	-
Street Lights	869,700	869,700	878,760	(9,060)
Total Expenditures	35,536,700	35,866,000	35,370,252	495,748
Budget Balance - Working Capital	2,834,200	3,455,200	4,219,831	(764,631)
Total Budget Balance & Expenditures	$ 38,370,900	$ 39,321,200	$ 39,590,083	$ (268,883)

Budget Balance - Working Capital	$	4,219,831
Perspective and GAAP (Non-GAAP) Differences:		
Fair value of investment adjustment		(52,736)
Deferred Revenues - Non-spendable		(569,518)
Inventory & Prepaids - Non-spendable		(205,863)
Unassigned Fund Balance	$	3,391,714

The notes to financial statements are an integral part of this statement

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FINANCIAL STATEMENTS
SPECIAL REVENUE FUNDS

Special Revenue Funds include the group of funds classified as grant funds and a Realty Transfer Tax Fund. The proceeds from specific revenue sources are restricted to specified expenditure purposes. The City adopts budgets for selected Special Revenue Funds. Combining and individual statements appear in this section.

POLICE GRANTS

The City of Dover Police Department receives various grants from the State of Delaware for public and highway safety and the U.S. Department of Justice for local law enforcement. All grant transactions are recorded in this fund.

LIBRARY GRANTS

The City of Dover Public Library receives various grants from the State of Delaware, Kent County, and the Federal Government. Activities associated with these grants are recorded in this fund.

MUNICIPAL STREET AID

The State of Delaware has passed legislation to share a portion of Delaware's motor fuel tax revenue with local municipalities through grants. The amount of the grant the City receives depends on its population and miles of streets maintained. The grant is used for street light expense within the City.

CDBG HOUSING GRANTS & NEIGHBORHOOD STABILIZATION PROGRAM

The City receives a U.S. Department of Housing and Urban Development Entitlement Grant for the Community Development Block Grant Program. This provides housing to low or moderate-income persons as well as public housing rehabilitation and community policing. Combined with the CDBG Fund is the Neighborhood Stabilization Program (NSP) that provides low interest loans for low to moderate-income families.

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FINANCIAL STATEMENTS
SPECIAL REVENUE FUNDS
(continued)

GAMES GRANT

The City of Dover, in coordination with Aid in Dover, received a grant from the Criminal Justice Council for a program called GAMES. This program provides youth programming for at-risk girls and boys.

STATE OF DELAWARE DEPARTMENT OF TRANSPORTATION GRANTS

The State of Delaware Department of Transportation grants provide funds for specific street projects in the City. State law provides funds to the State's elected officials for suburban street aid, which officials can then provide to their districts. The City receives these funds for designated street projects and records all transactions for this fund.

SUBSTANCE ABUSE PREVENTION GRANT

The State of Delaware General Assembly Grant-In-Aid Program provides funds to implement a substance abuse prevention program for at-risk and/or disadvantaged youths in the City of Dover.

ELECTRONIC RED LIGHT SAFETY PROGRAM (ERLSP)

The State of Delaware Department of Transportation provides a grant to municipalities that implement the Electronic Red Light Safety Program. Under this program, the City is granted a portion of the fines collected from drivers who are ticketed for running red lights installed with electronic photo identification equipment within the City limits.

GARRISON OAK TECHNOLOGY PARK

The State of Delaware Economic Development office appropriated funds to the City for infrastructure improvement to the Garrison Oak property.

REALTY TRANSFER TAX

Delaware Code states that realty transfer tax realized by the City shall be segregated from the general fund and the funds shall be expended solely for the capital and operating costs of public safety services, economic development programs, public works services, capital projects and improvements, infrastructure projects and improvements and debt reduction.

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CITY OF DOVER
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2013

	POLICE GRANTS	LIBRARY GRANTS	MUNICIPAL STREET AID	CDBG/NSP HOUSING GRANTS	GAMES GRANT	STATE D.O.T. GRANTS	SUBSTANCE ABUSE PREV. GRANT	ERLSP	GARRISON OAK TECH. PARK	REALTY TRANSFER TAX	TOTALS
ASSETS:											
Cash	$ 197,220	$ 35,083	$ 265,521	$ 8,946	$ (6,521)	$ 217,743	$ 43,251	$ 100	$ -	$ 114	$ 761,457
Receivables	629	225	-	-	-	-	450	-	-	-	1,304
Due from other funds-charges	-	-	-	-	-	56,110	-	-	-	-	56,110
Due from other governments	15,863	-	-	38,928	9,235	60,238	-	19,099	-	-	143,363
TOTAL ASSETS	$ 213,712	$ 35,308	$ 265,521	$ 47,874	$ 2,714	$ 334,091	$ 43,701	$ 19,199	$ -	$ 114	$ 962,234
LIABILITIES AND FUND BALANCE:											
Liabilities:											
Vouchers Payable	$ 38,476	$ 7,469	$ -	$ 38,471	$ 2,714	$ 13,358	$ 2,693	$ -	$ -	$ -	$ 103,181
Deferred Revenue	-	-	-	-	-	60,236	-	-	-	-	60,236
Due to other funds-charges	-	-	13,963	666	-	51,281	-	19,099	-	14	85,023
Total Liabilities	38,476	7,469	13,963	39,137	2,714	124,875	2,693	19,099	-	14	248,440
Fund Balances:											
Restricted	175,236	27,839	251,558	8,737	-	85,867	41,008	100	-	100	590,445
Assigned	-	-	-	-	-	123,349	-	-	-	-	123,349
Total Fund Balances	175,236	27,839	251,558	8,737	-	209,216	41,008	100	-	100	713,794
TOTAL LIABILITIES AND FUND BALANCES	$ 213,712	$ 35,308	$ 265,521	$ 47,874	$ 2,714	$ 334,091	$ 43,701	$ 19,199	$ -	$ 114	$ 962,234

The notes to financial statements are an integral part of this statement

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CITY OF DOVER
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN UNRESERVED FUND BALANCES
YEAR ENDED JUNE 30, 2013

	POLICE GRANTS	LIBRARY GRANTS	MUNICIPAL STREET AID	CDBG/NSP HOUSING GRANTS	GAMES GRANT	STATE D.O.T. GRANTS	SUBSTANCE ABUSE PREV. GRANT	ERLSP	GARRISON OAK TECH. PARK	REALTY TRANSFER TAX	TOTALS
REVENUES:											
Grants received	$ 531,883	$ 271,544	$ 663,953	$ 592,902	$ 34,291	$ 263,965	$ 40,574	$ -	$ -	$ -	$ 2,399,112
Recreation revenue	-	-	-	-	-	-	40,446	-	-	-	40,446
Police fines	-	-	-	-	-	-	-	299,811	-	-	299,811
Transfer taxes	-	-	-	-	-	-	-	-	-	1,107,686	1,107,686
Investment income (loss)	443	-	459	-	-	207	-	17	-	273	1,399
TOTAL REVENUES	532,326	271,544	664,412	592,902	34,291	264,172	81,020	299,828	-	1,107,959	3,848,454
EXPENDITURES:											
Program expenditures	360,542	273,713	-	600,362	34,291	192,963	61,632	-	20,571	-	1,544,074
TOTAL EXPENDITURES	360,542	273,713	-	600,362	34,291	192,963	61,632	-	20,571	-	1,544,074
Excess (deficiency) of revenues over (under) expenditures	171,784	(2,169)	664,412	(7,460)	-	71,209	19,388	299,828	(20,571)	1,107,959	2,304,380
OTHER FINANCING SOURCES (USES):											
Operating transfers-out	(170,337)	-	(545,084)	-	-	(51,282)	-	(299,828)	-	(1,107,959)	(2,174,490)
Net Change in fund balances	1,447	(2,169)	119,328	(7,460)	-	19,927	19,388	-	(20,571)	-	129,890
FUND BALANCE AT BEGINNING OF YEAR	173,789	30,008	132,230	16,197	-	189,289	21,620	100	20,571	100	583,904
FUND BALANCE AT END OF YEAR	$ 175,236	$ 27,839	$ 251,558	$ 8,737	$ -	$ 209,216	$ 41,008	$ 100	$ -	$ 100	$ 713,794

The notes to financial statements are an integral part of this statement

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CITY OF DOVER
POLICE GRANTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
UNRESERVED FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Beginning balance	$ -	$ 178,400	$ 173,789	$ (4,611)
Interest earned	-	-	443	443
Grants received	382,600	505,100	531,883	26,783
TOTAL REVENUES & BEGINNING BALANCE	382,600	683,500	706,115	22,615
EXPENDITURES:				
Program expenses/supplies	64,000	129,100	90,821	(38,279)
Furniture and fixtures	-	16,500	18,158	1,658
Computer software	-	1,400	-	(1,400)
Computer hardware	-	139,900	-	(139,900)
Telephone/fax	15,000	15,000	12,556	(2,444)
Training/Conf/Food/Travel	17,000	29,500	21,045	(8,455)
Consulting/audit fees	1,000	1,000	-	(1,000)
Contractual services	-	161,900	147,938	(13,962)
Vehicle purchases	10,500	35,100	24,635	(10,465)
Technology equipment	57,000	-	101,744	101,744
TOTAL EXPENDITURES	164,500	529,400	416,897	(112,503)
Other financing uses:				
Operating transfers - out	(218,100)	(154,000)	(113,982)	40,018
BALANCE CARRIED TO NEXT YEAR	$ -	$ 100	$ 175,236	$ 175,136

The notes to financial statements are an integral part of this statement

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CITY OF DOVER
LIBRARY GRANTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
UNRESERVED FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Beginning balance	$ -	$ 12,700	$ 30,007	$ 17,307
Grants received: State	280,500	270,100	270,044	(56)
Grants received: Federal	-	1,500	1,500	-
TOTAL REVENUES & BEGINNING BALANCE	280,500	284,300	301,551	17,251
EXPENDITURES:				
Program expenditures/supplies	15,300	27,500	27,900	400
Office Supplies	15,000	20,000	20,363	363
Printing/duplicating	9,500	8,900	11,360	2,460
Postage	200	100	55	(45)
Books	95,000	120,900	114,926	(5,974)
Furniture	52,300	21,400	27,193	5,793
Audio visual supplies	65,000	72,000	67,900	(4,100)
Training/conference/food/travel	4,000	3,500	2,016	(1,484)
Office equipment repairs	4,200	2,000	2,000	-
Computer hardware	20,000	8,000		(8,000)
TOTAL EXPENDITURES	280,500	284,300	273,713	10,587
BALANCE CARRIED TO NEXT YEAR	$ -	$ -	$ 27,838	$ 27,838

The notes to financial statements are an integral part of this statement

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CITY OF DOVER
MUNICIPAL STREET AID FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
UNRESERVED FUND BALANCE-BUDGET (NON-GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Beginning balance	$ 100	$ 132,200	$ 132,230	$ 30
State Grant - Operations	527,400	527,400	530,868	3,468
State Grant - Capital	-	132,200	133,085	885
Interest Earned	-	-	459	459
TOTAL REVENUES & BEGINNING BALANCE	527,500	791,800	796,642	4,842
Other financing uses:				
Operating transfers-out	(527,400)	(791,700)	(545,084)	246,616
BALANCE CARRIED TO NEXT YEAR	$ 100	$ 100	$ 251,558	$ 251,458

The notes to financial statements are an integral part of this statement

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CITY OF DOVER
HOUSING PROGRAMS - CDBG & NSP
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
UNRESERVED FUND BALANCE-BUDGET (NON-GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Beginning balance CDBG	$ -	$ -	$ 2,013	$ 2,013
Beginning balance NSP	-	-	10,253	10,253
Federal grant received	235,300	317,400	219,512	(97,888)
Revenue from NSP	-	-	373,390	373,390
TOTAL REVENUES & BEGINNING BALANCE	235,300	317,400	605,168	287,768
EXPENDITURES:				
2010 Closing cost/downpayment program	-	100	83	17
2011 First state RC&D		-	30	(30)
2012 Closing cost/downpayment program	-	5,900	5,894	6
2012 Dover interfaith ministry	-	7,100	7,148	(48)
2012 Homeowner rehab assistance	-	4,300	3,485	815
2012 First state RC&D	-	7,000	6,939	61
Current year closing cost/downpayment prog	30,000	60,000	49,807	10,193
Current year Dover interfaith ministry	27,500	27,500	14,022	13,478
Current year First state RC&D	35,000	35,000	20,972	14,028
Current year Elizabeth W Murphey school	20,000	32,800	32,782	18
Current year Ncall Research Inc.	7,800	7,800	5,000	2,800
Current year Serenity place	28,000	30,000	30,000	-
Current year Milford housing H/O rehab	40,000	52,800	-	52,800
Current year salaries	47,000	47,100	43,350	3,750
NSP expense	-	-	380,850	(380,850)
TOTAL EXPENDITURES	235,300	317,400	600,362	(282,962)
CDBG BALANCE CARRIED TO NEXT YEAR	$ -	$ -	$ 2,013	$ (2,013)
NSP BALANCE CARRIED TO NEXT YEAR	$ -	$ -	$ 2,793	$ (2,793)

The notes to financial statements are an integral part of this statement

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CITY OF DOVER
STATE OF DELAWARE DEPARTMENT OF TRANSPORTATION GRANTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
UNRESERVED FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Beginning balance	$ 435,700	$ 189,300	$ 435,160	$ 245,860
Grants received: State	300,000	300,000	245,857	(54,143)
Transfer from Other Funds	1,606,700	60,000	660	(59,340)
Interest earned	500	500	209	(291)
TOTAL REVENUES & BEGINNING BALANCE	2,342,900	549,800	681,886	132,086
EXPENDITURES:				
Program expenditures Grant Related	700,000	324,500	271,888	(52,612)
Program expenditures City Appropriated	1,606,700	225,300	152,709	72,591
TOTAL EXPENDITURES	2,306,700	549,800	424,597	125,203
Other financing sources (uses):				
Operating transfers-out	-	-	(68,000)	(68,000)
BALANCE CARRIED TO NEXT YEAR	$ 36,200	$ -	$ 189,289	$ 189,289

The notes to financial statements are an integral part of this statement

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FINANCIAL SCHEDULES
PROPRIETARY FUND TYPES
ENTERPRISE FUNDS

The following schedules pertaining to the major enterprise funds are not required under GAAP, but are included for public review of budgetary compliance. Accordingly, no reconciliation to the GAAP financial statements is provided.

WATER/WASTEWATER FUND

The Water/Wastewater Fund accounts for all operating activity of the Water/Wastewater Utility. This includes service revenues, investment earnings on operating accounts, direct and indirect operating expenses, sewerage treatment fees, debt service, and transfers to other funds and the Improvement and Extension Fund.

The Water/Wastewater Improvement and Extension Fund is used to account for all capital project and equipment purchases. The City utilizes revenue and expenditure accounts to record capital project receipts, transfers from the operating fund, and project costs.

The funds are combined for GAAP reporting purposes with assets capitalized.

ELECTRIC REVENUE FUND

The Electric Revenue Fund accounts for all operating activity of the electric utility. This includes service revenues, investment earnings on operating accounts, direct and indirect operating expenses, purchased power cost, debt service, and transfers to other funds and the Improvement and Extension Fund.

The Electric Improvement and Extension Fund is used to account for all capital project and equipment purchases. The City utilizes revenue and expenditure accounts to record capital project receipts, transfers from the operating fund, and project costs.

The funds are combined for GAAP reporting purposes with assets capitalized.

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CITY OF DOVER
WATER/WASTEWATER FUND
SCHEDULE OF REVENUES AND EXPENSES
BUDGET (NON-GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Beginning Balance - Water	$ 865,100	$ 1,075,800	$ 1,075,800	$ -
Beginning Balance - Wastewater	853,000	991,100	991,100	-
Beginning Balance - Kent County Treatment Fee	(553,500)	(626,400)	(626,400)	-
TOTAL BEGINNING BALANCES	1,164,600	1,440,500	1,440,500	-
REVENUES:				
Water fees	4,730,700	4,730,700	4,551,840	(178,860)
Wastewater fees	3,834,600	3,642,700	3,564,615	(78,085)
Wastewater adjustment	3,090,800	2,980,400	2,926,616	(53,784)
Groundwater adjustment	1,257,600	1,324,600	1,314,033	(10,567)
Miscellaneous services	77,000	81,400	73,312	(8,088)
Water tank space rent	313,500	313,500	300,067	(13,433)
Interest earnings	25,800	18,900	13,507	(5,393)
State Reimbursement - DEMA	-	-	50,876	50,876
Sewer Impact Fees	317,000	380,000	385,986	5,986
Water Impact Fees	350,000	350,000	220,362	(129,638)
Total Revenues	13,997,000	13,822,200	13,401,214	(420,986)
TOTAL BEGINNING BALANCES & REVENUES	**$ 15,161,600**	**$ 15,262,700**	**$ 14,841,714**	**$ (420,986)**
EXPENSES:				
Water services	$ 408,200	$ 415,000	$ 415,700	$ (700)
Engineering & inspection	597,900	601,900	486,714	115,186
Water construction	345,700	353,200	333,511	19,689
Water treatment plant	1,522,600	1,535,400	1,390,347	145,053
Wastewater services	993,000	997,000	802,551	194,449
Kent County sewer fees	3,600,000	3,537,000	3,631,516	(94,516)
Intrafund service fee	1,235,400	1,176,600	1,182,905	(6,305)
Retirees health care	220,000	220,000	220,000	-
Pension Unfunded Liability	309,800	509,800	509,800	-
Debt Service - Water	532,100	438,100	410,632	27,468
Debt Service - Wastewater	731,500	636,300	579,394	56,906
Inventory/Fixed Asset Writeoffs	5,000	5,000	5,000	-
Other Employment Expenses	16,200	15,400	-	15,400
Transfer to Capital Asset Reserve- Water	70,000	70,000	70,000	-
Transfer to Capital Asset Reserve- Wastewater	22,000	22,000	22,000	-
Transfer to Water Improvement & Extension Fund	1,700,000	1,700,000	1,700,000	-
Transfer to Wastewater Improvement & Extension Func	1,200,000	1,200,000	1,200,000	-
Transfer to General Fund from Water	250,000	250,000	250,000	-
Transfer to General Fund from Wastewater	250,000	250,000	250,000	-
Transfer to Impact Fee Reserve-Wastewater	-	-	219,757	(219,757)
Transfer to Uncollectible Reserve	5,000	5,000	5,000	-
Total Expenses	14,014,400	13,937,700	13,684,827	252,873
Budget Balance - Water	482,700	770,800	732,740	38,060
Budget Balance - Wastewater	664,500	412,600	441,414	(28,814)
Budget Balance - Kent County Treatment Fee	-	141,600	(17,267)	158,867
Total Budget Balances - Working Capital	1,147,200	1,325,000	1,156,887	168,113
TOTAL BUDGET BALANCES & EXPENSES	**$ 15,161,600**	**$ 15,262,700**	**$ 14,841,714**	**$ 420,986**

The notes to financial statements are an integral part of this statement

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CITY OF DOVER
WATER/WASTEWATER IMPROVEMENT & EXTENSION FUND
SCHEDULE OF REVENUES AND EXPENSES
BUDGET (NON-GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Beginning Balance -Water	$ 3,071,800	$ 3,811,200	$ 3,811,200	$ -
Beginning Balance -Wastewater	1,013,600	2,641,000	2,641,000	-
TOTAL BEGINNING BALANCES	4,085,400	6,452,200	6,452,200	-
REVENUES:				
Bond Proceeds-Water 2013	2,000,000	2,000,000	-	(2,000,000)
Bond Proceeds-WW 2013	2,000,000	2,000,000	-	(2,000,000)
State Loan Fund-Water 2010	-	142,700	142,719	19
State Loan Fund-Wastewater 2011	-	494,500	494,520	20
Interest earnings	25,000	25,000	101,327	76,327
Income from sale of assets	-	-	11,339	11,339
Transfer from Water Fund	1,700,000	1,700,000	1,700,000	-
Transfer from Wastewater Fund	1,200,000	1,200,000	1,200,000	-
Transfer from Wastewater Impact Fee Reserve	250,000	250,000	250,000	-
Transfer from Water Impact Fee Reserve	300,000	-	-	-
Total Revenues	7,475,000	7,812,200	3,899,905	(3,912,295)
TOTAL BEGINNING BALANCES & REVENUES	**$ 11,560,400**	**$ 14,264,400**	**$ 10,352,105**	**$ (3,912,295)**
EXPENSES:				
Engineering & Inspection	$ 23,400	$ 29,200	$ 29,208	$ (8)
Water	5,140,000	5,971,600	1,154,852	4,816,748
Wastewater	3,817,300	5,922,500	1,815,569	4,106,931
Water Treatment Plant	24,100	29,200	29,208	(8)
Water Construction	31,000	31,000	35,899	
Bond issue costs	344,000	-	6,597	
Total Expenses	9,379,800	11,983,500	3,071,333	8,923,663
Budget Balance - Water	1,675,500	1,620,000	4,473,776	(2,853,776)
Budget Balance - Wastewater	505,100	660,900	2,806,996	(2,146,096)
Total Budget Balances - Working Capital	2,180,600	2,280,900	7,280,772	(4,999,872)
TOTAL BUDGET BALANCES & EXPENSES	**$ 11,560,400**	**$ 14,264,400**	**$ 10,352,105**	**$ 3,923,791**

The notes to financial statements are an integral part of this statement

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CITY OF DOVER
ELECTRIC REVENUE FUND
SCHEDULE OF REVENUE AND EXPENSES
BUDGET (NON-GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Beginning Balance - Working Capital	$ 7,184,000	$ 14,567,100	$ 14,567,100	$ -
REVENUES:				
Direct base sales	85,071,400	87,519,500	86,887,345	(632,155)
Rental income	225,000	200,000	234,488	34,488
Miscellaneous services	850,700	985,700	1,553,812	568,112
Utility tax	1,595,200	1,498,900	1,443,852	(55,048)
Green Energy	129,000	129,000	129,195	195
Grants DEMA	-	-	108,632	108,632
Interest earned-operating	107,800	107,800	137,718	29,918
Transfer from Rate Stabilization	5,400,000	5,400,000	5,400,000	-
Intrafund Services - Water/Wastewater	130,800	130,800	136,413	5,613
Total Revenues	93,509,900	95,971,700	96,031,455	**59,755**
TOTAL BEGINNING BALANCE & REVENUE	**$ 100,693,900**	**$ 110,538,800**	**$ 110,598,555**	**$ 59,755**
EXPENSES:				
Power Supply & Generation				
Power Supply	$ 39,468,900	$ 37,701,000	$ 37,698,282	$ 2,718
Power Supply Management	996,000	996,000	996,000	-
Dover Sun Park Energy	1,414,500	1,587,600	1,595,826	(8,226)
Solar Renewal Energy Credits	-	351,600	370,256	(18,656)
Capacity Charges	12,564,800	11,817,200	11,587,934	229,266
PJM Charges - Transmission & Fees	-	6,100,700	7,103,571	(1,002,871)
PJM Charges - Load	17,508,300	5,697,700	6,024,702	(327,002)
Total Power Supply	71,952,500	64,251,800	65,376,571	(1,124,771)
Plant Operations	5,914,900	5,914,900	5,719,083	195,817
Capacity Credits	(14,318,600)	(14,318,600)	(14,318,588)	(12)
PJM Credits	(427,000)	(488,400)	(502,983)	14,583
PJM Spot Market Energy	(772,700)	(1,865,600)	(1,930,510)	64,910
Generation Fuels	586,000	948,800	1,023,574	(74,774)
Total Generation	(9,017,400)	(9,808,900)	(10,009,424)	200,524
Utility Tax	1,595,200	1,498,900	1,443,853	55,047
Administration	501,200	501,200	393,666	107,534
Transmission/Distribution	3,223,600	3,233,700	3,230,473	3,227
Electrical Engineering	1,163,900	1,171,300	1,098,315	72,985
Systems Operations	517,600	526,300	544,405	(18,105)
Meter Reading	212,500	212,500	219,010	(6,510)
Contractual Services - Power Supply	190,000	190,000	157,955	32,045
Provision for Uncollectible	150,000	150,000	150,000	-
Retirees Health Care	696,500	696,500	696,500	-
Pension Trust Contribution	1,074,200	7,274,200	7,274,200	-
Green Energy Payment to DEMEC	129,000	129,000	129,195	(195)
Interest on Deposits	35,000	35,000	25,576	9,424
Intrafund Service Fees	3,224,500	3,177,100	3,195,818	(18,718)
Other Appropriations:				-
Electric Capital Project Fund	3,500,000	3,500,000	3,500,000	-
General Fund	8,000,000	8,000,000	8,000,000	-
Debt Service	3,323,600	3,323,600	3,376,564	(52,964)
Workers Compensation	-	500,000	500,000	-
Future Capacity Reserve	-	2,100,000	2,100,000	-
Rate Stabilization Fund	-	12,400,000	12,400,000	-
Other Employment Expenses	157,900	149,200	-	149,200
Inventory Reserve	175,000	175,000	175,000	-
TOTAL EXPENSES	**90,804,800**	**103,386,400**	**103,977,677**	**(591,277)**
Budget Balance - Working Capital	9,889,100	7,152,400	6,620,878	531,522
TOTAL BUDGET BALANCE & EXPENSES	**$ 100,693,900**	**$ 110,538,800**	**$ 110,598,555**	**$ (59,755)**

The notes to financial statements are an integral part of this statement

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CITY OF DOVER
ELECTRIC IMPROVEMENT AND EXTENSION FUND
SCHEDULE OF REVENUES AND EXPENSES
BUDGET (NON-GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Beginning Balance - Working Capital	$ 2,714,600	$ 3,534,600	$ 3,534,600	$ -
TOTAL BEGINNING BALANCES	2,714,600	3,534,600	3,534,600	-
REVENUES:				
Transfer from Electric Revenue Fund	3,500,000	3,500,000	3,500,000	-
Interest Earnings	40,700	40,700	52,751	12,051
Income from Sale of Assets	-	-	5,203	5,203
General Service Billing	-	91,100	191,956	100,856
Transfer from Future Capacity Reserve	550,000	-	2,000,000	2,000,000
Total Revenues	4,090,700	3,631,800	5,749,910	2,118,110
TOTAL BEGINNING BALANCES & REVENUES	**$ 6,805,300**	**$ 7,166,400**	**$ 9,284,510**	**$ 2,118,110**
EXPENSES:				
Power Plant	$ 1,441,300	$ 1,236,600	$ 834,336	$ 402,264
Transmission/Distribution	596,000	1,232,000	1,183,603	48,397
Engineering	1,932,700	1,606,800	1,294,674	312,126
Transfer to General Fund	-	-	2,000,000	(2,000,000)
Total Expenses	3,970,000	4,075,400	5,312,613	(1,237,213)
Budget Balance - Improvement & Extension Fund	2,835,300	3,091,000	3,980,178	(889,178)
Total Budget Balances - Working Capital	2,835,300	3,091,000	3,980,178	(889,178)
TOTAL BUDGET BALANCES & EXPENSES	**$ 6,805,300**	**$ 7,166,400**	**$ 9,292,791**	**$ (2,126,391)**

The notes to financial statements are an integral part of this statement

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FINANCIAL STATEMENTS
PROPRIETARY FUND TYPES
INTERNAL SERVICE FUNDS

WORKERS' COMPENSATION INSURANCE FUND

The City has created this fund to account for the revenues and expenses related to a self-insured Workers' Compensation Fund. The revenues are received from the City's various funds. These funds contribute to the Workers' Compensation Fund an amount based on salaries at a pre-determined assessment rate. Claims paid, reinsurance cost and third party administrator's fees are charged to this fund.

Budgetary schedules are included for public review of budgetary compliance.

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CITY OF DOVER
INTERNAL SERVICE FUNDS
WORKERS' COMPENSATION INSURANCE
BALANCE SHEET
AS OF JUNE 30, 2013 & JUNE 30, 2012

	2013	2012
ASSETS:		
Cash	$ 383,114	$ 467,599
Investment	1,351,527	610,024
Due from Other Funds	-	-
Due from PMA	-	15,564
Prepaid Expenses	11,250	11,250
Receivables	4,000	4,000
TOTAL ASSETS	$ 1,749,891	$ 1,108,437
LIABILITIES:		
Claims Payable	$ 481,951	$ 474,281
Bank Fee/Vouchers Payable	98	-
Payable to Other Funds	-	1,105
TOTAL LIABILITIES	$ 482,049	$ 475,386
RETAINED EARNINGS:		
Reserved for Workers Compensation	$ 1,267,842	$ 633,051
TOTAL LIABILITIES AND RETAINED EARNINGS	$ 1,749,891	$ 1,108,437

The notes to financial statements are an integral part of this statement

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CITY OF DOVER
INTERNAL SERVICE FUNDS
WORKER'S COMPENSATION INSURANCE
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS
AS OF JUNE 30, 2013 & JUNE 30, 2012

	2013	2012
OPERATING REVENUES:		
City Contribution	$ 1,152,388	$ 24,528
Insurance Refunds - Excess Ins. & Other	57,525	533,979
Miscellaneous revenue	4,100	6,380
TOTAL OPERATING REVENUE	1,214,013	564,887
OPERATING EXPENSES:		
Program Expenses	433,214	1,769,964
Insurance	74,789	67,652
Self-Insurance Taxes	29,114	24,337
Contractural Services	33,700	31,100
TOTAL OPERATING EXPENSES	570,817	1,893,053
NET OPERATING INCOME/(LOSS)	643,196	(1,328,166)
NON OPERATING REVENUE/(EXPENSE):		
Interest Earned	12,459	19,987
Net Increase (Decrease) in Fair Market Value of Investments	(20,864)	4,533
TOTAL NON OPERATING REVENUE/(LOSS)	(8,405)	24,520
UNRESERVED RETAINED EARNINGS AT BEGINNING OF YEAR	633,051	1,936,697
UNRESERVED RETAINED EARNINGS AT END OF YEAR	$ 1,267,842	$ 633,051

The notes to financial statements are an integral part of this statement

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CITY OF DOVER
INTERNAL SERVICE FUNDS
WORKERS' COMPENSATION INSURANCE

STATEMENT OF CASH FLOWS

AS OF JUNE 30, 2013 & JUNE 30, 2012

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
City Contributions	$ 1,152,388	$ 24,528
Miscellaneous Revenue	4,100	6,380
Insurance Reimbursement - Excess Coverage	57,525	533,979
Claims Paid	(425,544)	(1,481,756)
Internal Activity - Payments from (to) other funds	14,459	(27,430)
Payments to Suppliers	(137,603)	(101,532)
Net Cash Provided by Operating Activities	$ 665,325	$ (1,045,831)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Earned	$ (8,308)	$ 24,520
Redemption (Purchase) of investments	(741,502)	974,491
Net Cash Flows from Investing Activities	$ (749,810)	$ 999,011
NET INCREASE IN CASH AND CASH EQUIVALENTS	$ (84,485)	$ (46,820)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	$ 467,599	$ 514,419
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 383,114	$ 467,599
	$383,114	$467,599
Reconciliation of operating income to net cash provided (used) by operating activities:	$0	$0
Operating Income(loss)	$ 643,196	$ (1,328,166)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
(Increase)/Decrease in Due from Other Funds	-	500
(Increase)/Decrease in Receivables	15,564	(15,564)
(Increase)/Decrease in Prepaid Expenses	-	56,402
Increase/(Decrease) in Payable to Other Funds	(1,105)	(27,930)
Increase/(Decrease) in Accrued Expenses	7,670	268,927
Net Cash Provided by (Used for) Operating Activities	$ 665,325	$ (1,045,831)
Noncash Investing, Capital Financing Activities:		
Change in fair value of investments	$ (20,864)	$ 4,533

The notes to financial statements are an integral part of this statement

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CITY OF DOVER
INTERNAL SERVICE FUND - WORKERS' COMPENSATION

SCHEDULE OF REVENUES AND EXPENSES
BUDGET (NON-GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
OPERATING REVENUES:				
Beginning Balance	$ 943,400	$ 633,100	$ 633,051	$ (49)
Interest Earned	25,000	25,000	(7,716)	(32,716)
City Contribution	626,700	1,126,700	1,152,388	25,688
Insurance Refund	-	4,600	57,525	52,925
Miscellaneous Revenue	4,600	-	4,100	4,100
TOTAL REVENUES	$ 1,599,700	$ 1,789,400	$ 1,839,348	$ 49,948
OPERATING EXPENSES:				
Program Expenses	$ 450,000	$ 450,000	$ 433,214	$ 16,786
Contractual Services	32,000	32,000	33,700	(1,700)
Insurance	68,300	68,300	74,789	(6,489)
Bank Fees	1,500	1,500	689	811
State of Delaware - Self-Insurance Tax	37,000	37,000	29,114	7,886
TOTAL EXPENSES	$ 588,800	$ 588,800	$ 571,506	$ 17,294
BUDGET BALANCE - CARRY FORWARD	$ 1,010,900	$ 1,200,600	$ 1,267,842	$ 67,242

Note: The above schedule is not required under GAAP, but is included for public review of budgetary compliance. Accordingly, no reconciliation to the GAAP financial statements is provided. GASB 31 Adjustment $4,533.

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FINANCIAL STATEMENTS
FIDUCIARY FUND TYPES
AGENCIES

DOWNTOWN DOVER PARTNERSHIP

The City established the Downtown Dover Partnership as an agency for the development of the downtown urban area.

FOURTH OF JULY CELEBRATION COMMITTEE

The Fourth of July Celebration Committee is designed to provide recreation enjoyment and educational events commemorating the birth of our nation.

DOVER LIBRARY FOUNDATION

The Dover Library Foundation was formed to provide fund raising for the construction of a new regional library.

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CITY OF DOVER
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2013

	BALANCE JUNE 30, 2012	ADDITIONS	DEDUCTIONS	BALANCE June 30, 2013
DOWNTOWN DOVER PARTNERSHIP				
ASSETS:				
Cash	$ 255,950	$ 2,431,690	$ 2,447,011	$ 240,629
Receivables	54,854	5,042	9,125	50,771
Prepaid Items	3,064	45	3,064	45
Total Assets	$ 313,868	$ 2,436,777	$ 2,459,200	$ 291,445
LIABILITIES:				
Vouchers Payable	$ 49,255	$ 2,245,909	$ 2,219,364	$ 75,800
Deposit Payable	7,015	-	-	7,015
Due to Agencies	257,598	-	48,968	208,630
Total Liabilities	$ 313,868	$ 2,245,909	$ 2,268,332	$ 291,445
4TH JULY CELEBRATION COMMITTEE				
ASSETS:				
Cash	$ 25,896	$ 44,312	$ 45,406	$ 24,802
Total Assets	$ 25,896	$ 44,312	$ 45,406	$ 24,802
LIABILITIES:				
Vouchers Payable	$ -	$ 340	$ -	$ 340
Due to Agencies	25,896	22,650	24,084	24,462
Total Liabilities	$ 25,896	$ 22,990	$ 24,084	$ 24,802
DOVER LIBRARY FOUNDATION				
ASSETS:				
Cash	$ 171,564	$ 362,496	$ 534,060	$ -
Prepaid Items	76	-	76	-
Total Assets	$ 171,640	$ 362,496	$ 534,136	$ -
LIABILITIES:				
Vouchers Payable	$ -	$ 41,314	$ 41,314	$ -
Due to Agencies	171,640	290,140	461,780	-
Total Liabilities	$ 171,640	$ 331,454	$ 503,094	$ -

(Continued)

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(Continued-Combining Statement of Changes in Assets & Liabilities all Agency Funds)

	BALANCE JUNE 30, 2012	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2013
TOTAL-ALL AGENCY FUNDS				
ASSETS:				
Cash & Investments	$ 453,410	$ 2,838,498	$ 3,026,477	$ 265,431
Receivables	54,854	5,042	9,125	50,771
Prepaid Items	3,140	45	3,140	45
Total Assets	$ 511,404	$ 2,843,585	$ 3,038,742	$ 316,247
LIABILITIES:				
Vouchers Payable	$ 49,255	$ 2,287,563	$ 2,260,678	$ 76,140
Deposit Payable	7,015	-	-	7,015
Due to Agencies	455,134	312,790	534,832	233,092
Total Liabilities	$ 511,404	$ 2,600,353	$ 2,795,510	$ 316,247

The notes to financial statements are an integral part of this statement

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STATISTICAL SECTION

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THIS SECTION OF THE CITY OF DOVER 'S COMPREHENSIVE ANNUAL FINANCIAL REPORT PRESENTS DETAILED INFORMATION AS A CONTEXT FOR UNDERSTANDING WHAT THE INFORMATION IN THE FINANCIAL STATEMENTS, NOTE DISCLOSURES, AND REQUIRED SUPPLEMENTARY INFORMATION SAYS ABOUT THE GOVERNMENT'S OVERALL FINANCIAL HEALTH.

STATISTICAL SECTION

This part of the City of Dover's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

REVENUE CAPACITY

These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

DEBT CAPACITY

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

OPERATING INFORMATION

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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

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Table 1

City of Dover
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities										
Invested in capital assets, net of related debt	$ 49,577,021	$ 49,642,124	$ 38,839,995	$ 35,742,504	$ 35,752,624	$ 35,255,463	$ 29,709,046	$ 27,056,161	$ 23,343,787	$ 21,824,685
Restricted	743,276	482,780	1,774,167	1,250,342	1,758,470	1,602,932	1,591,678	887,235	2,023,096	1,852,754
Unrestricted	(4,813,147)	(6,759,433)	(99,435)	4,820,682	9,536,614	15,155,125	13,849,061	11,590,341	7,431,716	4,067,810
Total governmental activities net position	45,507,150	43,365,471	40,514,727	41,813,528	47,047,708	52,013,520	45,149,785	39,533,737	32,798,599	27,745,249
Business-type activities										
Invested in capital assets, net of related debt	100,079,972	98,303,263	97,270,906	96,660,480	91,471,776	101,154,934	89,289,351	89,089,027	82,878,764	81,968,635
Restricted	34,665,736	33,836,315	34,148,330	31,302,487	34,372,050	23,758,183	29,762,946	33,801,000	32,620,056	36,010,001
Unrestricted	39,534,763	33,947,753	23,286,232	19,318,633	18,614,907	16,263,139	14,371,418	11,859,329	11,569,305	4,831,263
Total business-type activities net position	174,280,471	166,087,331	154,705,468	147,281,600	144,458,733	141,176,256	133,423,715	134,749,356	127,068,125	122,809,899
Primary government										
Invested in capital assets, net of related debt	149,656,993	147,945,387	136,110,901	132,402,984	127,224,400	136,410,397	118,998,397	116,145,188	106,222,551	103,793,320
Restricted	35,409,012	34,319,095	35,922,497	32,552,829	36,130,520	25,361,115	31,354,624	34,688,235	34,643,152	37,862,755
Unrestricted	34,721,616	27,188,320	23,186,797	24,139,315	28,151,521	31,418,264	28,220,479	23,449,670	19,001,021	8,899,073
Total primary government net position	$ 219,787,621	$ 209,452,802	$ 195,220,195	$ 189,095,128	$ 191,506,441	$ 193,189,776	$ 178,573,500	$ 174,283,093	$ 159,866,724	$ 150,555,148

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City of Dover
Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental activities:										
General government	$ 1,426,396	$ 905,382	$ 836,668	$ 1,472,104	$ 1,384,276	$ 1,855,983	$ 1,510,308	$ 1,248,124	$ 1,180,327	$ 1,474,045
Public safety	12,319,713	12,533,566	13,879,609	14,509,849	15,120,737	15,929,187	16,357,692	16,848,343	17,638,304	17,989,463
Public Works	4,536,928	4,547,747	4,493,296	4,791,235	4,355,206	7,539,463	7,115,319	6,257,946	8,135,172	6,099,484
Library and recreation	1,371,944	1,706,743	1,309,601	1,875,872	2,108,664	2,417,236	2,265,205	2,731,492	2,377,363	2,313,048
Community and economic development	545,899	711,743	600,907	639,545	497,914	724,555	2,228,744	1,173,546	773,208	939,966
Central services	297,857	236,451	447,877	552,042	586,274	550,886	544,611	599,498	469,385	454,816
Financial administration	1,902,719	1,582,911	1,774,380	1,588,425	1,425,074	2,557,465	2,353,180	2,463,426	1,146,524	1,122,830
Other post-employment benefits	-	-	-	-	-	2,441,541	2,843,480	6,142,627	6,534,630	5,119,778
Interest on long-term debt	224,155	129,352	118,130	106,815	82,657	87,491	78,581	75,397	90,161	114,785
Total governmental activities expenses	22,625,611	22,353,895	23,460,468	25,535,887	25,560,802	34,103,807	35,297,120	37,540,399	38,345,074	35,628,215
Business-type activities										
Water and Sewer	9,291,404	8,678,186	9,263,236	9,846,771	10,387,198	11,196,913	11,971,445	10,912,722	11,068,607	10,905,358
Electric	53,387,490	56,384,796	58,620,196	88,297,987	88,442,048	94,475,940	90,940,056	90,296,244	77,625,673	74,595,585
Total business-type activities	62,678,894	65,062,982	67,883,432	98,144,758	98,829,246	105,672,853	102,911,501	101,208,966	88,694,280	85,500,943
Total primary government expenses	85,304,505	87,416,877	91,343,900	123,680,645	124,390,048	139,776,660	138,208,621	138,749,365	127,039,354	121,129,158
Program Revenues										
Governmental activities:										
Charges for services:										
General government	1,117,648	1,209,067	1,428,996	1,683,817	1,603,935	1,426,972	1,307,296	1,503,243	4,043,168	2,463,437
Public safety	2,956,135	3,684,792	4,487,028	4,499,315	4,571,911	4,358,641	4,309,516	4,682,687	4,803,827	4,240,847
Public works	1,083,894	1,081,064	1,253,313	1,312,328	1,334,492	1,396,801	1,340,729	2,173,434	1,903,623	2,624,877
Library and recreation	443,925	447,948	549,959	1,100,412	788,875	715,404	650,283	632,861	632,824	656,001
Operating grants and contributions	2,090,106	2,267,722	3,156,369	3,108,545	2,511,244	2,758,194	3,813,842	5,032,926	2,654,051	2,914,696
Capital grants and contributions	1,154,728	1,983,669	500,103	790,612	647,724	1,090,838	169,130	856,338	6,292,303	2,107,444
Total governmental activities program revenues	8,846,436	10,674,262	11,375,768	12,495,029	11,458,181	11,746,850	11,590,796	14,881,489	20,329,796	15,007,302

(Continued)

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(Table 2 Continued - Changes in Net Position)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Business-type activities										
Charges for services:										
Water and Sewer	10,454,520	10,804,685	12,224,877	11,819,643	12,158,812	11,319,027	11,531,595	14,033,678	13,775,833	13,387,706
Electric	59,476,870	63,303,032	68,005,332	87,014,071	96,858,790	101,420,982	100,278,474	101,902,619	93,529,401	90,685,693
Capital Contributions	211,390	368,740	272,000	705,572	2,078,040	-	392,855	997,750	441,285	-
Total business-type activities program revenues	70,142,780	74,476,457	80,502,209	99,539,286	111,095,642	112,740,009	112,202,924	116,934,047	107,746,519	104,073,399
Total primary government program revenues	80,817,042	85,852,225	92,997,238	110,997,467	122,842,492	124,330,805	123,793,720	137,263,843	128,076,315	119,080,701
Net (expense)/revenue:										
Governmental activities	(11,679,633)	(12,084,700)	(13,040,858)	(14,102,621)	(22,356,957)	(22,356,957)	(23,706,324)	(18,015,278)	(18,015,278)	(20,620,913)
Business-type activities	5,079,798	6,593,025	(17,642,549)	710,040	5,422,789	7,067,156	9,291,423	28,239,767	19,052,239	18,572,456
Total primary government net revenue (expense)	(6,599,835)	(5,491,675)	(30,683,407)	(13,392,581)	(16,934,168)	(15,289,801)	(14,414,901)	10,224,489	1,036,961	(2,048,457)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	7,183,124	7,370,318	8,792,652	9,032,995	9,557,982	10,075,401	10,029,584	10,904,908	11,050,198	11,126,395
Transfer taxes	1,627,172	2,379,548	3,048,064	3,008,371	3,515,422	1,197,425	867,692	1,461,983	1,373,103	1,107,686
Gain (loss) on sale of capital assets	-	3,750	-	-	-	-	-	-	-	-
Investment earnings	97,171	332,853	640,381	1,230,540	726,683	585,264	268,748	137,218	141,925	36,793
Transfers	6,636,740	6,611,024	6,338,741	5,385,000	7,166,269	5,533,055	7,306,120	8,856,000	8,300,796	10,491,718
Total governmental activities	15,544,207	16,697,493	18,819,838	18,656,906	20,966,356	17,391,145	18,472,144	21,360,109	20,866,022	22,762,592
Business-type activities:										
Gain (loss) on sale of capital assets	16,213	(13,264)	(127,477)	-	-	-	-	-	-	-
Investment earnings	198,661	1,312,098	1,528,672	2,664,831	2,652,414	1,748,376	837,564	554,787	630,420	112,402
Transfers	(6,636,740)	(6,611,024)	(6,338,741)	(5,385,000)	(7,166,269)	(5,533,055)	(7,306,120)	(8,856,000)	(8,300,796)	(10,491,718)
Total business-type activities	(6,421,866)	(5,312,190)	(4,937,546)	(2,720,169)	(4,513,855)	(3,784,679)	(6,468,556)	(8,301,213)	(7,670,376)	(10,379,316)
Total primary government	9,122,341	11,385,303	13,882,292	15,936,737	16,452,501	13,606,466	12,003,588	13,058,896	13,195,646	12,383,276
Change in Net Position										
Government activities	3,864,574	4,612,793	5,778,980	4,554,285	(1,390,601)	(4,965,812)	(5,234,180)	3,344,831	2,850,744	2,141,679
Business-type activities	(1,342,068)	1,280,835	(22,580,095)	(2,010,129)	908,934	3,282,477	2,822,867	19,938,554	11,381,863	8,193,140
Total primary government	$ 2,522,506	$ 5,893,628	$(16,801,115)	$ 2,544,156	$ (481,667)	$ (1,683,335)	$ (2,411,313)	$ 23,283,385	$ 14,232,607	$ 10,334,819

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Table 3

City of Dover
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Reserved	$ 720,698	$ 1,099,450	$ 2,158,007	$ 2,023,169	$ 528,145	$ 709,817	$ 315,580	$ -	$ -	$ -
Unreserved	3,729,125	4,156,574	6,515,829	7,046,831	9,387,795	8,305,396	7,242,323	-	-	-
Non-spendable	-	-	-	-	-	-	-	191,567	198,175	227,457
Restricted	-	-	-	-	-	-	-	85,070	83,356	131,237
Committed	-	-	-	-	-	-	-	3,484,203	920,475	936,899
Assigned	-	-	-	-	-	-	-	614,559	658,890	3,519,012
Unassigned	-	-	-	-	-	-	-	3,385,209	3,007,983	3,391,714
Total General Fund	4,449,823	5,256,024	8,673,836	9,070,000	9,915,940	9,015,213	7,557,903	7,760,608	4,868,879	8,206,319
All other governmental funds										
Special revenue funds										
Unreserved	2,119,882	2,984,929	2,829,793	5,248,929	5,180,097	881,332	872,309	-	-	-
Non-spendable	-	-	-	-	-	-	-	4,203	13,099	-
Restricted	-	-	-	-	-	-	-	764,512	399,424	590,445
Assigned	-	-	-	-	-	-	-	289,221	171,381	123,349
Total all other governmental funds	2,119,882	2,984,929	2,829,793	5,248,929	5,180,097	881,332	872,309	1,057,936	583,904	713,794
Total fund balances	$ 6,569,705	$ 8,240,953	$ 11,503,629	$ 14,318,929	$ 15,096,037	$ 9,896,545	$ 8,430,212	$ 8,818,544	$ 5,452,783	$ 8,920,113

NOTE
The fiscal years prior to 2011 show fund balances as they were classified and reported prior to GASB 54.

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Table 4

City of Dover
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Fines	$ 619,493	$ 1,117,440	$ 1,759,979	$ 1,314,246	$ 1,262,180	$ 1,323,041	$ 1,418,354	$ 1,665,496	$ 1,202,615	$ 912,004
Library revenue	333,157	346,652	451,705	989,006	517,697	514,458	465,387	444,455	475,822	471,065
Licenses and permits	2,017,287	2,251,091	2,465,845	2,689,348	2,916,749	2,599,948	2,424,768	2,417,363	2,816,866	2,548,913
Sanitation fees and rebates	1,083,894	1,081,064	1,253,313	1,293,399	1,333,436	1,396,801	1,340,729	2,173,434	1,903,623	2,624,877
Recreation	-	-	-	12,793	34,111	47,079	36,100	44,292	44,522	40,446
Miscellaneous services	988,511	916,244	996,174	1,367,960	1,351,160	1,278,251	1,247,096	1,480,845	3,940,294	2,470,200
Taxes	8,810,296	9,749,866	11,840,716	12,041,366	13,073,404	11,272,826	10,897,276	12,366,891	12,462,532	12,333,520
Grants	3,244,834	2,812,082	3,919,800	4,550,607	3,148,194	3,513,365	4,482,259	5,551,175	8,909,758	5,119,089
Court of Chancery fees	559,260	710,380	792,280	929,120	883,880	738,240	675,390	766,340	863,220	917,700
Investment income	95,127	315,642	603,451	1,154,829	638,782	513,873	237,631	112,722	117,405	45,198
Total revenues	17,751,859	19,300,461	24,083,263	26,342,674	25,159,593	23,197,882	23,224,990	27,023,013	32,736,657	27,483,012
Expenditures										
General government	693,874	902,139	836,419	1,000,622	1,319,774	1,661,742	1,525,854	1,348,911	1,093,772	1,107,122
Library services	1,132,413	1,144,289	1,162,301	1,253,300	1,391,974	2,150,585	1,951,347	4,369,578	13,518,569	5,514,217
Public safety	11,755,081	12,432,257	13,922,271	15,055,746	15,068,451	15,680,044	15,948,298	16,139,953	17,001,619	18,048,642
Public works	2,864,345	2,478,911	3,340,643	2,551,962	2,928,236	3,219,659	2,504,061	2,535,060	2,074,061	1,758,405
Recreational services	486,789	617,624	705,241	1,452,987	2,699,725	869,134	746,868	834,124	827,230	651,341
Streets and sanitation services	2,957,758	2,711,775	3,242,649	3,018,222	3,675,282	3,279,188	3,181,025	3,383,465	3,280,165	2,990,430
Engineering services	225,658	253,299	289,208	314,728	-	-	-	-	-	-
Financial administration	597,973	687,450	725,963	829,002	1,055,619	1,009,240	895,570	866,314	902,009	909,877
Garage and stores	382,851	418,710	417,202	402,915	486,966	491,450	526,286	490,113	503,036	431,542
Insurance	203,997	168,430	153,202	165,584	176,947	199,643	197,723	203,343	198,241	241,395
Retiree health care lump sum	541,715	590,587	645,457	736,286	758,185	3,265,857	1,006,397	1,297,509	1,614,241	1,620,600
Employee pension unfunded liability	-	-	-	402,204	134,775	-	-	1,544,978	1,545,000	1,693,500
Street lights	470,110	534,682	545,426	624,243	917,438	937,013	956,860	968,562	986,430	878,760
Community and economic development	545,899	711,743	600,907	639,545	497,914	724,555	2,228,744	1,173,546	773,208	939,966
Miscellaneous	-	16,000	-	-	-	-	-	-	-	-

(Continued)

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(Table 4 - Continued Changes in Fund Balances of Governmental Funds)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenditures										
Debt service										
Principal	668,341	490,171	464,480	368,384	350,000	365,000	260,000	270,000	275,000	296,003
Interest	217,374	121,350	107,959	96,644	87,468	77,319	68,410	65,225	52,734	73,071
Other charges (Issuance of debt)	122,387	-	-	-	-	-	-	-	27,255	1,029
Total expenditures	24,675,998	27,198,410	29,019,785	31,576,314	33,925,578	32,111,352	35,483,866	44,652,806	44,672,570	37,155,900
Excess of revenues over(under) expenditures	(5,375,537)	(3,115,147)	(2,677,111)	(6,416,721)	(10,727,696)	(10,732,547)	(8,772,453)	(11,916,149)	(11,935,913)	(9,672,888)
Other financing sources (uses)										
Bond proceeds	3,430,000	-	-	-	-	-	-	-	851,500	2,648,500
Transfers in	8,249,757	8,965,067	8,850,767	8,316,722	12,369,176	12,683,925	9,156,575	12,420,329	10,959,204	12,666,208
Transfers out	(1,928,012)	(2,354,043)	(2,512,026)	(2,931,722)	(5,202,907)	(7,150,870)	(1,850,455)	(3,564,329)	(2,658,408)	(2,174,490)
Payments to refunded bond escrow agent	(3,244,281)	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	3,750	-	-	-	-	-	-	-	-
Total other financing sources (uses)	6,507,464	6,614,774	6,338,741	5,385,000	7,166,269	5,533,055	7,306,120	8,856,000	9,152,296	13,140,218
Net change in fund balances	$ 1,131,927	$ 3,499,627	$ 3,661,630	$ (1,031,721)	$ (3,561,427)	$ (5,199,492)	$ (1,466,333)	$ (3,060,149)	$ (2,783,617)	$ 3,467,330
Debt service as a percentage of noncapital expenditures	4.53%	2.43%	2.25%	1.66%	1.49%	1.42%	1.05%	0.85%	1.07%	1.14%
Capital outlay included in total expenditures (1)	$ 2,425,801	$ 2,084,385	$ 3,523,649	$ 3,554,679	$ 4,559,625	$ 2,698,627	$ 2,434,391	$ 5,296,536	$ 13,927,288	$ 4,872,122

NOTES

(1) Capital outlay has been included in functional expenditures. Debt service as a percentage of non-capital expenditures excludes capital outlay expenditures.

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Table 5

City of Dover
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Property Tax	Transfer Tax	Total
2004	$7,183,124	$1,627,172	$8,810,296
2005	7,370,318	2,379,548	9,749,866
2006	8,792,652	3,048,064	11,840,716
2007	9,032,995	3,008,371	12,041,366
2008	9,557,982	3,515,422	13,073,404
2009	10,075,401	1,197,425	11,272,826
2010	10,029,584	867,692	10,897,276
2011	10,904,908	1,461,983	12,366,891
2012	11,050,198	1,373,103	12,423,301
2013	11,126,395	1,107,686	12,234,081

NOTES

1. Property Tax rate $.3378 of 100% assessed value (See Table 6 for tax rates) includes payments in lieu of taxes, farm land roll back and penalties.

2. Transfer Taxes equal 1.5% of the real property sales value.

3. Assessed value by major component not available. (See Table 6 for total assessed value.)

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Table 6

City of Dover, Delaware
Assessed and Estimated Actual Value
of Taxable Property Last Ten Fiscal Years

REAL PROPERTY

Fiscal Year	Total Assessed Value	Less: Exempt Properties	Total Taxable Assessed Value	Estimated Actual Value	Ratio of Total Taxable Value to Total Assessed Value	Direct Tax Rate
2004	$ 2,576,251,900	$ 841,436,800	$ 1,734,815,100	$ 2,576,251,900	67.34%	0.4110
2005	2,605,638,000	841,290,300	1,764,347,700	2,605,638,000	67.71%	0.4110
2006	3,146,043,800	618,735,300	2,527,308,500	3,146,043,800	80.33%	0.3300
2007	3,516,580,775	618,433,400	2,898,147,375	3,516,580,775	82.41%	0.3300
2008	3,406,762,915	616,277,700	2,790,485,215	3,406,762,915	81.91%	0.3300
2009	4,124,562,920	1,225,269,600	2,899,293,320	4,124,562,920	70.29%	0.3300
2010	4,139,869,700	1,232,858,580	2,907,011,120	4,139,869,700	70.22%	0.3300
2011	4,363,518,360	1,226,879,300	3,136,639,060	4,363,518,360	71.88%	0.3378
2012	4,469,369,160	1,300,061,400	3,169,307,760	4,469,369,160	70.91%	0.3378
2013	4,510,303,860	1,328,807,500	3,181,496,360	4,510,303,860	70.54%	0.3378

Source: Tax Assessor's Office, City of Dover.

NOTES

1. There is no tax on personal properties. Therefore, no figures are presented.

2. In 2003 the City changed assessed values to 100% of estimated actual values from 60%. In doing so, the tax rate was lowered from $ .685 to $ .411. Had the tax rate been rolled back to a revenue nuetral rate, the rate would have been $ .3310. The revised rate represents an $ .08 increase.

3. In 2005, the City property values were reassessed, effective for tax year 2006. The tax rate was lowered from $ .411 to $ .330. Had the tax rate been rolled back to a revenue nuetral rate, the rate would have been $ .310. The revised rate represents a $ .02 increase.

4 In 2010, the City property values were reassessed, effective for tax year 2011. The tax rate was increased from $ .330 to $ .3378. Had the tax rate been rolled back to a revenue nuetral rate, the rate would have been $ .3108. The revised rate represents a $ .027 rate increase.

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Table 7

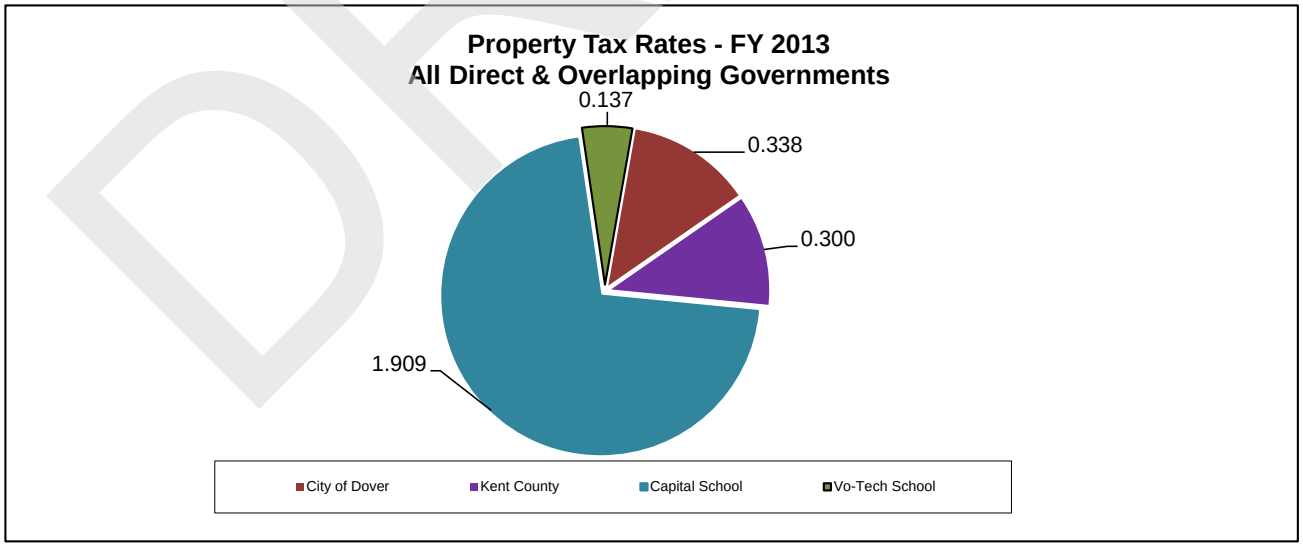
NOTES

1. Section 48 of the City of Dover charter provides that the amount of money to be raised through property taxes shall not exceed 2% of the total taxable assessment.
2. Kent County Property tax rates reflect the 1987 reappraisal of properties in Kent County.
3. The City of Dover reassessed property values and "rolled back" the tax rate in 2006.
4. In 2010, the City property values were reassessed, effective for tax year 2011 Tax rate increased to $ .3378

City of Dover, Delaware
Property Tax Rates - All Direct and Overlapping Governments with the Capital School District
(Per $100 of Assessed Value)
Last Ten Fiscal Years

Fiscal Year	Direct City of Dover	Overlapping Kent County	Overlapping Capital School District	Overlapping Vo-Tech School District	Total Direct & Overlapping	
2004	$ 0.4110	$ 0.250	$ 1.173	$ 0.0870	$ 1.921	
2005	0.4110	0.250	1.403	0.0887	2.153	*
2006	0.3300	0.250	1.459	0.1180	2.157	*
2007	0.3300	0.250	1.534	0.1160	2.230	*
2008	0.3300	0.250	1.480	0.1219	2.182	
2009	0.3300	0.310	1.543	0.1219	2.305	
2010	0.3300	0.310	1.769	0.1304	2.539	
2011	0.3378	0.300	1.832	0.1351	2.605	
2012	0.3378	0.300	1.832	0.1351	2.605	
2013	0.3378	0.300	1.909	0.1372	2.684	

Sources: Tax Assessor's Office - City
Receiver of Taxes Office - Kent County
* Corrected Capital School District & Vo-tech tax rates



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Table 8

City of Dover, Delaware
Principal Tax Payers
Current Year and Nine Years Ago

TAX PAYERS	2013 ASSESSED VALUATION	RANK	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUATION	2004 ASSESSED VALUATION	RANK	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUATION
Dover Downs Prop, Inc.	$146,847,600	1	4.62%	$87,257,686	1	5.12%
Dover Mall LP/Dover Commons	80,921,800	2	2.54%	45,018,200	2	2.64%
Dover Medical Center	27,270,100	3	0.86%	-	-	-
Dover South Coast Partnership	25,035,100	4	0.79%	9,777,500	9	0.57%
Kraft-General Foods Corp.	19,565,300	5	0.61%	31,425,800	3	1.84%
Robino Bay Court Plaza	14,400,000	6	0.45%	6,593,000	-	-
Berks City Real Estate LLC	13,492,400	7	0.00%	7,635,700	-	-
Millers Dover Downs	13,463,600	8	0.42%	4,632,200	-	-
G & I VA Dover Country Club LLC	13,176,500	9	0.41%	7,184,200	-	-
McKee Road Business Park LLC	12,774,400	10	0.40%	8,821,700	-	-
Del-Homes Catalog Group	-	-	-	9,241,600	10	0.54%
Dover Wipes	-	-	-	20,965,800	4	1.23%
K.W. Lands/Sheraton/Hampton	-	-	-	9,987,300	8	0.59%
Playtex Apparel Inc.	-	-	-	10,812,400	7	0.63%
Energizer(was Playtex Products Inc.)	-	-	-	13,724,600	5	0.80%
Woodmill Capital Advisors LLC	-	-	-	12,367,200	6	0.73%
	$366,946,800		11.11%	$285,444,886		14.69%

Source: Tax Assessor's Office, City of Dover

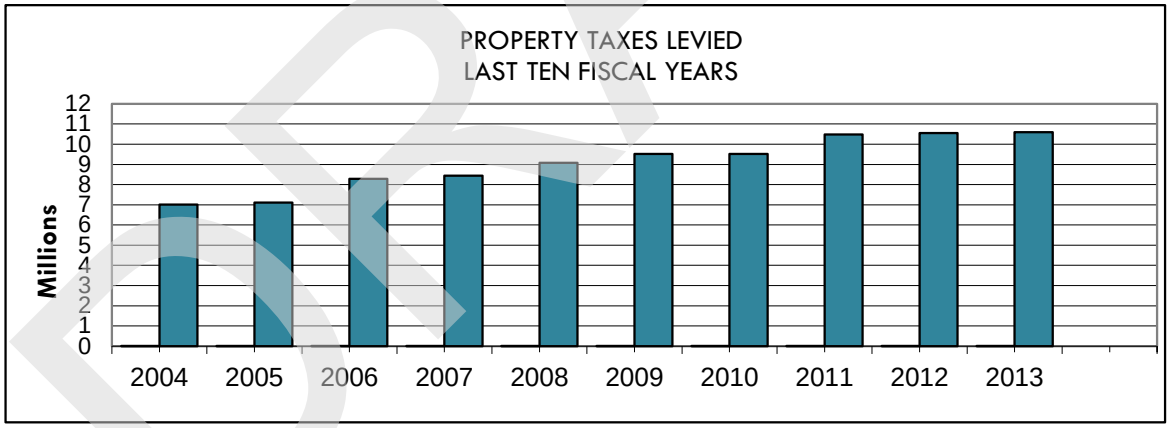
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Table 9

City of Dover, Delaware
Property Tax Levies
and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Collected Within the Fiscal Year of the Levy	Collection as Percentage of Levy	Collected in Subsequent Years	Total Collections to Date	Collection as Percentage of Levy
2004	$ 7,011,906	$ 6,941,843	99.0%	$ 70,063	$ 7,011,906	100.00%
2005	7,109,977	6,941,217	97.6%	168,750	7,109,967	100.00%
2006	8,287,536	8,081,411	97.5%	206,125	8,287,536	100.00%
2007	8,448,462	8,242,898	97.6%	204,732	8,447,630	99.99%
2008	9,074,777	8,937,384	98.5%	135,399	9,072,783	99.98%
2009	9,512,522	9,206,158	96.8%	296,166	9,502,324	99.89%
2010	9,525,034	9,314,327	97.8%	202,280	9,516,607	99.91%
2011	10,481,734	10,166,681	97.0%	236,992	10,403,673	99.26%
2012	10,549,631	10,280,930	97.5%	229,452	10,510,382	99.63%
2013	10,594,623	10,398,888	98.2%	-	10,398,888	98.15%

Source: City of Dover Assessor & Customer Service Reports.



NOTES

1. Section 48 of the City of Dover charter provides that the maximum budget to be raised through property taxes shall not exceed 2% of the total taxable assessment.

2. Total Tax Levy represents the annual tax billings, quarterly billings and adjustments from tax appeals.

3. The table excludes payments in lieu of taxes and farm land roll back taxes.

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Table 10

City of Dover
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities		Business-type Activities						
Fiscal Year	General Obligation Bonds	Capital Leases	Water/Sewer Revenue Bonds	Electric Revenue Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita	Population
2004	$ 3,685,113	$ 313,035	$ 9,376,999	$ 22,400,030	$ 309,915	$ 36,085,092	5.7%	1,116	33,829
2005	3,363,115	152,864	8,087,613	21,496,483	161,836	33,261,911	5.3%	1,037	33,829
2006	3,038,286	-	6,752,131	19,741,258	68,892	29,600,567	4.7%	914	34,288
2007	2,703,457	-	5,391,320	18,115,568	-	26,210,345	4.1%	807	35,197
2008	2,363,628	-	4,769,332	16,439,872	-	23,572,832	3.7%	690	35,200
2009	2,008,800	-	4,126,124	36,690,524	-	42,825,448	6.3%	1,200	36,359
2010	1,758,971	-	3,765,547	34,543,730	-	40,068,248	5.7%	1,112	36,627
2011	1,499,143	-	7,913,384	30,033,446	-	39,445,973	4.9%	1,070	37,341
2012	2,085,815	-	10,865,354	27,995,025	-	40,946,194	5.0%	1,122	36,492
2013	4,478,997	-	10,926,717	26,110,000	-	41,515,714	5.0%	1,138	36,492

Source: City of Dover Financial Records

Population Source: Delaware Population Consortium Annual Population Projections

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Table 11

City of Dover, Delaware
Ratio of Net General Obligation Bonded Debt
To Assessed Value and Net Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year		Population	Assessed Value	Gross Bonded Debt	Net Bonded Debt	Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita
2004		32,043	$ 1,734,815,100	$ 3,805,000	$ 3,805,000	0.22%	118.75
2005		32,043	2,527,308,500	3,140,000	3,140,000	0.12%	97.99
2006		32,043	2,898,147,375	2,795,000	2,795,000	0.10%	87.23
2007	(2)	32,043	2,790,485,215	2,445,000	2,445,000	0.09%	76.30
2008	(2)	32,043	2,879,943,320	2,080,000	2,080,000	0.07%	64.91
2009	(2)	32,043	2,907,011,120	1,550,000	1,550,000	0.05%	48.37
2010	(2)	36,047	3,136,639,060	1,550,000	1,550,000	0.05%	43.00
2011	(2)	36,047	3,169,307,760	1,499,143	1,499,143	0.05%	41.59
2012	(2)	36,047	3,169,307,760	2,085,815	2,085,815	0.07%	57.86
2013	(2)	36,047	3,181,496,360	4,478,997	4,478,997	0.14%	124.25

Source: City of Dover Financial Records, Tax Assessor's Office and Planning's Census information.

NOTES

1. This table includes all long-term general obligation bonded debt only. The Enterprise Funds have no general obligation debt.

2. Assessed value reflects the net billable tax base and does not include the exempt value, exemption for Senior Citizens and exemption for disability.

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Table 12

City of Dover, Delaware
Ratio of Annual Debt Service Expenditures for
General Bonded Debt to Total General Expenditures
Last Ten Fiscal Years

Fiscal Year	Principal	Interest	Total Debt Service	Total General Expenditures(1)	Ratio of Debt Service to Total General Expenditures
2004	$ 485,000	$ 200,740	$ 685,740	$ 26,084,149	2.63%
2005	330,000	110,371	440,371	27,912,865	1.58%
2006	335,000	103,718	438,718	30,169,206	1.45%
2007	345,000	96,232	441,232	34,651,840	1.27%
2008	350,000	87,468	437,468	35,703,156	1.23%
2009	365,000	77,319	442,319	33,766,292	1.31%
2010	260,000	68,410	328,410	32,786,465	1.00%
2011	270,000	65,225	335,225	38,898,945	0.86%
2012	275,000	52,734	327,263	47,743,864	0.69%
2013	296,003	73,071	369,074	40,517,512	0.91%

Source: City of Dover Financial Records.

NOTES

1. The General Expenditures include all operating items, capital items and debt service.

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Table 13

City of Dover, Delaware
Computation of Direct and Overlapping Debt
with the Capital School District
June 30, 2013

Jurisdiction	Net Debt Outstanding	Percentage Applicable to City of Dover	Amount Applicable to City of Dover
City of Dover	$ 4,478,997	100%	$ 4,478,997
Kent County [1]	49,035,043	6%	2,942,103
Capital School District [2]	74,853,725		-
TOTAL	$ 128,367,765		$ 7,421,100

Sources: City of Dover Financial Records, Kent County Levy Court - Accounting Department and Capital School District - Administration Department.

NOTES

1. Kent County: Total debt for Kent County is $49,035,043 at June 30, 2013. Although, Kent County's bonds are general obligation bonds, $43,969,906 is payable from the Kent County Sewer Fund(s) or other committed sources.

2. Capital School District: As of June 30, 2013 the net outstanding debt was $74,853,725. Percentage and amount applicable to the City is not available.

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Table 14

City of Dover, Delaware
Computation of Legal Debt Margin
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt Limit	$ 433,704	$ 441,087	$ 631,827	$ 724,537	$ 697,621	$ 144,965	$ 144,341	$ 155,838	$ 156,429	$ 159,075
Net (Taxable) Assessed Value on Books	1,734,815	1,764,348	2,527,309	2,898,147	2,790,485	2,899,293	2,886,826	3,116,765	3,128,586	3,181,496
Total Net Debt applicable to limit	3,805	3,475	3,140	2,795	2,445	2,080	1,820	1,550	2,127	4,479
Legal debt margin	$ 429,899	$ 437,612	$ 629,848	$ 721,742	$ 695,176	$ 142,885	$ 142,521	$ 154,288	$ 154,302	$ 154,596
Total Net Debt applicable to limit as a percentage of debt limit	0.89%	0.79%	0.50%	0.39%	0.35%	1.46%	1.28%	1.00%	1.38%	2.90%

Legal Debt Margin Calculation for Fiscal Year 2013

Net (Taxable) Assessed Value on Books	$ 3,181,496
Debt Limit - 5 Percent of Total Assessed Value	$ 159,075
DEBT (For which the City's full faith and credit has been pledged)	
Gross Bonded Debt	4,479
LEGAL DEBT MARGIN	$ 154,596

Source: City of Dover Financial Reports, City of Dover Charter, Section 50(b), and Tax Assessor's Office
July 2009 the Charter was amended and the debt limit was reduced from 25% of the total assessed value to 5%.

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Table 15

City of Dover, Delaware
Revenue Bond Coverage - Electric Revenue Bonds
Last Ten Fiscal Years

Fiscal Year	Gross Revenue	Operating Expenses	Available For Debt Service	Debt Service Requirements of Each Fiscal Year			
				Principal	Interest	Total	Coverage
2004	$ 59,611,552	$ 47,393,103	$ 12,218,449	$ 1,255,000	$ 1,380,002	$ 2,635,002	4.64%
2005	63,467,514	51,505,300	11,962,214	1,335,000	1,115,728	2,450,728	4.88%
2006	68,377,892	53,839,945	14,537,947	1,855,000	910,256	2,765,256	5.26%
2007	87,606,858	83,006,505	4,600,353	1,730,000	859,048	2,589,048	1.78%
2008	97,354,991	82,132,360	15,222,631	1,780,000	828,076	2,608,076	5.84%
2009	101,562,292	89,853,449	11,708,843	1,840,000	1,753,447	3,593,447	3.26%
2010	100,316,323	86,089,451	14,226,872	2,260,000	1,716,134	3,976,134	3.58%
2011	102,734,764	84,195,802	18,538,962	2,370,000	1,609,192	3,979,192	4.66%
2012	93,650,277	71,607,021	22,043,256	2,060,000	1,260,054	3,320,054	6.64%
2013	90,876,162	68,546,508	22,329,654	2,110,000	1,205,554	3,315,554	6.73%

Source: City of Dover Financial Records.

NOTES

1. Coverage required by the bond resolution is 1.25%.

2. Calculation of gross revenue for fiscal year 2013 is as follows:

Gross Revenue:	
Operating Revenues	$ 90,685,693
Interest Earned-Operating Funds	190,469
Total Gross Revenue	$ 90,876,162

3. Direct operating expenses do not include depreciation expense.

4. Figures presented in this table compare the net revenue available for debt service to the debt service requirements of the same fiscal year.

5. In August 2004, the City issued Electric Revenue refunding bonds in the amount of $22,535,000 to refund the outstanding Electric Revenue Bonds Series 1990 and Electric Revenue Refunding Bonds Series 1993.

6. In July 2008, the City issued Electric Revenue bonds in the amount of $22,200,000. Fiscal year 2009 includes $1,026,999 of interest related to this bond issue.

7. In November 2011, the City issued Electric Revenue Refunding Bonds in the amount of $8,810,000 to refund the 2004 Series. This refunding reduced the principal payable by $2,620,000.

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Table 16

City of Dover, Delaware
Revenue Bond Coverage - Water/Wastewater Bonds
Last Ten Fiscal Years

Fiscal Year	Gross Revenue	Direct Operating Expenses	Net Revenue Available For Debt Service	Maximum Requirements: Maximum Debt Service Requirement	Actual Coverage
2004	$ 10,101,660	$ 7,608,196	$ 2,493,464	$ 1,553,713	1.60%
2005	10,619,688	7,223,283	3,396,405	1,553,713	2.19%
2006	12,372,563	7,805,396	4,567,167	1,551,228	2.94%
2007	12,294,847	8,242,898	4,051,949	797,748	5.08%
2008	11,594,402	8,763,407	2,830,995	797,748	3.55%
2009	11,067,901	9,510,814	1,557,087	797,708	1.95%
2010	11,204,911	10,319,728	885,183	416,423	2.13%
2011	13,758,048	9,222,105	4,535,943	416,423	10.89%
2012	13,647,145	9,063,553	4,583,592	993,837	4.61%
2013	13,282,782	8,841,757	4,441,025	1,019,315	4.36%

Source: City of Dover Financial Records.

NOTES

1. Coverage required by bond resolution is 1.20%.
2. The maximum debt service requirement presented above covers all revenue bond requirements. Rates were increased in 2011 for debt service coverage on multi-year projects that are still under construction. Once these projects are completed, debt service requirements will increase.
3. Direct operating expenses do not include depreciation expense for coverage purposes as per the bond indenture.
4. In October 2003, the City issued Water and Sewer Revenue Bonds in the amount of $7,980,000. These bonds were issued to fully defease Water and Wastewater Revenue Bond Series 1986 B and to partially defease Water and Wastewater Revenue Bond Series 1993 and Series 1993 A and to provide approximately $1,600,000 for future capital projects.

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Table 17

City of Dover
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2004	33,511	$ 651,621,395	$ 19,445	32.9	6,886	3.9%
2005	33,858	658,368,810	19,445	32.9	6,882	3.2%
2006	33,962	660,391,090	19,445	32.9	6,956	2.9%
2007	34,735	675,422,075	19,445	32.9	6,973	3.8%
2008	36,107	702,100,615	19,445	32.9	6,977	5.7%
2009	36,627	712,212,015	19,445	32.9	6,996	10.2%
2010	36,627	712,212,015	19,445	32.9	7,117	10.2%
2011	36,560	818,158,759	22,697	31.3	7,185	9.9%
2012	36,492	828,258,924	22,697	33.2	6,984	9.3%
2013	36,722	826,538,776	22,508	31.1	6,344	9.6%

Population Source: City Count
Personal Income Source: Estimation based on Population times Per Capita Personal Income
Per Capital Personal Income and Median Age Sources: American Community Survey 2006-2010 Dover, DE
Capital School Enrollment Source: includes kindergarten through 12th grade.
Unemployment Rate Source: Delaware Department of Labor Statistics adjusted yearly average

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Table 18

City of Dover, Delaware
Major Employers
FY 2013 and FY 2004

Name	2013 Numbers of Employees	2013 Rank	2013 Percentage of Total City Employment	2004 Number of Employees 06/30/2004	2004 Rank	2004 Percentage of Total City Employment
Dover Air Force Base [1]	6,504	1	32.8%	8,900	1	43.6%
State of Delaware	4,500	2	22.7%	8,791[3]	2	31.5%
Bayhealth Medical Center [2]	3,000	3	15.1%	2,754	4	13.5%
Dover Downs Co., Inc.	1,454	4	7.3%	896	7	4.4%
Dover Mall LP [3]	1,000	5	5.0%	3,200	3	11.7%
Capital School District	905	7	4.6%	750	8	3.7%
Delaware State University	958	6	4.8%	1,150	5	5.6%
Kraft Foods Inc.	633	8	3.2%	621	9	3.0%
Energizer Personal Care (Playtex Products)	499	9	2.5%	1,105	6	5.4%
Bank of America	-	-	-	650	10	3.2%
City of Dover	389	10	2.0%	378	11	1.9%
	19,842			20,404		

Source: City Economic Development Office

NOTES

1. Dover Air Force Base total includes active duty, reservists and civilian employees.
2. Number of employees working in Kent County.
3. Figures estimated by Employer.

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Table 19

City of Dover
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

	2004	2005	2006	2007	2008	2009*	2010	2011	2012	2013
Assessor	2.0	2.0	2.0	3.0	4.5	4.5	4.5	3.0	3.0	3.0
City Clerk	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
City Manager	3.0	3.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	3.0
Customer Services	16.0	16.0	14.0	16.0	16.0	16.0	16.0	15.0	14.0	14.0
Delaware Prevention Network	2.0	1.0	-	-	-	-	-	-	-	-
Facilities Management	13.0	13.0	12.0	12.0	13.0	13.0	13.0	13.0	12.0	9.0
Finance	7.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Fire	5.5	5.5	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Fleet Maintenance	5.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Human Resources	3.5	3.5	3.5	4.0	4.0	4.0	4.0	3.0	3.0	3.0
Information Technology	7.0	8.0	8.0	8.0	8.0	8.0	8.0	7.0	5.0	5.0
Library	17.0	17.0	17.0	17.0	18.0	18.0	18.0	17.5	12.0	13.0
Mayor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Parks and Recreation	5.0	5.0	5.0	5.0	8.0	8.0	8.0	8.0	6.0	5.0
Police Civilian	29.0	29.0	29.0	29.0	29.0	29.0	29.0	29.0	29.0	29.0
Police Law Enforcement	85.0	87.0	90.0	91.0	93.0	93.0	90.0	91.0	93.0	93.0
Procurement & Inventory aka Central Services	7.0	7.0	8.0	8.0	8.0	8.0	8.0	6.0	6.0	4.0
Public Services, Administration	4.0	4.0	4.0	4.0	5.0	4.0	4.0	4.0	5.0	6.0
Public Services, Inspections	14.5	14.5	15.0	15.0	16.0	7.0	7.0	7.0	7.0	7.0
Public Services, Life Safety	-	-	-	-	-	4.0	4.0	4.0	3.0	3.0
Public Services, Economic Development	-	-	-	-	-	3.0	3.0	3.0	3.0	3.0
Public Services, Weed and Seed	1.0	1.0	1.0	-	-	-	-	-	-	-
Planning	3.0	3.0	4.0	5.0	5.0	6.0	6.0	5.0	5.0	4.5
Code Enforcement	-	-	-	-	-	5.0	5.0	4.5	4.0	4.0
Community Development	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.5
Public Works, Grounds Maintenance	15.0	15.0	16.0	16.0	16.0	16.0	16.0	15.0	14.0	14.0
Public Works, Sanitation	13.0	13.0	13.0	13.0	13.0	13.0	13.0	12.0	13.0	11.0
Public Works, Streets	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	10.0
Public Works E & I	3.0	3.0	-	-	-	-	-	-	-	-
General Fund Total	277.5	281.5	283.5	288.0	298.5	301.5	298.5	289.0	279.0	269.0
Public Utilities, Electric Administration	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0	3.0
Public Utilities, Electric Engineering	18.5	19.5	20.5	20.5	12.5	12.5	12.5	10.0	10.0	10.0
Public Utilities, Electric System OPS	-	-	-	-	5.0	5.0	5.0	5.0	5.0	5.0
Public Utilities, Electric Meter Reading	5.0	5.0	5.0	5.0	5.0	4.0	4.0	3.0	3.0	3.0
Public Utilities, Electric Transmission and Distribution	29.0	29.0	29.0	29.0	28.0	28.0	28.0	25.0	25.0	24.0
Emergency Preparedness	-	-	-	-	-	-	-	-	-	-
Electric Tree Trimmers	-	-	-	-	-	-	-	-	-	-
Electric Fund Total	55.5	56.5	57.5	57.5	54.5	53.5	53.5	47.0	47.0	45.0
Public Utilities, Construction	8.0	8.0	8.0	8.0	7.0	7.0	7.0	6.0	6.0	5.0
Public Utilities, Wastewater Engineering	-	-	3.0	3.0	8.0	8.0	8.0	6.0	6.0	6.0
Public Utilities, Wastewater T & D	9.5	9.5	11.0	11.0	11.0	11.0	11.0	9.0	10.0	10.0
Public Utilities, Water T & D	4.5	4.5	5.0	5.0	5.0	5.0	5.0	4.0	4.0	5.0
Public Utilities, Water Treatment Plant	8.0	8.0	8.0	9.0	10.0	10.0	10.0	10.0	10.0	10.0
Water Meter Reading	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-	-	-
Water/Wastewater Fund Total	31.0	31.0	36.0	37.0	42.0	42.0	42.0	35.0	36.0	36.0
Total Full-Time Equivalents	364.0	369.0	377.0	382.5	395.0	397.0	394.0	371.0	362.0	350.0

Source: City of Dover Budget

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Table 20

City of Dover, Delaware
Operating Indicators and Capital Assets Used in Operations
Last Ten Fiscal Years

	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013
Date of Incorporation	Feb. 16, 1829	Feb. 16, 1829	Feb. 16, 1829	Feb. 16, 1829	Feb. 16, 1829	Feb. 16, 1829	Feb. 16, 1829	Feb. 16, 1829	Feb. 16, 1829	Feb. 16, 1829
Land area - Acres	14,571.35	14,714.60	14,674.58	14,914.27	14,904.90	14,904.90	14,909.33	14,909.33	14,909.33	14,909.33
Land area - Square Miles	22.7677	22.991	22.929	23.303	22.586	22.586	23.29	23.29	23.29	23.29
Total Miles of Street	150.69	152.96	153.76	155.62	159.62	159.62	159.62	158.94	162.81	164.08
City Maintained Miles of Streets	91.34	93.61	94.41	96.27	100.27	100.27	100.27	101.59	103.46	104.73
State Maintained Miles of Streets	59.35	59.35	59.35	59.35	59.35	59.35	59.35	57.35	59.35	59.35
Dover Population-U. S. Census data	32,043	32,043	32,043	32,043	32,043	32,043	32,043	36,047	36,047	36,047
Dover Population-City Count	33,829	33,829	34,288	35,197	35,200	36,359	36,627	37,341	36,492	36,722
Registered Voters	18,259	18,714	19,502	19,084	20,181	21,897	21,897	21,454	22,362	21,998
Electric Utility:										
Generating Units	4	4	4	4	4	4	4	4	4	4
Co-Generating Unit	0	0	0	1	1	1	1	1	1	1
	4	4	4	5	5	5	5	5	5	5
Generating Capacity	175 mw	175 mw	175 mw	176 mw	176 mw	175 mw	175 mw	175 mw	175 mw	175 mw
Co-Generating Capactiy	0 mw			16 mw	16 mw	16 mw	16 mw	16 mw	16 mw	16 mw
	175 mw	175 mw	175 mw	192 mw	192 mw	191 mw	191 mw	191 mw	191 mw	191 mw
Area of Service	68 sq. mi.	68 sq. mi.	68 sq. mi.	68 sq. mi.	68 sq. mi.	68 sq. mi.	68 sq. mi.	68 sq. mi.	68 sq. mi.	68 sq. mi.
Substations	16	16	16	15	15	15	15	15	15	15
High Peak Load	163 mw	160	160	176 mw	175 mw	155.656 mw	164.082 mw	162.6 mw	172 mw	171 mw
Customers:										
Residential	17,757	17,867	18,297	18,807	19,075	19,635	19,827	19,730	19,804	19,804
Commercial	2,915	2,813	3,280	3,535	3,602	3,096	3,141	3,140	3,103	3,103
Primary	33	32	32	38	38	41	41	42	43	43
Vapor Lights Only	874	867	867	872	880	850	843	820	811	811
69 KV Industrial	4	4	4	3	3	3	3	3	3	3
Municipal- Total number of meters	148	149	149	0	0	0	0	0	0	0
Total Customers Sales $	$57,151,810	$60,170,424	$63,844,353	$83,109,810	$94,037,212	$99,642,490	$93,195,907	$99,513,157	$91,947,980	$91,947,980
Total Customers Sales kWh	741,523,091	731,635,019	736,810,231	734,072,008	731,024,065	719,949,121	711,907,207	711,907,207	725,244,000	725,244,000
PowerSupply										
$	$37,675,178	$39,628,388	$41,871,486	$70,800,844	$68,831,697	$74,928,897	$72,695,602	$69,616,078	$77,079,848	$77,079,848
kWh	780,677,900	767,750,050	781,466,220	788,824,000	770,997,000	751,171,000	751,250,000	768,254,000	725,244,000	725,244,000
Fire Department:										
Stations	2	2	2	2	2	2	2	2	2	2
Officers	8	8	8	8	8	8	8	8	8	8
Firemen - Membership (Volunteers-Active)	100	100	100	100	100	80	120	100	100	100
Equipment	15	11	14	14	18	14	14	14	15	15

(Continued)

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Table 20
(Continued)

	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013
Parks and Recreation:										
Major Parks	3	3	3	3	3	3	3	3	3	3
Small Parks	23	22	22	22	22	22	22	22	24	24
Police Department:										
Station	1	1	1	1	1	1	1	1	1	1
Substation	0	0	0	0	0	0	0	0	0	0
Uniformed Personnel	85	87	88	90	92	92	90	93	93	93
Automobiles	74	79	71	66	66	66	66	67	78	75
Motorcycles	5	5	5	5	7	7	7	7	7	7
Motor Boats	1	1	1	1	1	1	1	1	0	0
Bicycles	5	4	4	4	4	4	4	4	12	12
Specialty Vehicles	5	5	6	6	6	6	7	7	7	7
Trailers	3	3	4	4	3	3	3	3	2	2
Public Library:										
Books	97,820	101,631	111,496	120,203	119,392	121,312	138,931	103,091	93,050	97,801
Audiovisual Materials (VCRs, DVDs, CDs, Cassettes, Recorded Books)	9,823	10,138	7,171	11,507	11,917	15,356	15,572	14,409	15,265	16,929
Members	46,318	48,626	39,202	37,036	37,587	39,354	36,534	33,466	32,717	34,308
Magazines Subscriptions	359	359	359	359	287	193	201	178	217	187
Newspapers	12	12	12	15	29	19	19	19	11	11
Circulation of Books	348,269	398,842	398,666	400,336	408,827	428,633	375,632	400,130	407,611	444,333
Electronic Downloads - Books	-	-	-	-	-	-	-	-	2,635	11,770
Should we add: # Xs Computer Used; wireless use; # programs & # in attendance; or other info submitted?										
Water Utility:										
Supply - Wells	22	22	22	22	22	22	22	22	22	22
Storage Tanks	6	6	6	6	6	6	6	6	6	6
Total Storage Capacity (Gallons)	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000
Water Mains (miles)	175	185 miles	176 miles	176 miles	196 miles	215.7 miles	215.7 miles	215.7 miles	217.5 miles	222.3
Average Day (Gallons Pumped)	5,149,613	4,898,000	5,218,000	4,721,174	4,974,526	4,429,115	4,474,063	4,656,334	4,405,923	4,245,153
Peak Day (Gallons)	7,400,000	8,421,000	8,358,000	8,672,000	9,278,000	8,058,000	6,756,000	8,620,000	8,620,000	7,169,000
Water Production (Gallons Pumped)	1,879,000,000	1,788,000,000	1,904,666,300	1,869,585,000	1,815,702,000	1,616,627,000	1,633,033,000	1,699,562,000	1,608,161,895	1,553,727,000
Total Water Consumption (Gallons Billable)	1,626,940,000	1,580,677,000	1,641,119,000	1,640,082,000	1,554,000,000	1,531,526,000	1,466,943,000	1,539,590,000	1,459,923,000	1,345,432,000
Avearge Day (Gallons Billable)	4,457,370	4,330,622	4,496,216	4,493,375	4,257,534	4,195,962	4,019,022	4,218,055	3,988,861	3,686,115
Number of Metered Customers	11,150	11,625	11,764	11,962	13,229	13,375	13,863	12,330	12,385	12,373
Number of New Connections	298	475	139	198	284	146	488	0	55	0
Wastewater Utility:										
Pumping Stations	34	34	38	42	42	42	42	42	40	40
Wastewater Mains	155 miles	160 miles	185 miles	185 miles	185 miles	185 miles	185 miles	185 miles	186.87 miles	186.87 miles
Average Day (Gallons Pumped)	5,708,000	5,127,000	4,241,798	4,631,172	4,202,974	4,115,281	5,389,524	4,230,586	4,379,033	4,312,742
Peak Day (Gallons Pumped)	7,000,000	5,983,000	Not Measured	Not Measured	Not Measured	Not Measured	Not Measured	Not Measured	Not Measured	Not Measured
Wastewater Discharge (Gallons Pumped)	2,083,000,000	1,871,000,000	1,548,256,115	1,722,795,930	1,538,796,919	1,502,077,732	1,965,547,000	1,544,249,000	1,598,347,045	1,574,151,000
Wastewater Discharge (Gallons Billable)	1,493,172,000	1,411,324,000	1,460,882,000	1,467,498,000	1,458,043,000	1,410,347,000	1,328,195,000	1,303,587,000	1,316,656,000	1,242,238,000
Average Day (Gallons Billable)	4,090,882	3,866,641	4,002,416	4,020,542	3,994,638	3,863,964	3,638,890	3,571,471	3,607,277	3,403,392
Number of New Connections	250	350	Not Available	Not Available	Not Available	146	488	0	55	5
Water Treatment Plant:										
Capacity	4.6 MGD	4.6 MGD	4.6 MGD	4.6 MGD	4.6 MGD	4.6 MGD	4.6 MGD	4.6 MGD	4.6 MGD	4.6 MGD
Sales to Customers:										
Water Fees	$3,769,635	$3,791,254	$4,289,413	$4,250,634	$4,203,972	$4,070,523	$4,274,966	$4,945,385	$4,707,918	$4,551,840
Wastewater Fees	$2,521,499	$2,719,577	$2,605,428	$2,619,013	$2,589,539	$2,351,885	$3,015,856	$3,694,020	$3,722,985	$3,564,615
Wastewater Adjustment	$2,743,359	$2,611,290	$3,865,683	$3,854,100	$4,109,166	$3,733,644	$3,100,547	$3,058,656	$3,050,127	$2,926,616

Sources: Various City departments

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City of Dover, Delaware
Summary of Insurance
as of June 30, 2013

TYPE OF COVERAGE	PROTECTION LIMIT IN DOLLARS	
Property		
Blanket Building & Contents	$157,343,818	$10,000 Deductible
(Special Form, RC, Agreed Amount)		
Earthquake	$2,000,000	$50,000 Deductible
Flood Zones X or C	$2,000,000	$50,000 Deductible
Flood Zones		
(Zones unidentifiable)	$100,000	$50,000 Deductible
Zones located A, B Shaded X, V & D are excluded		
Blanket Business Earnings	$200,000	
& Expense		
Accounts Receivable	$250,000	
Civil Authority - 30 days		
Claims Expense (Inv/Appraisals)	$25,000	
Covered Leasehold Interest	$100,000	
Debris Removal	$250,000	
Deferred Payments	$25,000	
Electronic Vandalism	$10,000	
EDP Data & Media	$50,000	$1,000 Deductible
Employee Tools ($2,500 item)	$25,000	
Expediting Expenses	$250,000	
Exhibitions (Property Damage)	$50,000	
Extra Expense	$25,000	
Fine Arts	$250,000	
Fire Dept Services Charge - Included		
Fungus, Wet Rot, Bacteria	$25,000	
Furs, Fur Garments	$25,000	
Jewelry, gold, Silver, Platinum	$25,000	
Green Bldg Alternatives	$25,000	
Loss of Master Key	$25,000	
Newly Acquired or Constructed		
Real Property (180 days)	$2,000,000	
Non-Owned Detached		
Trailers	$25,000	
Ord & Law Coverage A	$250,000	
Ord & Law Coverage B	$250,000	
Ord & Law Coverage D - Included up to Extra Expense Limit		
Outdoor Property	$250,000	
Outside Signs –Described – Prem	$100,000	
Personal Effects	$250,000	
Personal Prop at Undescribed		
Premises	$50,000	
Personal Prop in Transit out of		
Coverage Territory	$25,000	
Pollution & Contaminants	$100,000	
Preservation of Property-Direct		
Loss or Damage	$250,000	

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TYPE OF COVERAGE	PROTECTION LIMIT IN DOLLARS
Property in Transit	$50,000
Personal Property of Others	$250,000
Reward Coverage	$25,000
Spoilage	$10,000
Stamps, Tickets and letters Of Credit	$5,000
Stored Water	$25,000
Temporary Location	$50,000
Undamaged Parts of Stock In Process	$50,000
Valuable Papers on Premises	$100,000
Valuable Papers off Premises	$100,000
Water Damage Back up of Sewers or Drains	$250,000
Appurtenant Buildings And Structures	$100,000
Overseas Business Travel Personal Property	$25,000
Utility Service Direct Damage	$50,000
Confiscated Property	$100,000
Street Lights – Each Item	$2,500
Street Lights – Per Occur	$50,000
Street Signs – Each Item	$2,500
Street Signs – Per Occur	$50,000
Traffic Signs and Lights –Each	$2,500
Traffic Signs and Lights Per Occur	$50,000
Stadium Lights – Each Item	$2,500
Stadium Lights – Per Occur	$50,000
Spoilage Coverage Extension	$10,000
Sewer or Drain Backup	$250,000
Boiler & Machinery	
Coverage Limit - Property Limit	
Deductible	$10,000
Expediting Expenses	$250,000
Hazardous Substance	$250,000
Spoilage	$250,000
Ammonia Contamination	$250,000
Inland Marine	
Contractors Equipment – Replacement Cost - 90% co-insurance	
Scheduled Equipment	$3,500
Employee Tools	$112,702 Not to exceed $18,000 per item
Unlisted Items	$100,000 Not to exceed $5,000 per item
Leased or Rented Items	$100,000 Not to exceed $100,000 per item
New Acquired Equipment	$250,000
Rental Cost (per Item)	$5,000
Loss to any one Replacement Item	$100,000
Scheduled Property	$54,885

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TYPE OF COVERAGE	PROTECTION LIMIT IN DOLLARS	
Basic Deductible	$1,000	
Employee Tool Deductible	$250	
Flood Deductible	$50,000	
Earthquake Deductible	$50,000	
Windstorm Deductible	$1,000	
Crime		
Employee Theft per Loss	$500,000	$500 Deductible
Forgery or Alteration	$100,000	$1,000 Deductible
Inside the Premises – Theft of Money & Securities	$35,000	$500 Deductible
Inside the Premises	$25,000	$500 Deductible
Robbery or Safe Burglary of Other Property		
Outside the Premises	$30,000	$500 Deductible
Computer Fraud	$100,000	$1,000 Deductible
Money Orders and Counterfeit Paper Currency	$100,000	$1,000 Deductible
Faithful Performance of Duty Coverage Endorsement – Governmental Employees		
LIABILITY Coverage:		
Commercial General Liability		
Each Event	$1,000,000	
General Aggregate Limit	$3,000,000	
Products Completed Operations Aggregate Limit	$3,000,000	
Personal & Advertising Injury Each Person	$1,000,000	
Damages to Premises Rented to You Limit (Any One Premises)	$100,000	
Medical Expenses	$ 0	
Sewer Back Up	$1,000,000 (resulting from negligence)	
Failure to Supply	$1,000,000	
Sexual Abuse Each Person	$1,000,000	
Sexual Abuse Total Limit	$2,000,000	
Statutory Cap Limits of Coverage Endorsement		
Delaware Each Occurrence Statutory Cap Limit	$300,000	
Employee Benefit Plans Administration Liability - Claims Made		
Retroactive Date: None		
Aggregate Limit	$3,000,000	
Each Employee Limit	$1,000,000	
Deductible	$1,000	
Law Enforcement Liability - Occurrence		
Aggregate Limit	$3,000,000	
Each Wrongful Act Limit	$1,000,000	

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TYPE OF COVERAGE	PROTECTION LIMIT IN DOLLARS
Each Wrongful Act Deductible	$15,000
Statutory Cap Limits of Insurance Endorsement	
Delaware Statutory Cap Limit	$300,000
Public Entity Management Liability - Claims Made	
Retroactive Date: 7/1/1996	
Aggregate Limit	$3,000,000
Each Wrongful Act Limit	$1,000,000
Deductible	$25,000
Employment Practices Liability - Claims Made	
Retroactive Date: 7/1/1996	
Aggregate Limit	$5,000,000
Each Wrongful Employment	
Practice Offense Limit	$5,000,000
Deductible	$25,000
BUSINESS AUTO POLICY	
Coverage:	
Automobile	
Liability	$1,000,000
Personal Injury Protection	$300,000
Uninsured/Underinsured Motorist	$1,000,000
(Physical Damage Applies to Police &	
Specified Electric & Sanitation Trucks)	
Non-owned Liability	$1,000,000
Hired Auto Liability	$1,000,000
Employees as Additional Insured	
Hired Auto Physical Damage	$90,000
Hired Car Physical Damage Deductibles	
Comprehensive Deductible	$250
Collision Deductible	$250
Statutory Cap Limits of Coverage Endorsement	
Delaware Statutory Cap Limit	$300,000
EXCESS CRIME POLICY	
Coverage:	
Excess Crime	
Employee Theft per Loss	$500,000 excess of $500,000
(Over Policy# 630OB165227)	

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TYPE OF COVERAGE	PROTECTION LIMIT IN DOLLARS
UMBRELLA EXCESS LIABILITY	
Coverage: Umbrella	
General Aggregate Limit	$4,000,000
Products & Completed Work Aggregate Limit	$4,000,000
Personal Injury	$4,000,000
Advertising Injury	$4,000,000
Each Occurrence	$4,000,000
Retained Limit Any One Occurrence Or Event	$10,000
Umbrella Underlying Policies:	
General Liability	$1,000,000
Employment Benefits	$1,000,000
Auto Liability	$1,000,000
Law Enforcement Liability	$1,000,000
Public Entity Management	$1,000,000
Employers Liability (Safety Nat)	$1,000,000
CYBER LIABILITY	
Coverage:	
Cyber Liability – Claims Made	
Retroactive Date: 12/01/2012	
Aggregate Limit	$25,000
Third Party Liability – Each Wrongful Act Limit	$25,000
Network & Information Security Liability	$1,000
First Party Liability Security Breach Notification & Remediation Expenses	$10,000
Deductible	$1,000
Crisis Management Service Expenses	$10,000
Deductible	$1,000
POLLUTION LIABILITY	
Coverage:	
Pollution Liability	
Each Pollution Event Limit	$5,000,000
Aggregate Policy Limit	$10,000,000
Deductibles	$25,000 Each Pollution Event $100,000 Total For All Pollution Events Deductible $10,000 Maintenance Deductible

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TYPE OF COVERAGE	PROTECTION LIMIT IN DOLLARS

Claims Made
Retroactive Date 4/1/1997
Includes: 2 underground storage tanks-710 Williams St., Dover, DE & 2 Power Plants

EXCESS WORKER'S COMPENSATION
Coverage:

Employers Liability Limit:	$1,000,000
Specific Limit: Statutory	
Aggregate Limit:	$2,000,000
$600,000 Retention (Police)	
$500,000 Retention (All Other)	

WORKER'S COMPENSATION-TPA SERVICES
(Charges based on claim count, this number could fluctuate)

TRAVEL ACCIDENT POLICY
Principal Sum: $100,000 $0 Deductible

Covered Positions: Mayor, Police Captain, Board of Adjustments, Police Chief, City Manager, City Clerk, Asst. City Clerk, Accounting Manager, Tax Assessor, Generation Manager, Police Major, Planning Commission, Human Resources Manager, Information Services Manager, Chief Inspector/ Planner, Chief Electric Engineer, Fire Marshall, Finance Director, Support Services Manager, Line Crew Foreman, Councilman, Administrative Services Manager, Civilian Member of Council Committee, Public Works Manager, Asst. Public Works Manager, Community Services Director, Fire Chief, Library Director, Asst. Inspector/ Director of Planning.

BOND-SELF INSURED WORKER'S COMPENSATION - STATE OF DELAWARE
Limit: $750,000

BOND – PUBLIC OFFICALS BOND - Donna Mitchell – Treasurer
Limit: $100,000

BOND- PUBLIC OFFICIALS BOND - Traci McDowell – City Clerk/Asst Treasurer
Limit: $100,000

POWER PLANTS – PROPERTY & BOILER AND MACHINERY (2 policies 50/50)

Locations: McKee Run Generating Plant
VanSant Station
Policy #1
XL Insurance Company – $50,000,000 per Occurrence (50% Carrier Capacity Limit of $100,000,000)

Coverages:

50% policy limit:	$50,000,000 Per Occurrence
	Agreed Amount, Special
Extra Expense:	$2,000,000
Errors & Omissions	$2,000,000
Expediting Cost:	$1,000,000

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TYPE OF COVERAGE	PROTECTION LIMIT IN DOLLARS
Property in the Course of Construction:	$5,000,000
Earthquake:	$20,000,000
Flood:	$10,000,000
Debris Removal	$2,500,000
Property in Transit	$2,500,000
Demolition & Increase Cost of Construction	$10,000,000

Deductibles: $750,000 per Occurrence, except;
$100,000 per Occurrence as respects Transit,
In respect of Time Element loss (Extra Expense):
45 days per Occurrence, except;
72 hours per Occurrence in respect of Service Interruption

Policy #2
Ace American Insurance Company – $50,000,000 per Occurrence (50% Carrier Capacity Limit of $100,000,000)

Coverages:

50% policy limit:	$50,000,000 Per Occurrence
	Agreed Amount, Special
Extra Expense:	$2,000,000
Errors & Omissions	$2,000,000
Expediting Cost:	$1,000,000
Property in the Course of Construction:	$5,000,000
Earthquake:	$20,000,000
Flood:	$10,000,000
Debris Removal	$2,500,000
Property in Transit	$2,500,000
Demolition & Increase Cost of Construction	$10,000,000

Deductibles: $750,000 per Occurrence, except;
$100,000 per Occurrence as respects Transit,
In respect of Time Element loss (Extra Expense):
45 days per Occurrence, except;
72 hours per Occurrence in respect of Service Interruption

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