REGULAR COUNCIL MEETING

A G E N D A

December 10, 2007 - 7:30 P.M. - Council Chambers - City Hall - City of Dover

OPEN FORUM - 15 MINUTES PRIOR TO OFFICIAL MEETING (7:15 P.M.)

INVOCATION BY CHAPLAIN WALLACE DIXON

PLEDGE OF ALLEGIANCE

AGENDA ADDITIONS/DELETIONS

1. Adoption of Minutes - Regular Council Meeting of November 26, 2007

2. Oath of Office - Administered by The Honorable Henry duPont Ridgely - Justice, Supreme Court - Council - At-Large - Thomas J. Leary

3. Recess (for photographs) - Mayor and Council

* **CONSENT AGENDA**

Those items on the Council Agenda which are considered routine and non-controversial shall be marked with an asterisk (*) and will be acted upon by a single roll call vote of the Council. There will be no separate discussion of these items unless a member of Council so requests, in which event the matter shall be removed from the Consent Agenda and considered a separate item.

4. Presentation - Greater Dover Foundation - John W. Pitts Recreation Center Donation

* 5. Legislative, Finance, and Administration Committee Report - November 26, 2007
   - A. Review of 2005 Charter Review Committee Recommendations - Article II
   - B. Draft Comprehensive Annual Financial Report
   - C. Duke Agreement Closeout

* 6. Special Utility Committee Report - November 27, 2007
   - A. Appendix B - Zoning Ordinance, Article 3 - District Regulations, Section 29 - Source Water Protection Overlay Zone (SWPOZ), Section 29.7 - Tier 3

7. Legislative, Finance, and Administration Committee - December 10, 2007

   (Except for the following time sensitive issues, the LF&A Committee Report from December 10, 2007 will be presented to Council during their Regular Meeting of January 14, 2008 for consideration)
   - A. Comprehensive Annual Financial Report - Final Draft
   - B. Evaluation of Bids
     - b-1. RedAlert Computer Aided Fire Dispatching System Upgrade
     - b-2. Fire Fighting Turnout Gear
     - b-3. 70 Foot Aerial Truck - Bid #08-0045DPS

* 8. CIP Report - October 2007

9. Evaluation of Bids
   A. Fiber Optic Splicing Contract
   B. Line Hardware for Feeders 3 & 4
   C. Cartanza Substation Structures

10. Request for Proposals - Fire Resistant Clothing Rental Contract

* 11. Appointment Recommended by Mayor Carey - Downtown Dover Development Corporation - Councilwoman Sophia R. Russell (To Fill Unexpired Term of Carleton E. Carey, Sr. - Term to Expire May 2008)

* 12. Appointments Recommended by Council President Williams (To Fill Unexpired Terms of Carleton E. Carey, Sr. - Terms to Expire May 2008)
   A. Safety Advisory and Transportation Committee - Councilman Thomas J. Leary
   B. Utility Committee - Councilman Thomas J. Leary

13. Rezoning Request/First Reading (Recommended for referral to the Planning Commission on January 22, 2008 and that a Public Hearing be set for February 11, 2008 at 7:30 p.m.)
Property located at 988-990 Forest Street (the southeast corner of Route 8 (Forest Street/Forrest Avenue) and Saulsbury Road), owned by Rt. 8 & Saulsbury Rd, LLC, consisting of $1.33^{+/-}$ acres on four parcels of land totaling $2.18^{+/-}$ acres . Two parcels (0.95 acres) are currently zoned C-3 (Service Commercial Zone) and the northern portion of two parcels (0.38 acres) is currently zoned CPO (Commercial Professional Office) with the total area subject to COZ-1 (Corridor Overlay Zone). The proposed zoning for the $1.33^{+/-}$ acre subject area is C-2A (Limited Central Commercial Zone) and subject to COZ-1 (Corridor Overlay Zone). The residual portion of two parcels will remain zoned as CPO (Commercial Professional Office) and subject to COZ-1 (Corridor Overlay Zone). The developer is BBC Properties, Inc.

14. Council Members Announcements

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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.

REGULAR COUNCIL MEETING

The Regular Council Meeting was held on November 26, 2007 at 7:30 p.m. with Councilman Salters presiding in the absence of Council President Williams. Council members present were Mrs. Russell, Mr. McGlumphy, Mr. Slavin, Mr. McGiffin, Mr. Hogan, and Mr. Ruane.

Council staff members present were Police Chief Horvath, Mrs. Mitchell, Mrs. Townshend, Deputy Fire Chief Carey, Mr. DePrima, City Solicitor Rodriguez, Mrs. McDowell, and Mayor Carey.

OPEN FORUM

The Open Forum was held at 7:15 p.m., prior to commencement of the Official Council Meeting. Councilman Salters declared the Open Forum in session and reminded those present that Council is not in official session and cannot take formal action.

There was no one present wishing to speak during the Open Forum.

The invocation was given by Chaplain Dixon, followed by the Pledge of Allegiance.

AGENDA ADDITIONS/DELETIONS

Mr. McGlumphy moved for approval of the agenda as presented, seconded by Mr. Hogan and unanimously carried.

Mrs. Russell moved for approval of the consent agenda, seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

ADOPTION OF MINUTES - COUNCIL WORKSHOP OF NOVEMBER 5, 2007

The Minutes of the Council Workshop of November 5, 2007 were unanimously approved by motion of Mrs. Russell, seconded by Mr. McGlumphy and bore the written approval of Mayor Carey.

ADOPTION OF MINUTES - REGULAR COUNCIL MEETING OF NOVEMBER 13, 2007

The Minutes of the Regular Council Meeting of November 13, 2007 were unanimously approved by motion of Mrs. Russell, seconded by Mr. McGlumphy and bore the written approval of Mayor Carey.

PROPOSED RESOLUTION - APPLICATION FOR DESIGNATION AS A *PRESERVE AMERICA* COMMUNITY

Mr. Slavin advised members that *Preserve America* is a White House initiative to effectively grow grass-root support for historic preservation and issues in communities, especially for a variety of tourism and economic development issues. There are two (2) communities in the State of Delaware, the City of Lewes and the Town of Milton, that have achieved *Preserve America* status and, as such, are eligible for a significant amount of Preserve America grant funding available from the Federal Government. Staff prepared a proposed Resolution for the City of Dover to apply for the designation of City as a *Preserve America* Community.

By motion of Mr. Hogan, seconded by Mrs. Russell, Council, by a unanimous roll call vote (Council President Williams absent), adopted the following Resolution:

WHEREAS, *Preserve America* is a White House initiative developed in cooperation with the Advisory Council on Historic Preservation, the U.S. Department of the Interior, and the U.S. Department of Commerce; and

WHEREAS, the goals of this initiative include a greater shared knowledge about our Nation's past, strengthened regional identities and local pride, increased local participation in preserving the country's irreplaceable cultural and natural heritage assets, and support for the economic vitality of communities; and

WHEREAS, this initiative is compatible with our community's interests and goals related to historic preservation; and

WHEREAS, designation as a *Preserve America* Community will improve our community's ability to protect and promote its historical resources

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

1. That the City of Dover, Delaware will apply for the designation of City as a *Preserve America* Community; and

2. That the City of Dover, Delaware will protect and celebrate our heritage, use our historic assets for economic development and community revitalization, and encourage people to experience and appreciate local historic resources through education and heritage tourism programs.

ADOPTED: NOVEMBER 26, 2007

PUBLIC HEARING/FINAL READING - PROPOSED ZONING TEXT AMENDMENTS

A public hearing was duly advertised for this time and place to consider approval of proposed zoning text amendments that would establish a Source Water Protection Overlay Zone (SWPOZ), which addresses the "Wellhead Protection Areas" only (does not include the "Excellent Water Recharge Areas").

Mr. Slavin moved that the Final Reading of the proposed zoning text amendment be acknowledged by title only, seconded by Mr. McGiffin and unanimously carried.

Members were advised that the Planning Commission recommended approval of the proposed amendments. *City Clerk's Office Note: During the Regular Council Meeting of October 22, 2007, a public hearing was scheduled to consider the adoption of proposed zoning text amendments that would establish a Source Water Protection Overlay Zone (SWPOZ), which effects over 500 parcels within the City. The proposed ordinance was reviewed by the Parks, Recreation, and Community Enhancement Committee during their meeting of October 9, 2007. Based on several comments and other discussions that occurred since the Planning Commission meeting on October 15, 2007, it was staff's opinion that providing for an exemption may not be the best alternative to address impervious cover limitations, and suggested the possibility of balancing important economic development*

factors with the protection of the recharge areas. Staff recommended that the proposed ordinance be referred to the Utility Committee and that a Public Hearing be rescheduled for January 14, 2008, to allow staff and the Utility Committee to work through these issues to bring forward an ordinance that addresses the concerns realistically. Members of City Council, during their meeting of October 22, 2007, deferred the public hearing for the proposed zoning text amendment and referred the ordinance amending Article 3 - District Regulations, Section 29 - Source Water Protection Overlay Zone (SWPOZ), of the Zoning Ordinance, to the Utility Committee in order to reconsider protective land use policies to protect Dover's excellent water recharge areas and its well-heads and to present a revised ordinance to City Council for public hearing on January 14, 2008. During a Special Utility Committee Meeting of November 6, 2007, members considered an alternative ordinance entitled "Wellhead Protection Only". During their Regular Meeting of November 13, 2007, Council approved the committee's recommendation for consideration of the adoption of the alternative proposed ordinance and that a public hearing be scheduled for November 26, 2007 at 7:30 p.m.

Mr. Koenig, Public Services Director, gave a presentation of the proposed zoning text amendments that would establish a Source Water Protection Overlay Zone (SWPOZ) which addresses the "Wellhead Protection Areas" only (***Exhibit #1***). He noted that the portion of the proposed amendments that address the "Excellent Water Recharge Areas" will be further considered by the Utility Committee and a separate public hearing will be held before City Council.

Mrs. Townshend reviewed the proposed zoning text amendment in detail. She explained that since members were not able to come to a consensus regarding the excellent recharge areas at this time, the alternative is presented for consideration. She reminded members that the State is requiring the City to adopt the Overlay Zone prior to the end of the year and that it was felt that the alternative may satisfy the requirement at this time. Mrs. Townshend referred to a letter, dated November 26, 2007, received from Mr. Barndt, Program Manager for Source Water and Wellhead Protection Programs for the Department of Natural Resources and Environmental Control (DNREC), which included recommended amendments to the proposed text amendment (***Exhibit #2***). She advised members that staff is in agreement with the recommended amendments.

Councilman Salters declared the hearing open. There being no one present wishing to speak during the public hearing, Councilman Salters declared the hearing closed.

Mr. Ruane moved to delete Section 29.51(p) in its entirety, seconded by Mr. McGlumphy and unanimously carried.

Mr. Ruane moved to delete the phrase "or substances" from Sections 29.83 and 29.93, seconded by Mr. Hogan and unanimously carried.

Mr. Ruane moved for adoption of the following ordinance, as amended, seconded by Mr. McGiffin and carried by a unanimous roll call vote (Council President Williams absent) ***(the First Reading of the ordinance was accomplished during the Council Meeting of September 24, 2007)***:

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

That Appendix B - Zoning Ordinance, Article 3 – District Regulations be amended by inserting the a new section as follows:

Section 29 Source Water Protection Overlay Zone (SWPOZ)

29.1 Purpose. The purpose of this Source Water Protection Overlay Zone is to provide a safe drinking water supply and to ensure that groundwater is adequately protected and maintained. The Overlay Zone's purpose is to protect public health and safety by minimizing contamination of the aquifer and to ensure that the aquifer is property maintained and supplied with clean water through the reduction of impervious surfaces.

29.2 Definitions.

Aboveground Storage Tank (AST). An AST is a single containment vessel greater than 250 gallons as defined in the Delaware *Regulations Governing Aboveground Storage Tanks*. ASTs with a storage capacity greater than 12,499 gallons containing petroleum or hazardous substances, and ASTs with a storage capacity greater than 39,999 gallons containing diesel, heating fuel or kerosene are subject to the design, construction, operation and maintenance requirements of the Delaware AST regulations.

Hazardous Material. A material which is defined in one or more of the following categories:

> *Ignitable:* A gas, liquid or solid which may cause fires through friction, absorption of moisture, or which has low flash points. Examples: white phosphorous and gasoline. Carcinogenic: A gas, liquid, or solid which is normally considered to be cancer causing or mutagenic. Examples: PCB's in some waste oils.
> *Explosive:* A reactive gas, liquid or solid which will vigorously and energetically react uncontrollably if exposed to heat, shock, pressure or combinations thereof. Examples: dynamite, organic peroxides and ammonium nitrate.
> *Highly Toxic:* A gas, liquid, or solid so dangerous to man as to afford an unusual hazard to life. Example: chlorine gas. Moderately Toxic: A gas, liquid or solid which through repeated exposure or in a single large dose can be hazardous to man. Corrosive: Any material, whether acid or alkaline, which will cause severe damage to human tissue, or in case of leakage might damage or destroy other containers of hazardous materials and cause the release of their contents. Examples: battery acid and phosphoric acid.

Underground Storage Tank (UST). An UST is one or a combination of Tanks including underground Pipes, the volume of which is 10% or more belowground, as defined in the Delaware *Regulations Governing Underground Storage Tank Systems*. The following USTs are not subject to the design, construction, operation and maintenance requirements of the Delaware UST Regulations: Residential Heating Fuel, Agricultural and Residential Motor Fuel USTs less than 1,100 gallons and any UST less than 110 gallons.

29.3 Use and Bulk Requirements. The uses and bulk standards which govern the underlying zoning designations attached to the properties within the Source Water Protection Overlay Zone shall apply in all instances except where uses are specifically prohibited by this section and except pertaining to Impervious Surface, Ground Cover, and Floor Area Ratio. Where issues of Impervious Surface, Ground Cover, and Floor Area Ratio are concerned, the provisions of the Source Water Protection Overlay Zone are the governing provisions, overriding the existing zoning for the property.

29.4 Zone Boundaries. This section of the *Zoning Ordinance* encompasses the lands demarcated on the City of Dover Zoning Map as set forth in Article 2 §2 of this Ordinance, as the Source Water Protection Overlay Zone.

29.5 Uses Prohibited. The following uses are specifically prohibited throughout the Source Water Protection Overlay Zone:

29.51 Uses Prohibited

a) Automobile body/repair shop, motor vehicle, boat or farm equipment service
b) Gas stations and motor vehicle service stations
c) Fleet/trucking/bus terminal
d) Dry cleaner
e) Electrical/electronic manufacturing facility
f) Machine shop
g) Metal plating/finishing/fabricating facility
h) Chemical processing/storage facility
i) Wood preserving/treating facility
j) Junk yard/scrap yard/salvage yard
k) Mines/gravel pit
l) Land divisions resulting in high density (>1 unit/acre) septic systems
m) Equipment maintenance/fueling areas
n) Injection wells/dry wells/sumps, except for single-family residences directing gutter downspouts to a drywell
o) Underground storage tanks
p) All uses not permitted in the underlying zone district

29.6 Geothermal Wells. Geothermal wells are permitted uses within the Source Water Protection Overlay Zone in accordance with other City and State regulations.

29.7
Reserved

29.8 Tier 2: Primary Wellhead Protection Areas. Lands defined as Tier 2 lands, are areas which have been identified as Primary Wellhead Protection Areas.

29.81 Purpose and Intent. The purpose of the Primary Wellhead Protection Areas is to safeguard the potable water resources of Dover and Kent County and to safeguard the public health, safety, and resources through regulation of land use and development within zones of protection surrounding potable water supply well fields.

29.82 Areas within three hundred (300) feet of the well shall be one hundred (100) percent open space.

29.83 New development within five hundred (500) feet of the well must demonstrate that the new development will not produce, store, transfer or otherwise handle hazardous materials.

29.84 The Primary Wellhead Protection area around the well may be reduced to a one hundred and fifty (150) foot radius provided a hydrogeological report, prepared by a Delaware Registered Geologist and submitted to the satisfaction of the Delaware Geological Survey and the DNREC, is prepared. The report must certify that (1) the minimum 60-day time of-travel from a point to the public water supply well is maintained and (2) the well draws from a confined aquifer. Upon completion of such a report, the regulations governing Tier 1 lands within the Source Water Protection Overlay Zone will apply.

29.85 Runoff. The natural runoff flowing into wellhead areas shall be allowed and all new stormwater run-off shall be diverted around the wellhead protection areas wherever practical.

29.86 The stormwater system's discharge to Tier 2: Primary Wellhead Protection Areas land shall be by sheet flow through a grassland or discharge from a stormwater management facility having a wetland or aquatic bench. Stormwater runoff from all parking areas shall be directed to a stormwater management facility before it is discharged into a Primary Wellhead Protection Area.

29.87 Boundary Disputes. For primary wellhead protection area boundary determinations, a site-specific geological and hydro-geological analysis shall be performed by a State-registered professional geologist and shall be based upon thorough site investigation, subsurface testing and other testing as may be determined appropriate by the City of Dover.

29.9 Tier 1: Secondary Wellhead Protection Areas. Lands defined as Tier 1 lands, are areas which have been identified as Secondary Wellhead Protection Areas. Secondary Wellhead Areas extend a buffer of 150 feet radius from the well point located in an area of the confined aquifer.

29.91 Purpose and Intent. The purpose of this Secondary Wellhead Protection Areas is to safeguard the potable water resources of Dover and Kent County and to safeguard the public health, safety, and resources through regulation of land use and development within zones of protection surrounding potable water supply well fields.

29.92 Open Space. Areas within fifty (50) feet of the well shall be one hundred (100) percent open space.

29.93 New development within seventy-five (75) feet of the well must demonstrate that the new development will not produce, store, transfer or otherwise handle hazardous materials.

29.94 The natural runoff flowing into wellhead areas shall be allowed and all new stormwater run-off shall be diverted around the wellhead protection areas wherever practical.

29.10 Intergovernmental Coordination

29.101 Review. The City of Dover, through the Development Advisory Committee, will coordinate with the Kent Conservation District and DNREC as necessary to ensure compliance with the Source Water Protection Overlay Zone.

29.102 Memorandum of Understanding. A Memorandum of Understanding must be kept and maintained between the City and any review agencies which evaluate the implementation of the required elements of the Source Water Protection Overlay Zone through the Development Advisory Committee process.

29.11 Data Distribution

29.141 The digital delineation of this overlay zone will be provided upon written request. Distribution of this information will be governed by the City of Dover's Geographic Data Use and Distribution Policy.

29.12 Existing Development. Existing developed land which is located within the Source Water Protection Overlay Zone will be treated as a non-conforming use, subject to the provisions of Article 7.

29.13 Effective Date. The requirements of the Source Water Protection Overlay Zone shall apply to all site plan and subdivision applications filed after adoption of these requirements by City Council.

ADOPTED: NOVEMBER 26, 2007

PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE REPORT - NOVEMBER 13, 2007

The Parks, Recreation, and Community Enhancement Committee met on November 13, 2007 with Chairwoman Russell presiding.

Parks and Recreation/Open Space Plans - Review of Active Recreation Areas

In accordance with Article 5, Section 10, of the Zoning Code, all residential developments shall provide Open Space and an Active Recreation Plan, which must be reviewed by the Parks, Recreation, and Community Enhancement Committee for a recommendation prior to consideration of the Conditional Use Site Plan by the Planning Commission. Subsection 10.7 of Article 5, Section 10, of the Zoning Code requires that all areas planned for public dedication, or cash donations provided under this section, must be submitted to and approved by the Parks, Recreation, and

Community Enhancement Committee and shall be subject to final review and approval by City Council prior to acceptance by the Planning Commission.

Members reviewed the following Active Recreation Areas:

Stonebrook East Planned Neighborhood Design

Members were provided an application for the Recreation Plan for Stonebrook East: Planned Neighborhood Design (PND) Development. Stonebrook East consists of $45.03^{+/-}$ acres of land located at the northeast corner of McKee Road and Denneys Road, north of the Mill Creek Subdivision. The applicant proposes the construction of 255 residential units (87 townhouses and 168 garden apartments), open space areas, community center, and street layout.

On behalf of the applicants, Chartwell Homes, Inc. and CLMS Development, Inc., Mr. Gregg Moore of Becker Morgan Group presented the Open Space and Active Recreation Plan for Stonebrook East *(as on file in the City Clerk's Office)*. It was noted that Stonebrook East and Stonebrook West (see next agenda item) will be interconnected. He noted, for clarification, that the plan has been modified to reflect that the residue area has not been incorporated into the open space/recreational area.

Members were advised that the overall Stonebrook Planned Neighborhood Design Development exceeds the minimum of 25% open space for a Planned Neighborhood Design Development by creating a series of open space areas, a community center, basketball court, swimming pool, gazebo, and children's play structure. The Stonebrook East PND provides $23.78^{+/-}$ acres or 52.8% of the available land towards open space. Based upon the number of residential dwelling units proposed (255 units), this subdivision is required to provide $1.609^{+/-}$ acres (70,088 S.F.) of open space designed to function as Active Recreation space.

Upon review of the Open Space and Active Recreation Plan for Stonebrook East, the Department of Planning and Inspections Staff submitted the following recommendations:

1. Staff recommends approval of the Community Center Area, the Park Area and the associated amenities of club house, pool area, walking trail and gazebo, and hardtop court as the Active Recreation Areas for the Stonebrook PND. Staff recommends approval of the overall Open Space provided for the project. Recommendations suggested as conditions of this approval are listed below:

    a. Staff recommends the addition of bicycle racks adjacent to the Clubhouse Building.
    b. The community park area shows five 'Green Giant Arborvitae' trees which will obscure the view of the park from the street. These should be relocated.
    c. Recommend that play structure be selected for the 5-12 age group.
    d. An extension of the walking path must be made to the tot-lot area.
    e. The materials for the walking path in the community park providing access to the gazebo should be concrete sidewalk.

2. Staff recommends the repositioning of the clubhouse such that it faces Charlton Drive or has a side yard facing Charlton Drive. This will provide visibility of the main entrance from a public street.

3. The following items should be included on the Plan to clarify the construction of the recreation area improvements:

a. Provide a construction detail or specifications for the amenities such as the walking path construction including the width of the paths, hard court surface, etc.
b. All street trees must be relocated to the individual lot (side of the sidewalk) and not within the grass strip between the curb and sidewalk.

4. Staff recommends that street intersections with adjoining sidewalks should be made barrier free for access and include crosswalk markings in order to delineate pedestrian connections to the open space and recreation areas.

5. Identify the type of lighting proposed. The placement of street light style lamp posts may be more appropriate for certain areas especially in the vicinity of the gazebo and play structure.

6. The lawn areas should be appropriately planted (seeded or sodded) and maintained for active recreational activities.

7. Identify location of curb cut/driveway depression to allow for maintenance/equipment access to the park area. Due to size of grass area, larger tractor size equipment may be utilized in the maintenance activities.

8. The applicant is reminded of the requirements for construction phasing of the recreation area as associated with the development of the residential units. (Zoning Ordinance, Article 5 §10.6)

> *Article 5 §10.6 Construction Phasing. The recreation and open space areas shall be completed in a proportion equal to or greater than the proportion of residential dwelling units completed, except that one hundred (100) percent of the recreation and open space areas shall be completed prior to issuing building permits for the final twenty (20) percent of the dwelling units proposed. Building permits shall not be issued for dwelling units unless the requirements of this section are met.*

9. There shall be provisions which insure that the common open space land shall continue as such and be properly managed and maintained. The developer shall either retain ownership and responsibility for maintenance of such open land; or provide for and establish one (1) or more organizations for the ownership and maintenance of all common open space i.e. a Homeowners Association. The organization shall be responsible for maintenance, insurance and taxes on the common open space.

10. In the event, that major changes and revisions to the Preliminary Subdivision Plan which affect the Recreation Plan occur in the review process and finalization of the Plan resubmittal may be required for review by the Parks Recreation and Community Enhancement Committee or other agencies and commissions making recommendations in regards to the plan.

Responding to Mr. Lewis, Mr. Moore stated that the relocation of the trees can be accomplished to provide visibility of children.

Mr. Moore concurred with staff's recommendations with the exception of the repositioning of the clubhouse. He requested that the clubhouse remain positioned towards the parking.

Mrs. Melson-Williams, City Planner, explained that staff felt that the clubhouse should be positioned to face the public street rather than the pool. Responding, Mr. Moore stated that the concern is with parking, explaining that it is not desired for parking to occur on the roadway so that the main entranceway is not located where children will be walking back and forth. Mrs. Melson-Williams stated that it was staff's hope that most individuals would be walking to the site. Responding to Mr. McGlumphy, Mrs. Melson-Williams stated that although staff would have no objections to the request, it was felt that the repositioning would provide for a better plan, since the clubhouse is meant for the entire community and not just the apartment residents.

With regards to front and back elevations, Mrs. Horsey stated that a back elevation can be designed to look like a front elevation. Responding, Mrs. Melson-Williams stated that such a design would be an option and that although staff has submitted their recommendation, the committee also serves as a recommending body to City Council. She explained that it was staff's opinion that the recommendations would improve the plan by repositioning the clubhouse to the street, since it would serve as a public building.

The committee recommended approval of the open space/active recreation plan for Stonebrook East, as recommended by staff, with the exception of including the developers suggestion for the position of the clubhouse, stipulating that the back of the building appear as the front.

By consent agenda, Mrs. Russell moved for approval of the committee's recommendation, seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

Stonebrook West Planned Neighborhood Design

Members were provided an application for the Recreation Plan for Stonebrook West: Planned Neighborhood Design (PND) Development. Stonebrook West consists of $88.97^{+/-}$ acres of land, located on the northwest corner of McKee Road and Denneys Road, east of the Carlisle Village subdivision and west of McKee Road. The applicant proposes the construction of a residential development consisting of 199 dwelling units (44 townhouses, 66 duplexes, and 89 single family homes). The northern portion of the property, consisting of approximately 21.3 acres located north of the Mudstone Branch is proposed to be retained by the owner.

On behalf of the applicants, Chartwell Homes, Inc. and CLMS Development, Inc., Mr. Gregg Moore of Becker Morgan Group presented the Open Space and Active Recreation Plan for Stonebrook West *(as on file in the City Clerk's Office)*. It was noted that Stonebrook East (see previous agenda item) and Stonebrook Westwill be interconnected.

Members were advised that the overall Stonebrook West Planned Neighborhood Design Development exceeds the minimum of 25% open space for a Planned Neighborhood Design Development with over 50 acres of open space. The open space includes active recreation areas, woodlands, wetlands, flood plain areas, and the area adjacent to the Mudstone Branch. Based upon the number of residential dwelling units proposed (199 units), this subdivision is required to provide 1.25 $^{+/-}$ acres (54,725 S.F.) of open space designed to function as Active Recreation space. The Plan provides for 3.76$^{+/-}$ acres.

Upon review of the Open Space and Active Recreation Plan for Stonebrook West, the Department of Planning and Inspections Staff submitted the following recommendations:

1. Plan complies with the minimum acreage requirement for the Active Recreation Areas. The project plan also provides above the minimum 25% of total site area as Common Open Space.

2. Staff recommends approval of the general concept for the recreation area and its associated amenities of the gazebo, play structure (tot lot), hard court game surface, turf playground, and walking path as the Active Recreation Areas for the Stonebrook West PND. Recommendations suggested as conditions of this approval are listed below.

    a. Provide a paved path (revise path surface material) from the sidewalk into the recreation area to access the gazebo and play structure area.
    b. Provide a paved path to the gazebo entrance from the walking path.
    c. Provide a paved path to the play structure area entrance from the walking path.
    d. Recommend that play structure be selected for the 5-12 age group.
    e. Adjust placement of at least one bench to be directly adjacent to the paved path.
    f. Relocate some of the proposed evergreen tree plantings along Alexandra Drive to other areas of the subdivision to provide better visibility of recreation area.

3. The following items should be included on the Plan to clarify the construction of the recreation area improvements:

    a. Provide a construction detail or specifications for the amenities such as the walking path construction including the width of the path, hard court surface, turf playground, etc.
    b. Consider redesign and relocation of the connection of the walking path to the sidewalk system. A second link to the walking path as you approach from the south near Markland Drive is suggested.
    c. All street trees must be relocated to the individual lot (side of the sidewalk) and not within the grass strip between the curb and sidewalk.

4. Identify the type of lighting proposed. The placement of street light style lamp posts may be more appropriate for certain areas especially in the vicinity of the gazebo and play structure.

5. The lawn areas should be appropriately planted (seeded or sodded) and maintained for active recreational activities.

6. Identify location of curb cut/driveway depression to allow for maintenance/equipment access to the park area. Due to size of grass area, larger tractor size equipment may be utilized in the maintenance activities.

7. The applicant is reminded of the requirements for construction phasing of the recreation area as associated with the development of the residential units. (Zoning Ordinance, Article 5 §10.6)

> *Article 5 §10.6 Construction Phasing. The recreation and open space areas shall be completed in a proportion equal to or greater than the proportion of residential dwelling units completed, except that one hundred (100) percent of the recreation and open space areas shall be completed prior to issuing building permits for the final twenty (20) percent of the dwelling units proposed. Building permits shall not be issued for dwelling units unless the requirements of this section are met.*

8. There shall be provisions which insure that the common open space land including the active recreation areas shall continue as such and be properly managed and maintained. These provisions shall be in a form acceptable to the City of Dover. The developer shall either retain ownership and responsibility for maintenance of such open land; or provide for and establish one (1) or more organizations for the ownership and maintenance of all common open space i.e. a Homeowners Association. The organization shall be responsible for maintenance, insurance and taxes on common open space and recreation facilities.

   a. A note should be added to the Record Plan and other plan sheets indicating the responsible entity.
   b. A note should be included on the Record Plan to indicate the Open Space areas.

9. In the event, that major changes and revisions to the Preliminary Subdivision Plan which affect the Recreation Plan occur in the review process and finalization of the Plan resubmittal may be required for review by the Parks Recreation and Community Enhancement Committee or other agencies and commissions making recommendations in regards to the plan.

The committee recommended approval of the open space/active recreation plan for Stonebrook West, as recommended by staff.

By consent agenda, Mrs. Russell moved for approval of the committee's recommendation, seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

Blue Hen Apartments

Members were provided an application for the Active Recreation Area Plan for Blue Hen Apartments, which is being reviewed as a Site Development Plan. The property consists of $20.66^{+/-}$ acres of land located east of Bay Road, behind the Blue Hen Corporate Center. The applicant proposes the construction of 13 apartment buildings for a total of 162 units and a clubhouse building.

On behalf of the applicant, Blue Hen Apts., LLC, Mr. Gregg Moore of Becker Morgan Group presented the Open Space and Active Recreation Plan for Blue Hen Apartments *(as on file in the City Clerk's Office)*.

Upon review of the Open Space and Active Recreation Plan for Blue Hen Apartments, the Department of Planning and Inspections Staff submitted the following comments and recommendations:

1. The proposed plan meets the area requirements for the Active Recreation Area. The plan is required to provide 1.02 acres of Active Recreation Area and it is proposing 1.13 acres of Active Recreation Area.

2. Staff recommends approval of the swimming pool, clubhouse, and play area equipment (provided age of proposed equipment) with the swing set, benches, and other play equipment.

3. The following items should be included on the Plan to clarify the construction of the recreation area improvements:

   a. A list of the proposed features needs to be provided on the Active Recreation Plan (i.e. the number of benches and the details of the items).
   b. Show tree planting locations on the Recreation Plan.
   c. Provide lighting around the play area.
   d. Indicate if the area around the play area is grass. If it is a walkway into the site is needed for accessibility.
   e. Lawn areas shall be appropriate planted (seeded or sodded) a maintained for active recreation activities.
   f. Indicate the location of the access points into the play area.

4. Staff recommends the plan provide intraconnectivity (a sidewalk) between the dwelling unit buildings to the clubhouse and other Active Recreation Areas.

5. Staff recommends providing a walking path around the site. This could be in place of the basketball court to add a feature less age reliant. The walking path would allow for connectivity from the residential development to the Blue Hen Corporate Center.

6. In the event, that major changes and revisions to the Site Plan occur in the finalization of the Site Plan contact the Department of Planning and Inspections. Examples include reorientation of building, relocation of site components like stormwater management areas,

and increases in floor area. These changes may require resubmittal for review by the Development Advisory Committee, Planning Commission, or other agencies and commissions making recommendations in regards to the plan.

7. The applicant is reminded of the requirements for construction phasing of the recreation area as associated with the development of the residential units.

Article 5 §10.6 Construction Phasing. The recreation and open space areas shall be completed in a proportion equal to or greater than the proportion of residential dwelling units completed, except that one hundred (100) percent of the recreation and open space areas shall be completed prior to issuing building permits for the final twenty (20) percent of the dwelling units proposed. Building permits.

8. There shall be provisions which insure that the common open space land (including active recreation area) shall continue as such and be properly managed and maintained. The developer shall either retain ownership and responsibility for maintenance of such open land; or provide for and establish one (1) or more organizations for the ownership and maintenance of all common open space i.e. a Homeowners Association. The organization shall be responsible for maintenance, insurance and taxes on the common open space.

a. Add a note on the Site Plan regarding who is responsible for maintenance, insurance and taxes on the common open space.

Mrs. Melson-Williams advised members that the plan has been revised and adjusted by the developer since staff prepared their comments and recommendations. Specifically, she stated that the original plan proposed a basketball court, which has since been eliminated from the plan by the developer.

Mr. Moore explained that although it has been agreed upon to eliminate the basketball court at this time, it remains on the plan since they would like to have this option if it is determined that such an amenity would benefit the neighborhood, which will be dependent upon the age group of residents.

Responding to Mr. McGlumphy, Mr. Moore assured members that the concerns of the residents of Schoolview have been taken into consideration and the plan developed to comply with their requests.

In response to Mr. Lewis regarding staff's concerns with the basketball court, Mrs. Melson-Williams explained that there was concern due to its proximity to the rear of the Blue Hen Corporate Center and excessive parking available, which may invite users from other areas. She explained that there have been instances when these conditions have created police issues. Mrs. Townshend also stated that staff felt that there was a need for pedestrian opportunities; therefore, rather than an age specific activity, such as the basketball court, providing additional walking paths would prove to be more beneficial.

Mr. Moore questioned if the motion includes the understanding that although the basketball court would not be built initially, it would remain in the plan for possible inclusion at a later time. He explained that the basketball court must be considered during the calculation for the stormwater

management, as it is an impervious surface. Responding, Mr. McGlumphy stated his understanding was that the basketball court would not be included in the plan at this time and that when and if it is desired, such a request would be presented at that time for consideration.

Ms. Fenorosky of Petinaro advised members that they would like to retain the option of the basketball court so that it can be accomplished if it is later determined to be the request of the residents. Responding, Mrs. Townshend noted that the concerns with regards to the basketball court, as previously mentioned, were located within developments where the recreation areas were managed by a homeowners association. She explained that this development is different in the sense that Petinaro will manage the development, including the recreation/open space areas.

Responding to Mr. Moore, Mrs. Townshend explained that a sidewalk waiver would be required to have the pedestrian walkway remain as proposed by the developer. Mr. Moore advised members that the placement of the walkway was developed with consideration for the adjacent Schoolview property owners.

The committee recommended approval of the open space/active recreation plan for Blue Hen Apartments, as recommended by staff, with the applicant working with staff on recommendations #4 and #5 regarding the walking paths and sidewalks.

By consent agenda, Mrs. Russell moved for approval of the committee's recommendation, seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

Updates

Members were provided the following updates:

Puncheon Run Watershed Action Team Update

Mr. Koenig, Public Services Director, advised members that the Action Team meeting was held on October 31st and that members were provided a very long and detailed engineering overview of all the options. Members will be reviewing the various options for commenting and will meet again to discuss the options. He stated that there is not one (1) single "fix" for the problem. There is work scheduled to occur in the basin, Governors Avenue project, and discussion with regards to removing vegetation on the southern end of the Puncheon Run. These actions are scheduled to occur this fall and early next year.

Mr. Koenig stated that the Action Team will be developing a series of recommendations and that, at this time, it is a matter of finalizing the projects, obtaining the necessary funding, etc.

John W. Pitts Recreation Center

Mr. Carter, Director of Parks and Recreation, advised members that it is important to have the building enclosed to begin the interior work. He stated that due to the rain, it may be difficult to meet the scheduled January 2008 opening. Noting that the report reflects a private donation being received in the amount of $25,000, Mr. Carter advised members that the correct amount should be $75,000, which was received from the Bieser-West Family.

Planning and Funding for New Library
Mr. Richard Thau, Library Director, provided an update on the planning and funding for the new library.

CDBG Program
Members were provided the status report on the FY 2006 and FY 2007 Program Funds Spent for the CDBG Program.

Responding to Mr. Lewis, Mrs. Harvey, Community Development Director, stated that once an applicant has been awarded the grant, the funds are required to be spent 60 days prior to the end of the current fiscal year.

2008 Comprehensive Plan Update
Mrs. Townshend, Director of Planning and Inspections, provided an update on the Comprehensive Plan development process for the 2008 Comprehensive Plan. At the next meeting, it is her intention to provide members with an outline of the various chapters and the responsible staff person as well as committee assignments.

By consent agenda, Mrs. Russell moved for acceptance of the Parks, Recreation, and Community Enhancement Committee Report, seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE REPORT - NOVEMBER 13, 2007
The Legislative, Finance, and Administration Committee met on November 13, 2007 with Chairman Slavin presiding.

Review of 2005 Charter Review Committee Recommendations - Article I. General Provisions
During their meeting of September 10, 2007, members approved the schedule to complete a comprehensive review of the 2005 Charter Review Committee Recommendations, including public hearings in each election district, over the next six (6) months. Members began their review during their meeting on October 8, 2007.

As scheduled, members considered the recommendations to Article II - Mayor and Council, of the Dover Charter, as follows:

Section 4, City Charter - Government Vested in Mayor and City Council (*Section 2.01, Model City Charter - General Powers and Duties.*)
The committee recommended that Section 4 be replaced with Section 2.01, as stated in the *Model City Charter*, including the title.

By consent agenda, Mrs. Russell moved for approval of the committee's recommendation, seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

Section 5, City Charter (1st paragraph) - Council to be Legislative Body
Members considered the possibility of the 1st paragraph of Section 5 being moved to appear with Section 6.02(a) of the *Model City Charter*.

It was the consensus of members that the 1st paragraph of Section 5 follow Section 4, and that it not be included at Section 6.02(a) of the *Model City Charter*.

By consent agenda, Mrs. Russell moved for approval of the committee's recommendation, seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

Section 5, City Charter (5th paragraph) - Qualifications (*Section 2.02, Model City Charter - Eligibility, Terms, and Composition - (a) Eligibility*
The committee recommended retaining the language in Section 5 (5th paragraph) rather than Section 2.02 of the *Model City Charter*, amending subsection (4) by replacing "Twenty-one (21)" with "Eighteen (18)".

By consent agenda, Mrs. Russell moved for approval of the committee's recommendation, seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

Section 5, City Charter (3rd and 4th paragraphs) - Terms of Mayor and Councilmen (*Section 2.02, Model City Charter - Eligibility, Terms, and Composition - (b) Terms*
It was noted that the 2005 Charter Review Committee recommended that the term for the Mayor be extended from two (2) to four (4) years.

Mr. McGiffin suggested that any changes recommended for the Mayor or of that position should be inclusive in their consideration rather than it being accomplished piecemeal.

After much discussion regarding the terms for both the Mayor and Council being increased to four (4) years, with the stipulation that a recall provision be added (to Section 6.04 of the *Model City Charter*), Mr. Slavin indicated that members could return to this Section for further consideration at a later time.

Section 5, City Charter (2nd paragraph) - Size; Districts (*Section 2.02, Model City Charter - Eligibility, Terms, and Composition - (c) Composition*)
Mr. Slavin felt that the size and district issue should have the input of the NAACP and suggested that action be deferred and that representatives of the NAACP be invited to attend a meeting to further discuss this issue.

It was the consensus of members that consideration of the size and districts should be deferred to allow representatives of the NAACP to attend a meeting to further discuss this issue.

By consent agenda, Mrs. Russell moved for approval of the committee's recommendation, seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

Section 14, City Charter - Duties of Mayor (*Section 2.03, Model City Charter - Mayor, Subsection (a) Powers and Duties)*
The committee recommended retaining the language of Section 14 rather than Subsection (a) of Section 2.03 of the *Model City Charter.*

By consent agenda, Mrs. Russell moved for approval of the committee's recommendation, seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

Section 53, City Charter - Police; Mayor to be Conservator of Peace
The committee recommended retaining the language of Section 53 of the City Charter.

By consent agenda, Mrs. Russell moved for approval of the committee's recommendation, seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

Section 15, City Charter - Council President/Vice-Mayor, Duties of (*Section 2.03, Model City Charter - Mayor, Subsection (b) Election - Mayor Elected At-Large)*
The committee recommended retaining the language of Section 15 rather than Subsection (b) of Section 2.03 of the *Model City Charter.*

By consent agenda, Mrs. Russell moved for approval of the committee's recommendation, seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

Section 12, City Charter - Compensation and Expenses - Mayor and Council and Other Elected or Appointed Officials (*Section 2.04, Model City Charter - Compensation; Expenses)*
Members were advised that during their meeting of July 20, 2006, the 2005 Charter Review Committee recommended the establishment of a Compensation Commission. Mrs. McDowell, City Clerk, advised members that the 2005 Charter Review Committee recommended adoption of a Resolution establishing the Compensation Commission, which was provided to members for their review.

Prior to taking action, Mr. Slavin requested that the City Clerk provide members with the July 20, 2006 Minutes of the 2005 Charter Review Committee. He suggested that the Compensation issue be considered by members during their next meeting.

Due to time constraints, Mr. Slavin stated that members will review the remainder of the items, as well as continue their review of the 2005 Charter Review Committee Recommendations, in accordance with the schedule adopted.

Itron Mobile Lite Meter Reading Collection System - Sole Vendor
Members were advised that the portable Itron Mobile Lite Collection System demonstrates the advances in wireless meter reading technology and replaces the original system proposed in the CIP. The Mobile Lite System is a result of the advancement of portable collection technology and, unlike the original system, is designed for a utility the size of Dover. This system will maximize

operational efficiency, reduce costs, and improve performance. The portable unit does not require installation and can be transferred between vehicles.

The City currently uses Itron handheld metering devices and the meters are compatible with these devices; therefore, due to the City's investment in meters and electronic reading devices, this would be a sole vendor purchase. The quote received for the Mobile Lite Collection System is as follows:

Two Mobile Lite Units at $10,000 each	$20,000
Upgraded Replacement Handheld Devices	4,300
Mobile Lite Portability Kit	400
Total Cost	$24,700

Mrs. Tieman, Senior City Administrator, advised members that readings that would take two (2) hours for the meter readers would be reduced to half an hour by using the new devices. Responding to Mr. McGlumphy, she stated that the City could eventually eliminate one (1) to two (2) meter reading positions as a result of the use of the readers, which would be accomplished through attrition (due to retirement) or transfers.

Staff recommended approval of the purchase of two (2) Itron Mobile Lite meter reading collection systems, mobile life portability kit, and one (1) handheld meter reading device, in the amount of $24,700. It was noted that the plan would be to have the system installed and in use by June 30, 2008.

The committee recommended approval of staff's recommendation.

By consent agenda, Mrs. Russell moved for approval of the committee's recommendation, seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

Review of Budget Instruction Package

Mrs. Tieman, Senior City Administrator, reminded members that during the recent Budget Post-Mortem, members of Council requested the opportunity to review the Budget Instruction Package. For clarification, Mr. Slavin explained that the package is provided to staff members for preparation of the draft budget, which is then presented to members of Council.

Mrs. Tieman explained the instruction package, including the instructions that are provided to staff for the development of their budget, as well as the budget calendar for FY 2008-2009.

Draft Comprehensive Annual Financial Report

Members were provided a Draft of the City's Comprehensive Annual Financial Report for the year ending June 30, 2007, which was also provided to the City's audit firm Faw, Casson, & Company, LLC. Mrs. Teal, Assistant Finance Director, distributed a summary and explained that the statistical section, divider tabs, and page numbers, as well as any changes recommended by the auditors, still need to be completed. She advised members that since the draft was prepared, negotiations with Duke Energy have been finalized; therefore, according to the auditors, it is necessary for some of the electric amounts to be corrected.

The final draft is expected to be completed and presented to members of the committee on November 26th. Mrs. Teal suggested that members peruse the financial section, which summarizes the financial activities for the year, to gain an understanding.

Due to time constraints and the length of the report, Mr. Slavin requested that members be given additional time to review the report and that this matter be brought back to the committee for further review during their next meeting.

Bond Engineering Consultant Proposal

Members were reminded that the City of Dover Electric Bond Resolution requires the City to retain an independent engineering consultant to annually inspect the City's electric system and to review the electric budgets and insurance program to ensure proper fiscal operation.

Mrs. Teal, Assistant Finance Director, stated that the contract was bid; however, only one (1) responsive proposal was received from Burns & McDonnell for a three (3) year contract, as follows: 1) 2007 - $15,500; 2) 2008 - $16,000; and 3) 2009 - $16,500, for a total firm fixed price in the amount of $48,000 for a three (3) year contract. Staff has determined that the proposal is based on adequately priced competition and is considered reasonable based on historical pricing for the same type effort. Burns & McDonnell has completed the Engineering Consultant Report for the City since 2002 and hase the previous experience to provide a thorough and cost effective study.

Staff recommended awarding a three (3) year contract to Burns & McDonnell (2007 - $15,500; 2008 - $16,000; and 2009 - $16,500) for a total amount of $48,000.

The committee recommended approval of staff's recommendation.

By consent agenda, Mrs. Russell moved for approval of the committee's recommendation, seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

Finance Procedures Regarding Grants and Grant Management

Members were provided revised Grant Application Procedures (#F317), developed by the Finance Director/Treasurer, which now include a "Decision Making Process" Form that was requested by City Council.

The committee recommended adoption of the Grant Application Procedures (#F317) as presented by staff.

By consent agenda, Mrs. Russell moved for approval of the committee's recommendation (*Exhibit #3*), seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

By consent agenda, Mrs. Russell moved for acceptance of the Legislative, Finance, and Administration Committee Report, seconded by Mr. McGlumphy and carried by a unanimous roll call vote.

MONTHLY REPORTS - OCTOBER 2007

By motion of Mrs. Russell, seconded by Mr. McGlumphy, the following monthly reports were accepted by consent agenda:

Budget Report
Chief of Police Report
City Assessor Report
City Manager's Report
Planning and Inspections Report
Dover Fire Department Report

IUE CONTRACT SETTLEMENT

Mr. DePrima, City Manager, provided members with detailed proposed changes to the IUE-CWA/City of Dover Contract Settlement Terms and reviewed the major changes to the contract (***Exhibit #4***). Staff recommended approval of the IUE Contract Proposal, which has been ratified by the Union.

Responding to Mr. Ruane, Mr. DePrima stated that the City's current budget includes adequate funds and will not require additional funds for the items included in the Contract.

Mr. Slavin moved to ratify and confirm the settlement with the IUE-CWA (*Exhibit #5*) outlining the six (6) bullet points presented. The motion was seconded by Mr. Hogan and carried by a unanimous roll call vote (Council President Williams absent).

ELECTION RESULTS - 2007 SPECIAL AT-LARGE MUNICIPAL ELECTION

Mrs. McDowell, City Clerk, reported the results of the 2007 Special At-Large Municipal Election held on November 20, 2007, as follows:

AT-LARGE COUNCIL	
Prameela D. Kaza	393
Thomas J. Leary	**674**
Total District Votes Cast	1,067
Total Registered Voters	19,596

Mr. Hogan moved for approval of the Election Results as reported by the City Clerk. The motion was seconded by Mr. Slavin and carried by a unanimous roll call vote (Council President Williams absent).

ELECTION OF OFFICERS - ROBBINS HOSE COMPANY - YEAR 2008 FIRE LINE OFFICERS

The Fire Line Officers of the Robbins Hose Company are elected annually on the third Monday of November. Members were provided the results from the November 19, 2007 Robbins Hose Company Election for consideration as follows:

Fire Chief	-	David Carey
Deputy Fire Chief	-	Sean Christiansen *(uncontested)*
First Assistant Fire Chief	-	Paul Strochine *(uncontested)*
Second Assistant Fire Chief	-	Glenn Whitt *(uncontested)*
Third Assistant Fire Chief	-	Mike O'Connor, II *(uncontested)*
Fourth Assistant Fire Chief	-	Benjamin Smetana *(uncontested)*
First Fire Line Captain	-	Joseph Simmons
Second Fire Line Captain	-	Cole Enright *(uncontested)*

By consent agenda, Mrs. Russell moved for acceptance of the Fire Line Officers for Robbins Hose Company No. 1 for the Year 2008, as submitted, seconded by Mr. McGlumphy and carried by a unanimous roll call vote (Council President Williams absent).

COUNCIL MEMBERS ANNOUNCEMENTS

Mr. Hogan congratulated Mr. Leary on his recent election to serve as the At-Large Councilman and thanked Mrs. Kaza for her efforts.

Mr. Slavin extended congratulations to Delaware State University football team for a great season and suggested that the Mayor issue a proclamation to Dr. Sessom, the football coach, and team members.

Mr. McGlumphy moved for adjournment, seconded by Mr. Hogan and unanimously carried.

Meeting Adjourned at 8:15 P.M.

TRACI A. McDOWELL
CITY CLERK

All orders, ordinances, and resolutions adopted by City Council during their Regular Meeting of November 26, 2007, are hereby approved.

CARLETON E. CAREY, SR.
MAYOR

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Exhibits Attached to Original Minutes and File Copy
Exhibit #1 - Presentation - Source Water Protection Overlay Zone (SWPOZ) the "Wellhead Protection Areas"
Exhibit #2 - Letter of November 26, 2007 from Mr. Barndt (DNREC)
Exhibit #3 - Grant Application Procedures (#F317)
Exhibit #4 - IUE-CWA/City of Dover Contract Settlement Terms (Major Items)
Exhibit #5 - IUE-CWA/City of Dover Contract

LEGISLATIVE, FINANCE AND ADMINISTRATION COMMITTEE

The Legislative, Finance, and Administration Committee meeting was held on November 26, 2007, at 4:32 p.m. with Chairman Slavin presiding. Members present were Mr. McGlumphy, Mr. Salters (arrived at 4:35 p.m.), Mrs. Jones, and Mr. Shevock. Other members of Council present were Mr. Hogan (arrived at 4:52 p.m.) and Mr. Ruane.

AGENDA ADDITIONS/DELETIONS

Mr. McGlumphy moved for approval of the agenda, seconded by Mr. Shevock and unanimously carried.

Review of 2005 Charter Review Committee Recommendations - Article II (Continued)

During their meeting of September 10, 2007, members approved the schedule to complete a comprehensive review of the 2005 Charter Review Committee Recommendations, including public hearings in each election district, over the next six (6) months. Members began their review during their meeting on October 8, 2007.

As scheduled, members continued consideration of the recommendations to Article II - Mayor and Council, of the Dover Charter, as follows:

Section 5, City Charter (2nd paragraph) - Size; Districts (*Section 2.02, Model City Charter - Eligibility, Terms, and Composition - (c) Composition*)

Mr. Slavin reminded members that during their meeting of November 13, 2007, they felt that the size and district issue should have the input of the NAACP. He advised members that letters will be sent out to representatives of the NAACP and that a meeting will be scheduled specifically for this issue during the January 14, 2008, committee meeting. He has verbally contacted some of the representatives of the NAACP regarding this invitation, as well as Deputy City Solicitor Pepper.

Section 12, City Charter - Compensation and Expenses - Mayor and Council and Other Elected or Appointed Officials (*Section 2.04, Model City Charter - Compensation; Expenses)*

During their meeting of November 13, 2007, members considered the 2005 Charter Review Committee's recommendation for adoption of a Resolution that would establish a Compensation Commission. As requested, the City Clerk provided members with the July 20, 2006, Minutes of the 2005 Charter Review Committee.

Mr. McGlumphy moved to recommend retaining Section 12 of the City Charter rather than Section 2.04 of the *Model City Charter*, seconded by Mr. Salters.

Mr. McGlumphy relayed opposition to relinquishing the responsibility of City Council to a Commission for determining the salary for the Mayor and Council.

Referencing the language in Section 2.04 of the *Model City Charter*, Mr. Shevock noted that it includes the provision for any increase to be provided after an election is held and that the current City Charter does not prohibit current members from an immediate salary increase. Mr. Slavin reminded members that there is a provision in the United States Constitution that sitting Congress cannot raise their own salary.

Mr. Ruane stated his support for the creation of a Compensation Commission, noting that previous discussions regarding salaries for the Mayor and Council have been very contentious. Concurring, Mr. McGiffin stated that consideration of these salaries has also been personal. It was his opinion that by having a commission responsible for this consideration, it would remove the personal element from the consideration and that it would be more objective.

Mrs. Jones indicated her support for the adoption of a Resolution creating a Compensation Commission, as well as the recommendation to include the language in Section 2.04 of the *Model City Charter*, rather than that of Section 12 of the current City Charter.

On a call for the question, the motion recommending that Section 12 of the City Charter be retained rather than Section 2.04 of the *Model City Charter* failed (Mr. Slavin, Mrs. Jones, and Mr. Shevock voting no).

Mr. Slavin stated that the issue for establishment of a Compensation Commission would address concerns regarding members of Council having a decision in the matter since the Council could reject the Commission's recommendation; however, they would not be able to increase their salaries.

Mr. Shevock moved to recommend acceptance of the 2005 Charter Review Recommendation that Section 12 be replaced with Section 2.04 of the *Model City Charter* and adoption of the Resolution establishing the Compensation Commission, seconded by Mrs. Jones and carried with Mr. McGlumphy and Mr. Salters voting no.

Section 2.05 - Prohibitions, Subsection (a) - Holding Other Office, Model City Charter
Mr. McGlumphy moved to recommend including Section 2.05 - Prohibitions, Subsection (a) - Holding Other Office, as stated in the *Model City Charter*. The motion was seconded by Mrs. Jones and unanimously carried.

Section 5, City Charter (6th paragraph) - Councilman Filing and Running for Mayor
Members considered retaining the 6th paragraph of Section 5 to appear following Section 2.05(a) of the *Model City Charter*.

Mr. Hogan suggested that this requirement be inclusive of all elections. *City Clerk's Office Note: Due to a recent Special Election, it was the opinion of the City Solicitor that a member of Council wishing to file and run for the Mayor's position would not have to relinquish their current seat as a member of Council.*

Before this matter is presented to City Council, Mr. Ruane requested that the City Clerk conduct research regarding this paragraph of Section 5 of the current City Charter.

Mr. Slavin questioned if the rationale for the paragraph is to provide a fairness for members of City Council, explaining that if the requirement was not in place, half of the members of Council would be required to relinquish their Council seat to run for Mayor and the other half would not.

Concurring, Mr. Hogan suggested that to alleviate this unfairness, with nine (9) members of Council, there could be three (3) year staggered terms and, with a Mayor having a four (4) year term, the election for the Mayor would fall on a different group of Council each election.

In consideration of different alternatives, Mr. Ruane suggested consideration of the Mayor being elected by the members of City Council.

Mr. Slavin indicated that this matter will be deferred to allow the City Clerk to conduct research with regards to the 6th paragraph of Section 5 of the City Charter.

Section 35 - Removal of Employees by Manager (*Section 2.05 - Prohibitions, Subsection (b) - Appointments and Removals, Model City Charter)*
Mr. Salters moved to recommend including the language in Section 2.05 - Prohibitions, Subsection (b) - Appointments and Removals, as stated in the *Model City Charter*, rather than Section 35 of the City Charter. The motion was seconded by Mrs. Jones and unanimously carried.

Due to time constraints, Mr. Slavin stated that members will continue their review of the 2005 Charter Review Committee Recommendation at "Section 36 - Council not to Interfere with Appointments or Removals of Manager; Giving Orders to Subordinates of Manager Prohibited; Penalty for Same (*Section 2.05 - Prohibitions, Subsection (c) - Interference with Administration, Model City Charter)*" during their next meeting.

Responding to Mr. Ruane, Mr. Slavin explained that the purpose of this review is to create a document for consideration by Council so that when Council accepts the report and recommendations of the committee regarding the review of the Charter, they are accepting the work that the committee has accomplished as a work product and not as a final product.

Draft Comprehensive Annual Financial Report
During their meeting of November 12, 2007, members were provided a Draft of the City's Comprehensive Annual Financial Report (CAFR) for the year ending June 30, 2007, which has also been provided to the City's audit firm Faw, Casson, & Company, LLC. Due to time constraints and the length of the report, Mr. Slavin requested that members be given additional time to review the report and that this matter be brought back to the committee for further review during their next meeting.

In accordance with the auditing services calendar, staff provided members with a draft of the City of Dover CAFR for the year ending June 30, 2007. Still to be completed is the review of the statistical section, divider tabs, and page numbering, as well as including any changes recommended by the City's auditors.

Mrs. Mitchell, Finance Director/Treasurer, advised members that the auditors are still reviewing individual fund statements and schedules, as well as the corresponding narrative in the report. She also noted that this is the first time the Audit Committee approach is being used in the preparation

and presentation of the CAFR. Mrs. Mitchell provided explanations to major highlights, as well as any subsequent changes that will be incorporated into the final CAFR, which will be presented to members on December 10, 2007.

Duke Agreement Closeout

Members were reminded that the City's contract with Duke Energy ended on June 30, 2006. The contract had a provision that required an audit of the financial results each year. Duke requested that the City negotiate a settlement to close out the contract and forego an audit. The remaining items that needed to be settled were the purchase of all spare parts and fuel inventories, metering equipment and the annual rebate to the City.

Mrs. Mitchell, Finance Director/Treasurer, provided members with the pre-negotiated and the post-negotiated invoices, as follows:

	Duke Invoice 9/7/2006	Negotiated Settlement 11/17/2007
Consumable Inventory Expenses for FY2005-06	$2,666,923	$2,666,923
Meter System Expenses for FY2005-06	$75,000	$75,000
Spare Parts Inventory Expenses for FY2005-06	$1,214,326	$910,745
Rebate for FY2006	($879,777)	($1,079,000)
Net Invoice Amount	$3,076,472	$2,573,668
Net Cash Flow Savings		**$502,804**

Staff recommended that the City Manager be authorized to sign the Duke Contract Close documents.

Mr. Salters moved to recommend approval of staff's recommendation, seconded by Mrs. Jones and unanimously carried.

Mrs. Jones moved for adjournment, seconded by Mr. Salters and unanimously carried.

Meeting Adjourned at 5:33 P.M.

Respectfully submitted,

Timothy A. Slavin
Chairman

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SPECIAL UTILITY COMMITTEE

A Special Utility Committee meeting was held on November 27, 2007 at 4:30 p.m. with Chairman Ruane presiding. Members present were Mr. McGiffin, Mr. Cregar, and Mr. Snaman. Members of Council present were Mr. Hogan and Mayor Carey (arrived at 4:39 p.m.).

AGENDA ADDITIONS/DELETIONS

Mr. Snaman moved for approval of the agenda, seconded by Mr. Cregar and unanimously carried.

Appendix B - Zoning Ordinance, Article 3 - District Regulations, Section 29 - Source Water Protection Overlay Zone (SWPOZ), Section 29.7 - Tier III *(Referred by City Council on October 22, 2007)*

During the Regular Council Meeting of October 22, 2007, a public hearing was scheduled to consider the adoption of proposed zoning text amendments that would establish a Source Water Protection Overlay Zone (SWPOZ), which affects over 500 parcels within the City. It was noted that the proposed ordinance was reviewed by the Parks, Recreation, and Community Enhancement Committee during their meeting of October 9, 2007. Based on several comments and other discussions that occurred since the Planning Commission meeting on October 15, 2007, it was staff's opinion that providing for an exemption may not be the best alternative to address impervious cover limitations and suggested the possibility of balancing important economic development factors with the protection of the recharge areas. Staff recommended that the proposed ordinance be referred to the Utility Committee and that a Public Hearing be rescheduled for January 14, 2008, to allow staff and the Utility Committee to work through these issues to bring forward an ordinance that addresses the concerns realistically. Members of City Council, during their meeting of October 22, 2007, deferred the public hearing for the proposed zoning text amendment and that the ordinance, amending Article 3 - District Regulations, Section 29 - Source Water Protection Overlay Zone (SWPOZ) of the Zoning Ordinance, be referred to the Utility Committee in order to reconsider protective land use policies to protect Dover's excellent water recharge areas and its well-heads and to present a revised ordinance to City Council for public hearing on January 14, 2008.

During a Special Committee Meeting on November 6, 2007, members reviewed an alternative draft ordinance entitled "Wellhead Protection Only" due to the difficulty of members coming to a consensus regarding the excellent recharge areas at this time. Members were reminded that the State is requiring the City to adopt the Overlay Zone prior to the end of the year and it was felt by staff that the alternative may satisfy the requirement at this time. The committee recommended adoption of the alternative proposed ordinance, as amended, and that a public hearing be scheduled accordingly (public hearing set for November 26, 2007 at 7:30 p.m.). During their Regular Meeting of November 12, 2007, members of City Council accepted the committee's recommendation. A public hearing was held on November 26, 2007 and Council adopted the alternative ordinance.

Members were provided Section 29.7 - Tier III, of Article 3 - District Regulations, Section 29 - Source Water Protection Overlay Zone (SWPOZ) of Appendix B - Zoning Ordinance, for their consideration.

Mr. Koenig, Public Services Manager, reviewed a presentation of the "Excellent Recharge Areas", Section 29.7 - Tier III, of the Dover's Source Water Protection Overlay Zone (***Attachment #1***).

Mrs. Townshend, Director of Planning and Inspections, provided members with a revised draft of Section 29.7 - Tier III, of the Dover's Source Water Protection Overlay Zone (***Attachment #2***) and reviewed the proposed text amendment in detail.

Responding to Mr. Ruane, Mrs. Townshend explained that there are two (2) types of site plans that are received in the Planning Office. There are those that are very small, which can be reviewed administratively and those that require review by the Planning Commission. Rather than such a broad reference to Article 10, she suggested that Section 29.71 be amended by replacing the word "any" with "only" and elimination of the "as set forth in Article 10".

Mr. Snaman moved to recommend that Section 29.71 be amended to read as follows: "*29.71 Applicability. The impervious cover restrictions of this section shall apply only to activities requiring approval of the planning commission*". The motion was seconded by Mr. McGiffin and unanimously carried.

Mr. John Barndt, Program Manager for Source Water and Wellhead Protection Programs for the Department of Natural Resources and Environmental Control (DNREC), relayed concern regarding Section 29.72, as it relates to the stormwater and provided material (*Delaware Ground-Water Recharge Design Manual - Supplement 1 and an Excerpt from NCC-UDC*) with regards to this issue (***Attachment #3***). Mrs. Townshend requested that staff be provided the opportunity to review the material to develop appropriate language for Section 29.72.

At the request of Mrs. Townshend with regards to the change from 20 to 30 for impervious surface and 30 to 60 for impervious cover, as referenced in Section 29.72, Mr. Gregory Moore of Becker Morgan Group, representing Dover Downs and Delaware State University, stated that although it is felt that the change is better, he has not had the opportunity to evaluate the change. He is in the process of re-calculating all the holdings of Delaware State University and requested the opportunity to discuss the impacts with representatives.

Mr. Phil McGinnis, Kent County Association of Realtors, stated that having just received the information, he has not had the opportunity for a thorough review, although he stated that higher percentages would be preferred.

Mr. Moore advised members that, in the best interest of all parties, he would like the opportunity to introduce, as an incentive, Green Building possibilities and would like to share this information with staff. The Green Building design deals with site improvements and providing criteria for impervious surface, stormwater, and discharge. Mr. Moore noted that it is not just the percentages, but how to meet the criteria to get to the percentages. Responding, Mrs. Townshend indicated that this is, essentially, the entirety of Section 29.72.

Mr. McGiffin moved to recommend to defer Section 29.72 until the next meeting, seconded by Mr. Snaman and unanimously carried.

Responding to Mr. Ruane, Mrs. Townshend stated that the Kent Conservation District reviewed the proposed ordinance and sent a letter of support in October 2007. However, she stated that they have not had the opportunity to review any changes that have been made to the draft. Mrs. Townshend assured members that she will forward the final draft to Kent Conservation District and DNREC before the proposed ordinance is presented to City Council for consideration.

Referring to Section 29.77, Mr. Ruane relayed concern with nebulous words such as "desirable" and "consistent" since they are subjective and interpretive. He stated that if a waiver is to be permitted, there should be very specific requirements and criteria.

With regards to Section 29.710, Mr. Moore stated his support, explaining that residential property owners would not have a sophisticated engineer to assist them; therefore, although the Planning Commission review would not be required, it would be helpful for a homeowner to have clear direction of their abilities.

In response to Mr. McGiffin, Mrs. Townshend advised members that staff developed the language for paragraph (a) of Section 29.711 after meeting with interested parties yesterday; therefore, staff is not necessarily recommending the specific language, particularly the word "mitigation", as it currently reads.

Mr. McGinnis stated that since the meaning of paragraph (a) of Section 29.711 is to compensate, he suggested that the word "compensation" replace "mitigation". He relayed concern with the use of the City's assessment of property due to many of these assessments being higher than the market value; therefore, an appraisal done by a qualified, certified appraiser would be preferred. Since the paragraph discusses a reduction of property rights, due to the reduction of impervious surface, Mr. McGinnis advised members that the property value could reduce. He questioned what change, if any, would be made to the assessed value. If it is the intent for the funds obtained through "payment-in-lieu" to be used towards the purchase of property, Mr. McGinnis suggested that the ordinance be specific in this regard.

Mr. Moore, on behalf of the Greater Dover Committee, explained his opposition to not allowing an exemption for the downtown area. He explained that the original design of downtown was based on a grid system that was intended to have full development similar to Loockerman Street. If you limit the redevelopment of those properties to 60% impervious, the result will be suburban, for a downtown that currently "feels" urban. This would be a serious change to Dover and would hinder the ability to redevelop any property in the downtown. It was his opinion that downtown Dover is an area that should be exempted without question.

Responding to Mr. Ruane, Mr. Moore indicated that the downtown is an incentive area, explaining that incentives are offered for the redevelopment of downtown. He stated that by requiring developers to contribute to the City, to allow for the purchase of lands elsewhere, is a disincentive, which is against the attempts to revitalize the downtown.

Mr. John Paradee of Prickett, Jones, and Elliott,11 N. State Street, addressed members as a member of the Greater Dover Committee and relayed concurrence with the comments made by Mr. Moore.

He stated that anything that increases the cost of redevelopment in the downtown area is a disincentive and is exactly counter to the efforts for the revitalization of downtown. Reminding members that these revitalization efforts have been difficult, Mr. Paradee explained that such a requirement would only make them more difficult. Also, as a Board Member of Kent General Hospital, he advised members that the proposal would have an effect on the hospital's master plan and requested that representatives of the hospital be given the opportunity to review and reflect how the proposed ordinance may affect their Master Plan, which is an important part of downtown Dover.

In response to Mr. Ruane, Mrs. Townshend indicated that since a Master Plan has been submitted by Kent General Hospital, they would fall under Section 29.79 of the proposed ordinance. She explained that since a Master Plan for the hospital has already been approved, and if they were to develop the land accordingly, they would not be subject to the proposed ordinance; however, if the hospital submitted a new or revised Master Plan, they would be subject to the requirements as stipulated in the proposed ordinance.

As a board member of the hospital and preparer of their Master Plan, Mr. Moore assured members that the 20-Year Master Plan will need to be updated. He explained the importance of allowing the hospital to maintain itself in its current location and develop to its fullest. If the City does not provide the hospital this ability, they will be challenged and possibly move to a suburban site.

Mrs. Townshend also referred to a letter received from Mr. David Braun of Braun Engineering regarding the imposition of the zone on the downtown area (***Attachment #4***), which was provided to members.

Mr. Snaman questioned the current percentage of impervious surface in the downtown area. He also questioned if the reservoir, where the hospital is located, remains healthy.

Mr. John Barndt, Program Manager for Source Water and Wellhead Protection Programs for the Department of Natural Resources and Environmental Control (DNREC), advised members that Dover is the first urban community to work on this issue and that DNREC is attempting to be sensitive to understanding that having an extreme urban environment and working with resource protection is a challenge. DNREC is concerned with a blanket exemption due to the precedent that would be set. Although DNREC is sensitive that consideration to this area is necessary, Mr. Barndt suggested that rather than a blanket exemption, a higher threshold be considered that would be acceptable and workable.

Responding to Mr. Ruane, Mr. Barndt stated that although Delaware is one of a few states that actually has a state level source water rule, there are others that he could contact to determine how they addressed this issue. He relayed a willingness to work, on behalf of the City, on this issue and conduct research to determine what urban areas in other states that have this type of law are doing.

Mr. Cregar questioned the reasons why the City would not consider a total exemption for the downtown.

Due to time constraints and there being no objections, Mr. Ruane stated that members will defer further consideration of this matter. He requested that staff provide information regarding the various questions raised and information requested by members during their next meeting, including an opinion from the City Solicitor with regards to the affect of an exemption from these requirements for only part of the City.

Mr. Snaman moved that a Special Meeting be held on December 11, 2007 at 4:30 p.m. to continue review of the Tier 3, Excellent Recharge Areas (Section 29.7 of the proposed ordinance amendment), seconded by Mr. Cregar and unanimously carried.

Mr. Snaman moved for adjournment, seconded by Mr. Cregar and unanimously carried.

Meeting Adjourned at 5:48 P.M.

Respectfully submitted,

Eugene B. Ruane
Chairman

EBR/TM/jg
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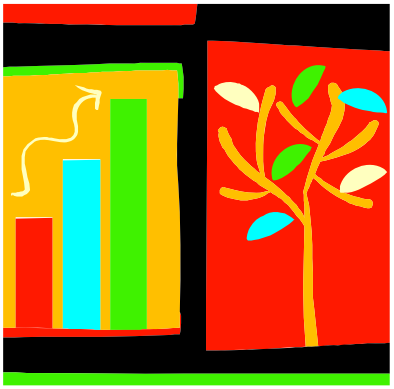
Attachments to Original Minutes and File Copy

Attachment #1 - Presentation of the "Excellent Recharge Areas", Section 29.7 - Tier III, of the Dover's Source Water Protection Overlay Zone
Attachment #2 - Revised Draft Ordinance, Section 29.7 (Tier 3, Excellent Recharge Areas)
Attachment #3 - Stormwater Material (Delaware Ground-Water Recharge Design Manual - Supplement 1 and Excerpt from NCC-UDC)
Attachment #4 - Letter from Mr. David Braun of Braun Engineering, dated November 27, 2007

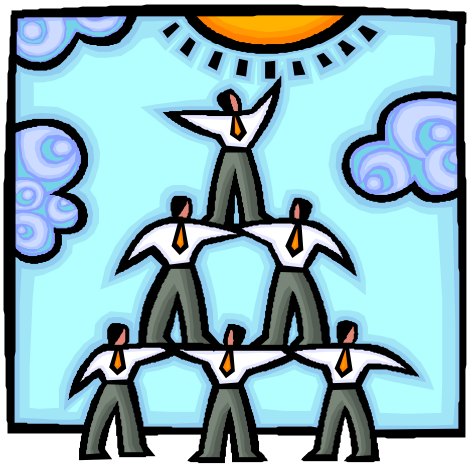
The City of Dover, Delaware is a place where people want to live!

opportunity where all citizens are heard, enjoy a high quality of life, and diversity is valued.

Through the team effort of its elected officials, employees, and citizens, Dover has a reputation for being a clean and safe community, with a future of balanced growth and











Comprehensive Annual Financial Report for the Year Ended June 30, 2007

COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the Fiscal Year Ended June 30, 2007



Prepared by the Finance Department
Donna S. Mitchell, Director

CITY OF DOVER, DELAWARE
Comprehensive Annual Financial Report
For the Year Fiscal Ended June 30, 2007

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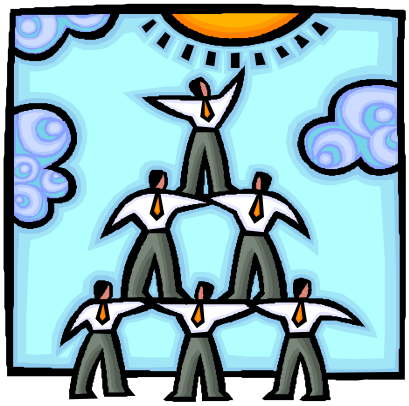
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INTRODUCTORY SECTION



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

City of Dover

December 3, 2007

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, 2007. This report is published to comply with the provisions of Section 46 of the City Charter. It is also intended to provide financial data to the tax and rate payers, bond holders, 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 Faw Casson and Co, LLP, an independent firm of certified public accountants as required by Section 46 of the City Charter. Faw Casson and Co., LLP has provided an unqualified opinion on the City of Dover financial statements for the year ended June 30, 2007. The independent auditor'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 35,200.

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. Council members are elected from four districts and serve staggered, two-year terms. One member of Council and the Mayor are elected at-large and serve two-year 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 the 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, streets and sanitation maintenance, recreation, library, community 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 Finance Director, 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.

LOCAL ECONOMY

The City of Dover's two largest employers are Dover Air Force Base and the State of Delaware. The City is also home of Dover Downs Co. Inc. which includes a race track, video lottery casino, and hotel. Dover International Speedway is known for the "Monster

Mile" track and attracts over 200,000 people to Dover in May and September each year for NASCAR Racing. The City continues to experience job growth in the construction, hospitality, health care and social services, construction, retail, and food service industries. Job losses have been experienced in the manufacturing and financial service industries due to company mergers, acquisitions or process innovations. The non-farm average annual wages of $34,563 grew 4.3 % between 2005 and 2006 and the related jobs grew 3.2% for this same time period.

The current unemployment rate for Dover is 2.1 % as compared to 2.9 % in 2006. The unemployment rate consistently tracks lower than the national average due to the significant military and state government employment in the City. Unemployment is expected to remain stable. The population is expected to continue to grow at an annual rate of 2 %. A portion of the past growth is attributed to a significant number of workers and retirees relocating from other states seeking lower tax and housing costs as well as an attractive quality of life. The region is losing manufacturing jobs but gaining in retail sales and services, medical and office related jobs.

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 has remained strong over the course of the current fiscal year.

Significant residential growth continues to occur primarily in the more suburban west Dover area, although other areas of the City are gaining more interest as well. Major institutions and government agencies continue to expand to meet the demands of a growing regional population and economy. Commercial corridor areas of U.S. Routes 13/113 and DE Route 8 have continued to attract medium and large scale commercial development with increased interest in U.S. Route 113. Efforts to revitalize the traditional urban core of downtown Dover are beginning to show major results with several recent redevelopment and construction projects that reflect renewed interest and confidence in downtown Dover as a viable central business district. The population of Dover also continues to increase at a manageable rate of slightly more than 1% annually.

Total value of construction for the current fiscal year reached $106.9 million, nearly a 16 % increase in value from fiscal year 2006. Growth and development trends during the current fiscal year are further discussed and summarized below:

A total of 318 new residential housing starts were recorded during the current fiscal year. This reflects continuation of the levels of residential development realized in Dover throughout the 1990's and an increase in recent years.

With an overall decline in manufacturing jobs, the retail and commercial sector of Dover has become more important to the overall economic outlook. Investment in this sector has continued even with the national economic slowdown. In fiscal year 2007, Dover continued to expand its dominance as a center for retail and service in central Delaware. Retail commercial development continued to show gains through the period. Additionally, Dover has seen numerous hotel applications for several locations throughout the city. General office development seems to be in pace with other segments of the local market

with numerous small to mid-sized office buildings being planned and constructed. As evidenced by abundant development activity and the resultant job creations in several segments of the Dover economy, a considerable inventory of planned projects, and a steadily increasing resident population, the economic condition of Dover appears to be sound and well-positioned for continued growth into fiscal year 2008.

FINANCIAL POLICIES AND FINANCIAL PLANNING

Unreserved, undesignated fund balances in the general fund (11.6%) fall within the policy guidelines of a minimum of 8% and maximum of 12% 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 for the utilities are water (47.9%), wastewater (1.5%) (see major initiatives below), and electric (7.9%). The water and wastewater utilities are accounted for in the same fund.

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 fund to address unforeseeable natural disasters and insurance losses. All major funds meet the contingency reserve requirement.

The wastewater utility imposes impact fees, which are reserved by ordinance, on new developments 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 City to maintain a minimum of $10.0 million in each of these reserves, with replenishment over seven years when used to finance projects.

In fiscal year 2004, the City established an Electric Rate Stabilization Reserve account to set aside the profit sharing receipts from Duke Energy under the previous contract. The purpose of the reserve is to assist the City with a phase-in of electric rate increases, realizing the city is coming off of a fixed price contract into a market based contract. The reserve will also be maintained in the future to provide for price fluctuations in the power markets through one-time receipts, available budget balances or appropriations.

MAJOR INITIATIVES

The John W. Pitts Recreation Center, representing approximately $3.0 million in capital investment, is expected to be completed in January, 2008. The City is funding the recreation center through a reserve account for parkland and recreation. For the fiscal year of 2007, construction cost of $926,042 is included in recreation expenditures. The new center will be in addition to our current facilities at a net cost of approximately $260,000, after consideration of user fees.

City Council has another major initiative underway for the construction of a regional library. This project is estimated to cost $18.0 million and is still in the planning and development phase. Construction is expected to begin in fiscal year 2009. City Council has approved funding in the amount of $80,000 for hiring a coordinator to assist with the planning and development. The capital construction is expected to be financed through the library reserve, a state grant (50% matching funds), donations, proceeds from sale of current facility, and general obligation bonds. Once completed, additional annual operating expenses estimated at $200,000 will be budgeted in the general fund.

Improving Dover's water quality is recognized as the water utility's highest priority. Although the City's water supply meets all requirements of the State Division of Public Health Office of Drinking Water, Dover has experienced a brown water problem since implementing the State regulation to chlorinate and fluoridate the city's water supply. The City is continuing its efforts to implement the changes/improvements as recommended by a consulting engineer contracted last year. City Council has made this a high priority on their list of projects. The fiscal year 2008 budget includes $1.1 million in capital projects to address this issue.

In the past few years, the City has encountered problems with inflow and infiltration of our wastewater system. In an effort to resolve this problem, the City contracted with a video pipe inspection company to clean, video inspect, smoke test, and provide digital reports of any problems detected in the sanitary sewer system. This phase of the project was completed this fiscal year. The City has started to implement recommended changes based on the findings of the contractor. The fiscal year 2008 budget includes $.4 million in capital projects to address some of the issues of failing sewer mains. In fiscal year 2004 City Council also approved a forty-five cent rate increase over a two-year period to cover the increase in wastewater treatment fees and bring the budget balance in compliance with policy. The City is projecting to issue $11.5 million of revenue bonds in fiscal year 2009 to assist in financing its five year water and wastewater capital improvement programs.

The electric utility will begin work on the 69kv feeders #3 & #4 at the Cartanza 230kv substation this upcoming year at an expected cost of $14.9 million. The addition of the transmission lines will provide the City with a redundant line to prevent outages as well as carry the City's load and capacity requirements over the next twenty years. The electric utility will also be upgrading the College Road Substation ($2.4 million) and St. Jones Substation ($3.5 million). The City's plant operator, North American Energy Services, will be completing the installation of a Selective Non-Catalytic Reduction (SNCR) pollution control system in order to comply with the Delaware Regulation 1146 on Unit 3 at the McKee Run generating plant at a cost of $3.0 million. The fiscal year 2008 five year capital improvement budget totals $47.5 million to be financed by $22.2 million in revenue bonds, transfers from the operating fund, and reserve accounts for capital improvements as described above.

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 June 30, 2006. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Dover has received a Certificate of Achievement for the last 22 consecutive years. 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.

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated July 25, 2006. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged as a policy document, a financial plan, an operations guide, and a communications device.

Thank you for your continuing 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 City employees for their assistance and cooperation during the year and for providing information for this report. My appreciation is extended to Mr. Anthony DePrima, City Manager, and his staff for their continued support of the Finance Department. Special appreciation is extended to the employees of the Finance Department, whose dedicated service made this report and the year a success. Thank you Tracey Lisiecki, Linda Gomes, Ray Cola, Anita Hundzinski, Sharon Daniel, Rhonda McMaster and Peggy Teal.

Respectfully submitted,

Donna S. Mitchell, CPA
Treasurer/Finance Director

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, 2006

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



President

Executive Director

CITY OF DOVER, DELAWARE
List of Elected Officials
June 30, 2007

	Length of Services	Term Expires
Mayor		
Stephen R. Speed *	3 Years	May 2008
City Council		
At-Large		
Carleton E. Carey, Sr.	10 Years	May 2009
First District		
Beverly C. Williams **	4 Years	May 2008
Kenneth L. Hogan	3 Years	May 2009
Second District		
William P. McGlumphy***	1 Year	May 2008
Eugene B. Ruane	6 Years	May 2009
Third District		
James G. McGiffin, Jr.	1 Year	May 2009
Timothy A. Slavin	3 Years	May 2008
Fourth District		
Sophia R. Russell	2 Years	May 2008
Reuben Salters	18 Years	May 2009

* Previously served on City Council from May 2002 to May 2004

** Council President

*** Previously served on City Council from May 2000 to May 2004



Mayor Speed

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. Council members are elected from four districts and serve staggered, two-year terms. One member of Council and the Mayor are elected at-large and also serve two-year terms.



COUNCIL MEMBERS

Bottom Row L-R – Kenneth Hogan, Reuben Salters, James McGiffin, & Sophia Russell

Top Row L-R – Eugene Ruane, Beverly Williams, Carleton Carey, Timothy Slavin & William McGlumpy

CITY OF DOVER, DELAWARE
List of Appointed Officials
June 30, 2007

	Length of Time in Position	Length of Time with the City
City Clerk/Assistant Treasurer – Traci A. McDowell*	1 Year	20 Years
City Manager/Civil Defense Director – Anthony J. DePrima**	6 Years	16 Years
City Solicitor – Nicholas H. Rodriquez	39 Years	39 Years
Deputy City Solicitor – William Pepper	18 Years	18 Years
Council President – Beverly C. Williams	3 Years	5 Years
Fire Chief – Jason Osika	6 Months	9 Years
Fire Marshal – David Truax	11 Years	16 Years
Inspections Director/Planner – Ann Marie Townshend	1 Year	1 Year
Police Chief – Jeffrey Horvath	6 Years	23 Years
Treasurer/Finance Director – Donna Mitchell	7 Years	7 Years

* Previously served as Assistant City Clerk 2000-2006
** Previously served as City Planner 1991-2001

CITY OF DOVER, DELAWARE
List of Commissions & Committees

BOARD OF ADJUSTMENT
Kishor C. Sheth, Chairman
Arthur G. Ericson
Dr. Edward Goate'
William Hufnel
Richard Senato

CODE BOARD OF APPEALS
Eugene B. Ruane, Chairman
Anthony J. DePrima, City Manager
William P. McGlumphy, Councilman

ELECTION BOARD
Thomas J. Leary, Chairman
Gerald P. Foss
William T. Garfinkel
Beulah Gray
Goldie Legates
Traci McDowell

HISTORIC DISTRICT
C. Terry Jackson, President
Joseph McDaniel
James D. McNair, II
Ken Robertson
Richard Scrafford

HUMAN RELATIONS COMMISSION
Dr. Samuel B. Hoff, Chairman
Gregory J. Bunkley
Dr. Phyllis Edamatsu
Ivan F. Finney
Paul Fleming
William H. Franklin, Jr.
Rev. Wayne A. Johnson, Sr.
Prameela D. Kaza
Mittie Kelley
Ellen O. Wasfi
Theresa Whalen
Roy Sudler, Jr.

LEGISLATIVE, FINANCE & ADMINISTRATION
Reuben Salters, Chairman
Kenneth L. Hogan, Councilman
Bobby C. Jones
Daniel Shevock
Timothy A. Slavin, Councilman

PARKING AUTHORITY
Thomas G. Smith, Chairman
Michael J. Ambruso
Timothy P. Mullaney, Sr.
Ronald G. Poliquin
Laura G. Simmons

PARKS, RECREATION & COMMUNITY ENHANCEMENT
Eugene B. Ruane, Chairman
William P. McGlumphy, Councilman
Ann Horsey
David A. Lewis, Jr.
Sophia R. Russell, Councilwoman

PENSION – CIVILIAN
Eugene B. Ruane, Chairman
Kenneth Hogan, Councilman
Pat Braun
Anthony J. DePrima, City Manager
Chappy Lucas
Donna S. Mitchell, Treasurer/Finance Director
Judy Rigby

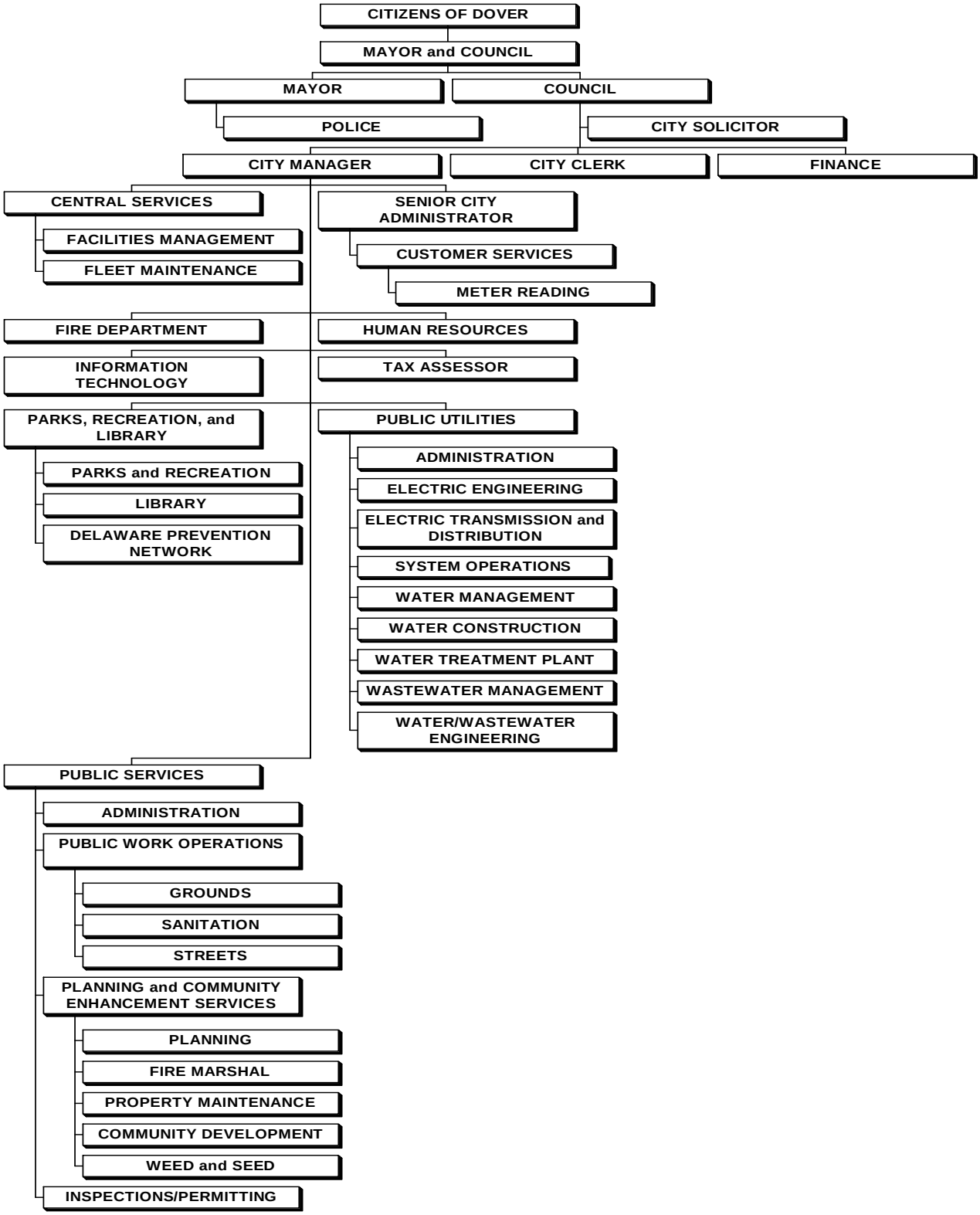
PENSION – POLICE
Timothy Mullaney, Chairman
Anthony J. DePrima, City Manager
Larry Gray
Kenneth L. Hogan, Councilman
Chief Jeffrey Horvath
William Knotts
Eugene B. Ruane, Councilman

PLANNING COMMISSION
John J. Friedman, Chairman
John H. Baldwin, Sr.
William J. DiMondi
Thomas Holt
Francis C. Nichols
Michael von Reider
Fred Tolbert
Col. Robert D. Welsh
Frank Zaback

SAFETY ADVISORY & TRANSPORTATION
Kenneth L. Hogan, Chairman
Carleton E. Carey, Sr, Councilman
Paul Lakeman
John Link

UTILITY
Carleton E. Carey, Sr, Chairman
Edgar Cregar
Eugene B. Ruane, Councilman
Timothy A. Slavin, Councilman
Richard Snaman

CITY OF DOVER
ORGANIZATIONAL CHART
JUNE 30, 2007



THE CITY OF DOVER, DELAWARE

VISION

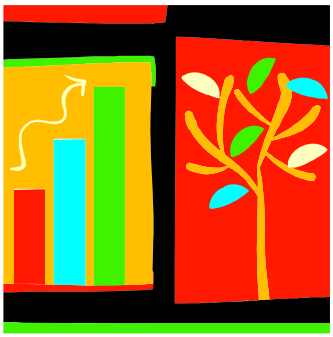
The City of Dover is a place where people want to live! Through the team effort of its elected officials, employees, and citizens, Dover is a clean and safe community, with a future of balanced growth and opportunity where all citizens are heard, enjoy a high quality of life, and diversity is valued.

MISSION

The City of Dover will, in the next year:

- Establish a Regional Library
- Establish the "Delaware Entertainment and Sports Complex"
- Promote Homeownership
- Promote Affordable Housing

FINANCIAL SECTION



THIS SECTION CONTAINS THE FOLLOWING:

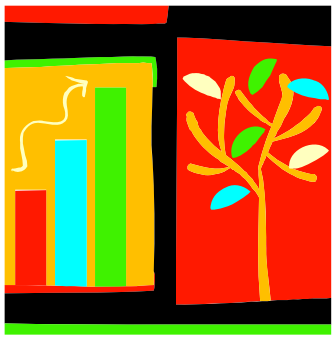
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PART - B
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FINANCIAL SECTION

PART - A

INDEPENDENT AUDITOR'S REPORT

OFFICES
SALISBURY, MD
DOVER, DE
OCEAN CITY, MD

Faw, Casson & Co., LLP
CERTIFIED PUBLIC ACCOUNTANTS BUSINESS CONSULTANTS

MEMBERS
AMERICAN INSTITUTE
OF CERTIFIED
PUBLIC ACCOUNTANTS
AGN INTERNATIONAL

PRELIMINARY DRAFT
For Discussion Purposes Only

INDEPENDENT AUDITOR'S REPORT

THE HONORABLE MAYOR AND MEMBERS OF THE
CITY COUNCIL OF DOVER, DELAWARE
Dover, Delaware

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, Delaware as of and for the year ended June 30, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

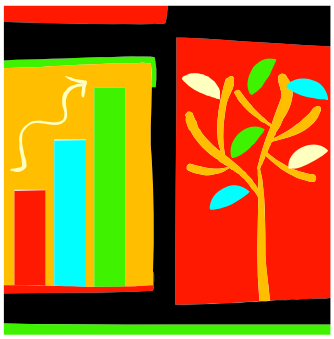
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, Delaware, as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis and other required supplementary information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Dover, Delaware's basic financial statements. The introductory section, combining financial statements, other budgetary schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining financial statements and other budgetary schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Dover, Delaware
????? ??, 2007



FINANCIAL SECTION

PART - B

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Dover
Management's Discussion and Analysis
For the Year Ended June 30, 2007

Financial Highlights

Total assets of the City exceeded its liabilities by $178.6 million (total net assets). Of this amount, only $28.2 million was reported as "unrestricted net assets" which represents the amount available in order to meet the City's ongoing obligations to citizens and creditors. The general government reported $13.8 million and the business type activities, Water/Wastewater and Electric funds, reported $14.4 million of unrestricted net assets. The difference between the unrestricted amounts and the total net assets is $150.4 million, $31.4 million is restricted primarily for debt and capital construction purposes and $119.0 million is invested in capital assets net of related debt.

- The governmental activities experienced a $2.7 million increase in investments in capital assets net of related debt, a $.7 million increase in restricted net assets, and a $2.2 million increase in unrestricted net assets resulting in a net change of a positive $5.6 million.

- The business-type activities saw a negative change in net assets of $1.3 million.

- Pension Trust funds experienced an increase in net assets of $4.8 million. Our latest actuarial analysis resulted in an increase in the City's contribution rate for the General Employees Pension Plan from 27.40% in the current fiscal year to 29.32% budgeted in fiscal year 2008.

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 33-34) that provide both long-term and short-term information about the City's overall financial status.

- The remaining statements (pages 35-43) 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 35-38) tell how general government services, like public safety and public works, were financed in the short term as well as what remains for future spending.

- Proprietary fund statements (pages 39-41) 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, Water/Wastewater funds.

- The *Fiduciary fund* statements (pages 42-43) 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 acts in an agency capacity for the Parking Authority, Library Consortium, Dover Arts Council, Downtown Dover Development Corpora-tion, Main Street Dover, and the Fourth of July Celebration Committee, 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 it 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 47-85) 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 that further explains and supports the information in the financial statements on pages 90 and 91. Other supplementary information includes details on non-major funds and other information that can be found on pages 101through 121.

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:

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 assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the City's net assets and how they have changed. Net assets—the difference between the City's assets and liabilities—is one way to measure 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 roads. 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, public works, library and recreation, community and economic development, central services and financial administration. Property taxes, non property taxes 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 and 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. 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.

  - 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 City of Dover, Delaware's Net Assets as of June 30, 2006 and 2007 are as follows (presented in millions of dollars):

	Governmental Activities		Business-Type Activities		Total	
	2006	2007	2006	2007	2006	2007
Assets						
Non-capital assets	$ 17.8	$ 19.8	$ 64.6	$ 63.3	$ 82.4	$ 83.1
Capital assets	30.1	32.4	109.0	108.7	139.1	141.1
Total assets	$ 47.9	$ 52.2	$ 173.6	$ 172.0	$ 221.5	$ 224.2
Liabilities						
Current liabilities	4.2	3.0	$ 11.6	$ 14.5	$ 15.8	$ 17.5
Non-current liabilities	4.2	4.1	27.2	24.0	31.4	28.1
Total liabilities	8.4	7.1	$ 38.8	$ 38.5	$ 47.2	$ 45.6
Net Assets						
Invested in capital assets, net of related debt	$ 27.0	$ 29.7	$ 89.1	$ 89.3	$ 116.1	$ 119.0
Restricted net assets	0.9	1.6	33.8	29.8	34.7	31.4
Unrestricted net assets	11.6	13.8	11.9	14.4	23.5	28.2
Total net assets	39.5	45.1	$ 134.8	$ 133.5	$ 174.3	$ 178.6

The City of Dover, Delaware's Changes in Net Assets as of June 30, 2006 and 2007 are as follows (presented in millions of dollars):

	Governmental Activities		Business-Type Activities		Total	
	2006	2007	2006	2007	2006	2007
Revenues:						
Program revenues						
Charges for services	$ 7.7	$ 8.6	$ -	$ -	$ 7.7	$ 8.6
Water/wastewater charges for services	-	-	12.5	12.5	12.5	12.5
Electric charges for services	-	-	68.0	87.0	68.0	87.0
Operating grants and contributions	3.1	3.1	-	-	3.1	3.1
Capital grants and contributions	0.5	0.8	-	-	0.5	0.8
General revenues						
Property taxes	8.8	9.0	-	-	8.8	9.0
Transfer taxes	3.1	3.0	-	-	3.1	3.0
Gain (Loss) on sale of capital assets	-	-	(0.1)	(0.5)	(0.1)	(0.5)
Earnings on investments-other	0.6	1.2	1.5	2.6	2.1	3.8
Total revenues	$ 23.8	$ 25.7	$ 81.9	$ 101.6	$ 105.7	$ 127.3
Expenses						
General government	$ 1.8	$ 2.3	$ -	$ -	$ 1.8	$ 2.3
Public safety	13.9	14.6	-	-	13.9	14.6
Public works	5.2	5.6	-	-	5.2	5.6
Library and recreation	1.3	1.9	-	-	1.3	1.9
Community and economic development	0.6	0.6	-	-	0.6	0.6
Central services	1.4	1.5	-	-	1.4	1.5
Financial administration	3.8	3.6	-	-	3.8	3.6
Interest charges	0.1	0.1	-	-	0.1	0.1
Plus (less) indirect expense allocation	(4.7)	(4.7)	4.7	4.7	-	-
Water/wastewater	-	-	8.2	8.7	8.2	8.7
Electric	-	-	55.0	84.1	55.0	84.1
Total expenses	$ 23.4	$ 25.5	$ 67.9	$ 97.5	$ 91.3	$ 123.0
Increase in net assets before transfers	0.4	0.2	14.0	4.1	14.4	4.3
Transfers	6.3	5.4	(6.3)	(5.4)	-	-
Change in net assets	6.7	5.6	7.7	(1.3)	14.4	4.3
Net assets, beginning of year	32.8	39.5	127.1	134.8	159.9	174.3
Net assets	$ 39.5	$ 45.1	$ 134.8	$ 133.5	$ 174.3	$ 178.6

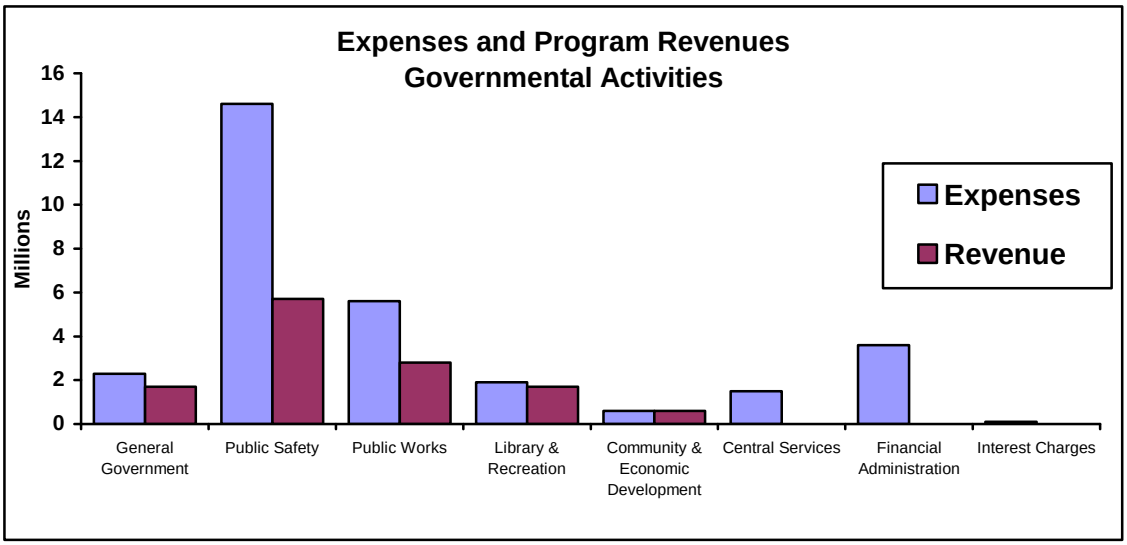
Governmental Activities

Governmental net assets increased by $5.6 million. Net revenues were greater than the prior year by $1.9 million.

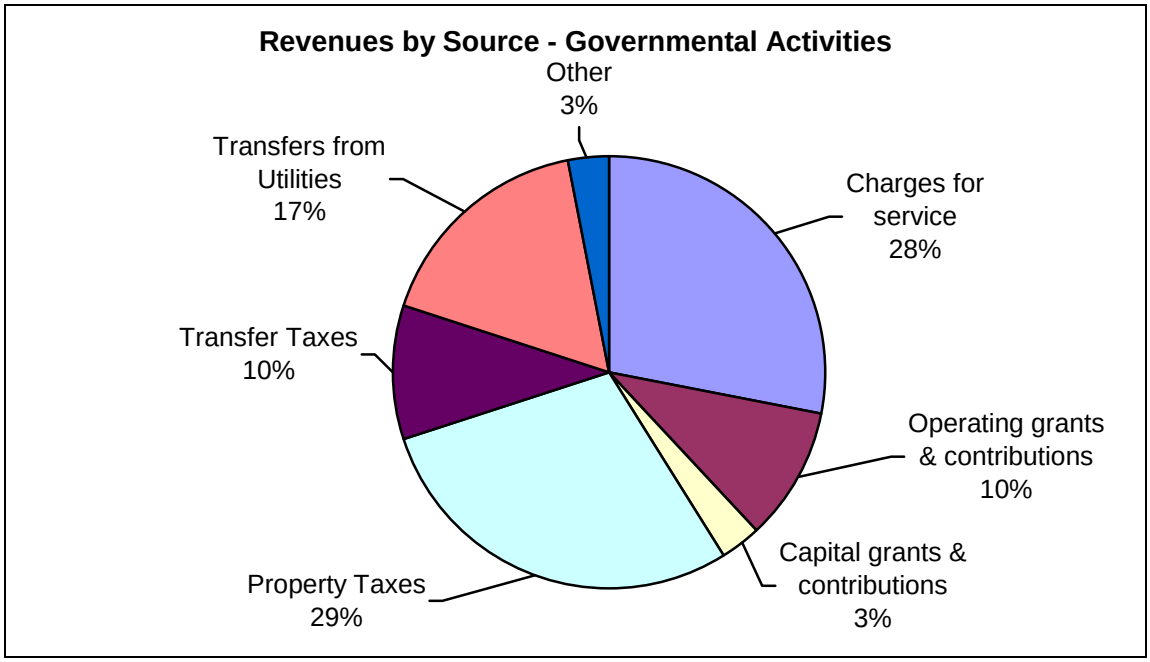
The following sources of revenues increased over the previous fiscal year: business licenses, permits, public safety services, property taxes, investment earnings, Court of Chancery Fees and other miscellaneous services. Also, included in the current fiscal year revenues is a one-time receipt from Kent County for libraries of $.6 million. The revenue increases totaled $2.8 million. Revenue sources that decreased were public safety fines, transfer taxes, public safety grants, and capital grants for a total of $.9 million.

Expenditure increases of $2.1 million were primarily a result of increases in staffing, and personnel cost across all functions, along with increases in capital outlay. Financial Administration experienced a net decrease as a result of a favorable adjustment to our net pension obligation of $.4 million.

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



The chart below 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 and transfer taxes and transfers from the utilities.



Business-Type Activities

As noted earlier, the business-type activities saw a negative change in net assets of $1.3 million. The decrease was a result of increased power supply cost in the electric utility as explained below.

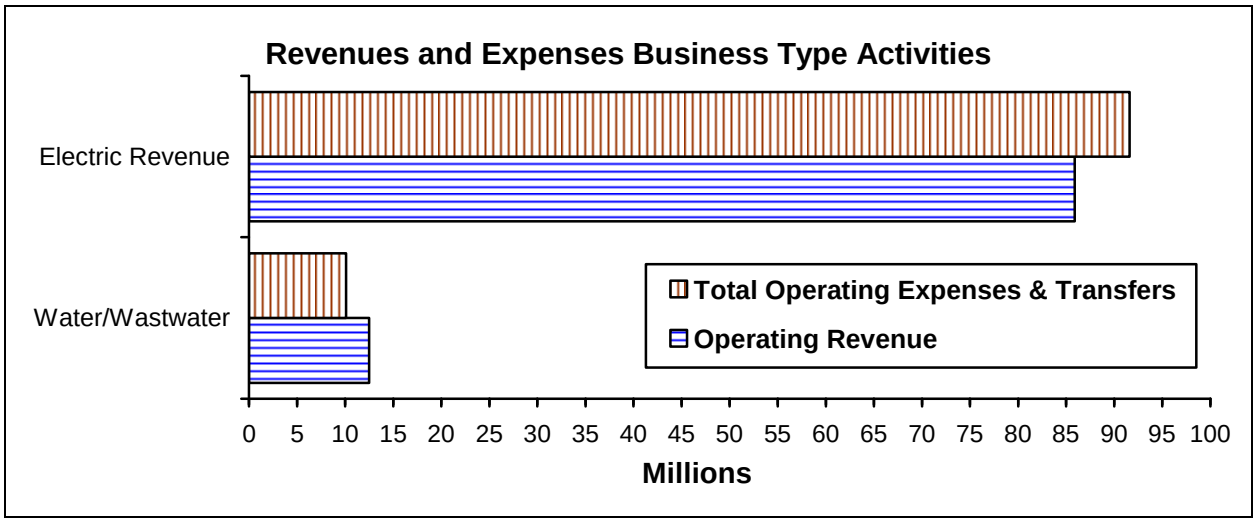
The water/wastewater utility had a positive change in net assets of $2.5 million. The utility experienced a decrease in net income over the previous year of $.5 million due to higher personnel and operating expenses. The water/wastewater utility maintained the same level of revenues and non-operating income and expenses as the prior year.

The electric utility realized a negative change in net assets of $3.8 million due to the following changes.

The City had a long-term power supply/asset management agreement with Duke Energy which expired on June 30, 2006. The Duke Energy agreement was a ten year fixed price contract. The fixed price covered all cost of supply and plant operations as a bundled rate to the City. The Duke agreement provided for a price escalator each year which we passed through to our customers as a power cost adjustment when necessary. The agreement also had a revenue sharing arrangement which the City would be rebated for a portion of positive net results. All market and liability risks were borne by Duke. As fuel prices have increased over the past few years the City has been able to enjoy the benefits of the contract rates that were agreed to in 1996.

Effective May 4, 2006 the City entered into a five year Energy Management Agreement with PACE Global Asset Management (Pace), LLC of Fairfax, Virginia to assist the City with its energy procurement, energy sale, purchase of fuels, establishment and management of risk policies, to develop and manage hedging protocols and related energy procurement challenges. Also, effective May 4, 2006 the City entered into an agreement with North American Energy Services Company of Issaquah Washington for generation asset management. The City bears all market risks, credit risks, and liability under the new contracts which is different from the previous agreement.

A significant change in both revenues and expenses in the current fiscal year were attributed to the expiration of our power supply/asset management contract with Duke Energy. The cost per kilowatt for power supply and generation increased from $.054 to $.089. The City implemented an overall rate increase of approximately 31% (additional revenue of $19.3 million) to help offset the $28.4 million increase in the cost of power supply and generation. In addition to the rate increase the City reduced the transfer to the General Fund by $1.0 million and used $5.0 million of its rate stabilization reserve in order to phase in the needed rate increase over two years. The utility also experienced increases in non-service revenues of $1.3 million attributed to the sale of emission credits. Operating expenses also increased $.7 million due to personnel, professional fees, material and supply cost increases. Non-Operating revenues and expenses experienced a net increase as a result of greater investment earnings of $.7 million.



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, 2007, were $14.3 million. This represented an increase of $2.8 million during the year. Approximately 64% of the combined fund balances, $9.1 million, constitutes unreserved, undesignated fund balance, which is available to meet the City's current and future needs. The remainder of fund balance is reserved or designated to indicate that it is not available for operational spending because it is committed to such matters as contingencies, capital projects and parklands.

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, 2007, was $9.1 million, which represents an increase of $.4 million from the previous fiscal year. Primary reasons for this increase are increased revenues from Court of Chancery fees, licenses and permits, property taxes, and investment earnings. Capital expenditures are integrated into current expenditures in the General Fund. Included in the capital expenditures is $1.9 million partial cost for construction of a 19,000 square foot recreation facility. The John W. Pitts Recreation Center is expected to be completed in January 2008. The City transferred the one-time receipt from Kent County (as explained on page 24) to the Library Reserve in anticipation of future expansion.

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, 2007, the Water/Wastewater Fund has net assets of $37.7 million, of which $3.6 million is unrestricted. The fund's net assets increased $2.5 million during the year as explained on page 32. At June 30, 2007, the Electric Fund has net assets of $95.7 million, of which $10.7 million is unrestricted. This fund experienced a decrease in net assets of $3.8 million during the year as explained on page 26.

General Fund Budgetary Highlights

Revenue and other financing sources slightly exceeded the final budgeted amounts by approximately $.5 million in the General Fund for the current fiscal year. Receipts in excess of budgeted amounts for library revenues, Court of Chancery Fees, transfers and sale of assets were offset by receipts less than budgeted amounts for transfer taxes, interfund service fees, grants and property taxes. Expenditures were less than budgeted by $2,239. The General Fund budget balance carry forward was $.5 million higher than budgeted as a result of the above variances.

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

1. To amend the carried forward budget balances for the actual results of the prior fiscal year and to re-appropriate budget balances for ongoing capital projects.
2. To amend all program revenue and expenses based on the analyses provided by a mid-year review.
3. To amend all program revenues and expenses for the fiscal year as a result of budget reviews conducted while compiling the next fiscal year's budget.

The General Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget & Actual is included in Part D-Required Supplementary Information (page 90).

Capital Asset and Debt Administration

At the end of the current fiscal year, the City's governmental and proprietary funds had invested $32.4 million and $108.7 million, respectively, in a variety of capital assets and infrastructure, as reflected in the following schedule, which represents a net increase of $2.3 million for governmental activities and a net decrease of $.3 million for the proprietary funds since the end of last fiscal year (presented in millions of dollars): (See Note 5 for detailed information).

	Governmental Activities		Business-Type Activities		Total	
	2006	2007	2006	2007	2006	2007
Depreciable Assets, Net						
Buildings	$ 5.2	$ 5.1	$ -	$ -	$ 5.2	$ 5.1
Equipment	2.1	2.8	-	-	2.1	2.8
Vehicles	1.0	1.0	-	-	1.0	1.0
General infrastructure	15.8	18.1	-	-	15.8	18.1
Utility, plant, buildings, and infrastructure	-	-	105.6	105.7	105.6	105.7
Other	0.5	0.6	-	-	0.5	0.6
Non-depreciable Assets						
Land	3.9	3.9	1.6	1.6	5.5	5.5
Construction in progress	1.6	0.9	1.8	1.4	3.4	2.3
	$ 30.1	$ 32.4	$ 109.0	$ 108.7	$ 139.1	$ 141.1

A summary of debt outstanding at June 30, 2006 and 2007 is as follows which represents a slight change for the governmental funds and a decrease of $3.2 million for the proprietary funds, since the end of last year (presented in millions of dollars):

	Governmental Activities		Business-Type Activities		Total	
	2006	2007	2006	2007	2006	2007
Non-current liabilities						
Bonds (net of discount/issuance cost)	$ 3.0	$ 2.7	$ 26.4	$ 23.5	$ 29.4	$ 26.2
Vehicle and equipment leases	0.1	-	0.1	-	0.2	-
Liability for compensated absences	1.1	1.4	0.7	0.5	1.8	1.9
	$ 4.2	$ 4.1	$ 27.2	$ 24.0	$ 31.4	$ 28.1

Additional detailed data for all debt of the City is presented in the Notes to the Basic Financial Statements in Note 6.

The State limits the amount of general obligation debt the City can issue to 25% of the assessed value of real property within the City. The City has used **.**5% of its debt limit.

Economic Factors and Next Year's Budgets and Rates

The City is expected to complete negotiations on two of the three collective bargaining agreements that expired on June 30, 2007. Projected increases in personnel costs have been budgeted in all of the major funds. Property tax revenue is projected to increase $.2 million primarily due to growth. All other General Fund revenues are projected to remain flat. An increase in rental inspection fees is being proposed for January 1, 2008.

Water and Wastewater revenues are projected to remain flat in fiscal year 2008 due to no rate increases or consumption increases, with the exception of wastewater treatment fees.

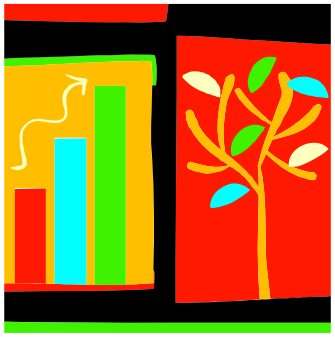
Kent County implemented a fee increase for wastewater treatment resulting in an increase in revenue of $.4 million. The treatment fees are passed on to City customers based on their water usage. Operational expenses are projected to increase by $1.1 million over the prior year as a result of a re-organization of both the water and waterwater utilities and the electric utility. All business type activities have been centralized under one director in order to share resources and information. The water and wastewater utilities picked up the Engineering & Construction Inspection Division that was previously reported in the General Fund as a result of the re-organization. The City has budgeted an additional $2.5 million over prior year for capital improvement projects to address water quality and inflow/infiltration concerns in the water and wastewater utilities as well as system expansion. The water and wastewater utilities five year capital improvement plan totals $25.5 million. The City is expecting to issue approximately $10.0 million in revenue bonds, to assist with financing these projects in fiscal year 2009.

The City has proposed a 9.75% rate increase for the electric utility in fiscal year 2008 to complete the phase in of the revenue requirements for the increase in power supply cost. As mentioned earlier on page 26, the City used $5.0 million of the rate stabilization reserve in order to phase in the rate increase over two years. Operational expenses are projected to increase by $.6 million as a result of increased personnel and associated cost. The City is planning to issue $22.2 million in revenue bonds to fund projected $47.5 million in capital improvements or additions over the next five years.

The City of Dover is a participating member in the State Employees' Post-Retirement Health Insurance Premium Fund, which provides medical benefits to active and retired employees and their dependents. The State's health insurance program is a cost-sharing program. To implement the requirements of GASB 45 - Employer Accounting for Other Post-employment Benefits (OPEB), legislative action was taken during the current fiscal year to create a new irrevocable trust fund for OPEB by the State of Delaware. The City will be implementing its requirements for GASB 45 in fiscal year 2008. The annual budget requirement for OPEB has not been determined at this time.

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 Mrs. Donna Mitchell, Finance Director at 302-736-7018 (TTY/TDD Operator 1-800-855-1155).



FINANCIAL SECTION

PART - C

BASIC FINANCIAL STATEMENTS

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

The City of Dover
Statement of Net Assets
June 30, 2007

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and cash equivalents	$ 2,291,923	$ 11,997,764	$ 14,289,687
Investments	13,802,798	37,817,658	51,620,456
Receivables, net	1,458,767	8,831,348	10,290,115
Internal balances	484,920	(484,920)	-
Due from other governments	609,885	-	609,885
Inventory, at cost	197,941	5,086,781	5,284,722
Prepaid items	163,802	45,308	209,110
Other	848,153	-	848,153
Land and construction in progress	4,897,963	3,029,284	7,927,247
Capital assets, net of depreciation	27,514,540	105,623,032	133,137,572
Total assets	52,270,692	171,946,255	224,216,947
Liabilities:			
Accounts payable and accrued liabilities	2,073,695	12,446,103	14,519,798
Unearned revenue	888,978	158,823	1,047,801
Customer deposits	-	1,405,686	1,405,686
Other	86,622	519,509	606,131
Non-current liabilities			
Due within one year	1,077,263	2,624,897	3,702,160
Due in more than one year	2,994,349	21,367,522	24,361,871
Total liabilities	7,120,907	38,522,540	45,643,447
Net Assets:			
Invested in capital assets net of related debt	29,709,046	89,289,351	118,998,397
Restricted for:			
Capital construction	1,247,645	29,756,382	31,004,027
Other purposes			
Expendable	322,439	-	322,439
Nonexpendable	21,594	6,564	28,158
Unrestricted	13,849,061	14,371,418	28,220,479
Total Net Assets	$ 45,149,785	$ 133,423,715	$ 178,573,500

See accompanying notes to financial statements

The City of Dover
Statement of Activities
For the Year Ended June 30, 2007

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Assets: Governmental Activities	Net (Expenses) Revenue and Changes in Net Assets: Business Type Activities	Total
Governmental activities								
General government	$ 2,442,446	$ (970,342)	$ 1,683,817	$ 16,000	$ -	$ 227,713	$ -	$ 227,713
Public safety	14,509,849	-	4,499,315	1,207,784	-	(8,802,750)	-	(8,802,750)
Public works	5,554,060	(762,825)	1,312,328	656,322	790,612	(2,031,973)	-	(2,031,973)
Library and recreation	1,875,872	-	1,100,412	581,248	-	(194,212)	-	(194,212)
Community and economic development	639,545	-	-	647,191	-	7,646	-	7,646
Central services	1,536,392	(984,350)	-	-	-	(552,042)	-	(552,042)
Financial administration	3,642,278	(2,053,853)	-	-	-	(1,588,425)	-	(1,588,425)
Interest charges	106,815	-	-	-	-	(106,815)	-	(106,815)
Total governmental activities	$ 30,307,257	$ (4,771,370)	$ 8,595,872	$ 3,108,545	$ 790,612	$ (13,040,858)		$ (13,040,858)
Business type activities								-
Water/wastewater	8,682,241	1,092,328	12,525,215	-	-	-	2,750,646	2,750,646
Electric	84,134,600	3,679,042	87,014,071	-	-	-	(799,571)	(799,571)
Total business type activities	$ 92,816,841	$ 4,771,370	$ 99,539,286	$ -	$ -			
Total City						(13,040,858)	1,951,075	(11,089,783)
General revenues								
Taxes								
Property taxes						9,032,995	-	9,032,995
Transfer taxes						3,008,371	-	3,008,371
Gain(Loss) on sale of capital assets						-	(556,547)	(556,547)
Earnings on investments						1,230,540	2,664,831	3,895,371
Total general revenues						13,271,906	2,108,284	15,380,190
Transfers						5,385,000	(5,385,000)	-
Total general revenues and transfers						18,656,906	(3,276,716)	15,380,190
Changes in net assets						5,616,048	(1,325,641)	4,290,407
Net assets beginning						39,533,737	134,749,356	174,283,093
Net assets ending						$ 45,149,785	$ 133,423,715	$ 178,573,500

See accompanying notes to financial statements

The City of Dover
Governmental Funds Balance Sheet
June 30, 2007

	General Fund	Other Governmental Funds	Total Governmental Funds
Assets:			
Cash and Cash Equivalents	$ 747,089	$ 1,161,748	$ 1,908,837
Investments	8,310,633	4,204,000	12,514,633
Receivables, net			
Accounts	1,263,457	103,692	1,367,149
Taxes	87,523	-	87,523
Due from Other Funds			
Charges	646,657	12,612	659,269
Temporary Advances	66,000	-	66,000
Due from Other Governments	-	609,885	609,885
Prepaid Items	163,802	-	163,802
Inventory, at cost	197,941	-	197,941
Total Assets	$ 11,483,102	$ 6,091,937	$ 17,575,039
Liabilities			
Vouchers Payable	1,415,634	99,995	1,515,629
Deferred Revenue	888,978	524,532	1,413,510
Due to Other Funds			
Charges	21,868	152,481	174,349
Temporary advances	-	66,000	66,000
Other	86,622	-	86,622
Total liabilities	2,413,102	843,008	3,256,110
Fund Balances			
Reserved for			
Parkland and Recreation	1,774,531	-	1,774,531
Encumbrances	226,421	-	226,421
Patronage Stock	16,594	-	16,594
Library Endowment	5,623	-	5,623
Unreserved, designated for			
Capital Assets	160,404	-	160,404
Contingency	645,254	-	645,254
Library	2,373,776	-	2,373,776
Unreserved, undesignated			
Reported in general fund	3,867,397	-	3,867,397
Reported in special revenue funds	-	5,248,929	5,248,929
Total fund balances	9,070,000	5,248,929	14,318,929
Total liabilities and fund balances	$ 11,483,102	$ 6,091,937	$ 17,575,039

See accompanying notes to financial statements

The City of Dover
Reconciliation of Governmental Fund Balances
To Government-Wide Net Assets
June 30, 2007

Total fund balances for governmental funds (Page 35)	$ 14,318,929
Total net assets reported for governmental activities in the statement of net assets is different because:	
Capital assets used in governmental activities are not current financial resources, therefore, are not reported in the funds.	32,412,503
Other assets are not available to pay for current period expenditures and therefore are deferred in the funds.	524,532
The net pension asset resulting from contributions in excess of the annual required contribution in 2007 (police) is not a current financial resource, therefore, is not reported in the governmental funds.	848,153
The net pension obligation resulting from contributions less than the annual required contribution in 2007 (general) is not a use of current financial resources, therefore, is not reported in the governmental funds.	(329,944)
An internal service fund (page 39) is used by the City to charge the cost of the workers' compensation fund. The net assets of the internal service fund are included in governmental activities in the statement of net assets.	1,447,224
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 assets.	(4,071,612)
Total net assets of governmental activities (Page 33)	$ 45,149,785

See accompanying notes to financial statements

The City of Dover
Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds
For the Year Ended June 30, 2007

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenue			
Fines	$ 773,680	$ 540,566	$ 1,314,246
Library revenue- general	56,430	-	56,430
Library revenue county reimbursement	932,576	-	932,576
Licenses and permits	2,689,348	-	2,689,348
Sanitation fees and rebates	1,293,399	-	1,293,399
Recreation	-	12,793	12,793
Miscellaneous services	1,347,754	20,206	1,367,960
Property taxes	9,032,995	-	9,032,995
Transfer taxes	2,187,811	820,560	3,008,371
Grants received	1,053,887	3,496,720	4,550,607
Court of Chancery fees	929,120	-	929,120
Investment income	547,744	607,085	1,154,829
Total revenue	20,844,744	5,497,930	26,342,674
Expenditures			
Current:			
General government	1,000,622	-	1,000,622
Library services	1,005,737	247,563	1,253,300
Public safety and law enforcement	14,753,215	302,531	15,055,746
Public works	1,908,289	643,673	2,551,962
Recreational services	1,452,987	-	1,452,987
Streets and sanitation services	3,018,222	-	3,018,222
Engineering services	314,728	-	314,728
Financial administration	829,002	-	829,002
Garage and stores	402,915	-	402,915
Insurance	165,584	-	165,584
Retiree health care	736,286	-	736,286
Employee pension	402,204	-	402,204
Community and economic development	-	639,545	639,545
Street lights	624,243	-	624,243
Debt Service:			
Principal retirement	368,384	-	368,384
Interest and fiscal charges	96,644	-	96,644
Total expenditures	27,079,062	1,833,312	28,912,374
Excess (deficiency) of revenues over (under) expenditures	(6,234,318)	3,664,618	(2,569,700)
Other financing sources (uses)			
Transfers in	7,398,602	918,120	8,316,722
Transfers out	(768,120)	(2,163,602)	(2,931,722)
Total other financing sources	6,630,482	(1,245,482)	5,385,000
Net change in fund balances	396,164	2,419,136	2,815,300
Fund balances at beginning of year	8,673,836	2,829,793	11,503,629
Fund balances at end of year	$ 9,070,000	$ 5,248,929	$ 14,318,929

See accompanying notes to financial statements

The 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, 2007

Net change in fund balances--total governmental funds (Page 37)		$ 2,815,300
The change in net assets reported for governmental activities in the statement of activities is different because:		
Governmental fund reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is capitalized and allocated over the estimated useful lives and reported as depreciation in the current period.		2,294,672
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 assets.		345,000
Changes in other assets are not available to pay for current period expenditures and therefore are deferred in the funds.		(651,451)
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. Amortization of 2003 bond issuance cost.		(10,171)
Reduction of liability for capital lease expenditures.		23,384
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.		
Compensated absences	-222814	
Prepaid pension asset - police plan	247359	
Net pension obligation - general plan	545133	569,678
An internal service fund is used by the City to charge the costs of workers' compensation insurance to individual funds. The change in net assets 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.		229,636
Change in net assets of governmental activities (Page 34)		$ 5,616,048

See accompanying notes to financial statements

The City of Dover
Statement of Net Assets - Proprietary Funds
June 30, 2007

	Enterprise Funds			Governmental Activities - Internal Service Fund
	Water/ Wastewater Fund	Electric Revenue Fund	Total	
Assets				
Current assets:				
Cash and cash equivalents	$ 3,125,712	$ 5,954,091	$ 9,079,803	$ 383,086
Investments	708,551	6,120,199	6,828,750	1,288,165
Receivables, net	856,580	7,974,768	8,831,348	4,095
Due from other funds-charges	2,955	18,472	21,427	-
Inventory	100,060	4,986,721	5,086,781	-
Prepaid items	-	45,308	45,308	-
Total current assets	4,793,858	25,099,559	29,893,417	1,675,346
Non-current assets:				
Restricted assets				
Cash	1,528,459	1,389,502	2,917,961	-
Investments	4,104,580	26,884,328	30,988,908	-
Land and construction in progress	239,566	2,789,718	3,029,284	-
Capital assets, net of depreciation	33,616,812	72,006,220	105,623,032	-
Total non-current assets	39,489,417	103,069,768	142,559,185	-
Total assets	44,283,275	128,169,327	172,452,602	1,675,346
Liabilities				
Current liabilities:				
Accounts payable and accrued expenses	795,199	11,650,904	12,446,103	228,122
Due to other funds - charges	135,579	370,768	506,347	-
Deferred revenue	25,285	133,538	158,823	-
Accrued interest payable	89,985	429,524	519,509	-
Customer deposits	-	1,405,686	1,405,686	-
Revenue bonds payable	653,585	1,780,000	2,433,585	-
Liability for compensated absences	43,739	147,573	191,312	-
Total current liabilities	1,743,372	15,917,993	17,661,365	228,122
Non-current liabilities:				
Revenue bonds payable	4,737,735	16,335,568	21,073,303	-
Liability for compensated absences	58,403	235,816	294,219	-
Total non-current liabilities	4,796,138	16,571,384	21,367,522	-
Total liabilities	6,539,510	32,489,377	39,028,887	228,122
Net Assets				
Invested in capital assets, net of related debt	29,993,517	59,295,834	89,289,351	-
Restricted net assets	4,104,580	25,658,366	29,762,946	-
Unrestricted	3,645,668	10,725,750	14,371,418	1,447,224
Total net assets	$ 37,743,765	$ 95,679,950	$ 133,423,715	$ 1,447,224

See accompanying notes to financial statements

The City of Dover
Statement of Revenues, Expenses and
Changes in Fund Net Assets- Proprietary Funds
For the Year Ended June 30, 2007

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Water/ Wastewater Fund	Electric Revenue Fund	Total	
Operating Revenues				
Charges for services	$ 10,723,746	$ 83,109,811	$ 93,833,557	$ -
Miscellaneous services/income	1,801,469	3,904,260	5,705,729	573,662
Total operating revenues	12,525,215	87,014,071	99,539,286	573,662
Operating Expenses				
Water/wastewater services	7,025,090	-	7,025,090	-
General administrative	1,092,328	4,370,066	5,462,394	260,429
Purchased power	-	70,800,844	70,800,844	-
Transmission/distribution	-	3,666,515	3,666,515	-
Engineering	-	1,927,648	1,927,648	-
Metering	-	281,728	281,728	-
Utility tax	-	1,461,435	1,461,435	-
Depreciation	1,309,538	3,843,097	5,152,635	-
Contractual services	-	-	-	84,905
Taxes	-	-	-	46,403
Retirees healthcare	125,480	498,269	623,749	-
Self insurance-workers' compensation	-	-	-	28,000
Total operating expenses	9,552,436	86,849,602	96,402,038	419,737
Operating income	2,972,779	164,469	3,137,248	153,925
Non-operating Revenues (Expenses)				
Interest earned:				
Operating funds	178,140	592,787	770,927	-
Reserve funds	202,477	1,370,291	1,572,768	68,190
Net increase in fair value of investments	26,402	294,734	321,136	7,521
Interest and fiscal charges	(190,536)	(859,730)	(1,050,266)	-
Bond discount amortized	(31,597)	(104,310)	(135,907)	-
Gain/(loss) on sale of assets	(72,202)	(484,345)	(556,547)	-
Total non-operating revenue (expenses)	112,684	809,427	922,111	75,711
Income before transfers	3,085,463	973,896	4,059,359	229,636
Transfers out	(585,000)	(4,800,000)	(5,385,000)	-
Total transfers	(585,000)	(4,800,000)	(5,385,000)	-
Change in net assets	2,500,463	(3,826,104)	(1,325,641)	229,636
Total net assets--beginning	35,243,302	99,506,054	134,749,356	1,217,588
Total net assets--ending	$ 37,743,765	$ 95,679,950	$ 133,423,715	$ 1,447,224

See accompanying notes to financial statements

The City of Dover
Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2007

	Enterprise Funds			Governmental Activities - Internal Service Fund
	Water Wastewater Fund	Electric Revenue Fund	Total	
Cash Flows from Operating Activities				
Receipts from customers	$ 12,559,453	$ 84,807,083	$ 97,366,536	$ -
Payments to suppliers (including purchased power)	(6,212,645)	(75,135,260)	(81,347,905)	(148,153)
Payments from (to) employees	(1,737,311)	(4,388,086)	(6,125,397)	-
Payments of personnel related costs	(939,936)	(2,032,867)	(2,972,803)	573,662
Other receipts (payments) including claims paid	(24,106)	(1,500,758)	(1,524,864)	(204,838)
Net cash provided by operating activities	3,645,455	1,750,112	5,395,567	220,671
Cash Flows from Noncapital Financing Activities				
Transfers out	(585,000)	(4,800,000)	(5,385,000)	-
Net cash used by noncapital financing activities	(585,000)	(4,800,000)	(5,385,000)	-
Cash Flows from Capital and Related Financing Activities				
Acquisition and construction of capital assets	(1,779,901)	(3,593,174)	(5,373,075)	-
Principal paid on revenue bond maturities	(1,392,407)	(1,730,000)	(3,122,407)	-
Interest paid on capital debt	(201,368)	(885,334)	(1,086,702)	-
Net cash used by capital and related financing activities	(3,373,676)	(6,208,508)	(9,582,184)	-
Cash Flows from Investing Activities				
Interest on investments	178,140	592,787	770,927	-
Redemption of investment securities	-	10,966,203	10,966,203	-
Purchase of investment securities	(1,077,931)	(4,329,387)	(5,407,318)	(349,781)
Interest on restricted cash	202,477	1,370,291	1,572,768	68,190
Net cash provided (used) by investing activities	(697,314)	8,599,894	7,902,580	(281,591)
			-	
Net increase (decrease) in cash and cash equivalents	(1,010,535)	(658,502)	(1,669,037)	(60,920)
Balances--beginning of the year	5,664,706	8,002,095	13,666,801	444,006
Balances--end of the year	$ 4,654,171	$ 7,343,593	$ 11,997,764	$ 383,086
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income	$ 2,972,779	$ 164,469	$ 3,137,248	$ 153,925
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	1,309,538	3,843,097	5,152,635	-
Changes in assets and liabilities				
(Increase)/decrease in receivables	24,774	(2,415,916)	(2,391,142)	-
(Increase)/decrease in due from other funds	8,727	70,846	79,573	-
(Increase)/decrease in due from other governments/agencies	-	992	992	(95)
(Increase)/decrease in inventory	(26,231)	(3,160,623)	(3,186,854)	-
(Increase)/decrease in prepaid expenses	-	(45,308)	(45,308)	11,250
Increase/(decrease) in accounts payable and accrued expenses	(618,143)	3,385,763	2,767,620	55,591
Increase/(decrease) in deferred revenue	737	2,440	3,177	-
Increase/(decrease) in due to other funds	(24,106)	(36,427)	(60,533)	-
Increase/(decrease) in customer deposits	-	134,650	134,650	-
Increase/(decrease) in liability for compensated absences	(2,620)	(193,871)	(196,491)	-
Net cash provided (used) by operating activities	$ 3,645,455	$ 1,750,112	$ 5,395,567	$ 220,671
Non-cash investing, capital and financing activities:				
Change in fair value of investments	$ 26,402	$ 294,734	$ 321,136	$ 7,521

See accompanying notes to financial statements

The City of Dover
Statement of Fiduciary Net Assets
June 30, 2007

	Pension Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	$ 961,063	$ 430,768
Investments at fair value:		
Mutual Funds	31,699,914	-
Total investments:	31,699,914	-
Receivables	332,989	226,364
Prepaid items	-	590
Due from special revenue fund	-	22
Total assets	32,993,966	657,744
Liabilities		
Accounts payable	40,795	28,829
Due to special revenue fund	-	11,303
Due to agencies	-	617,612
Total liabilities	40,795	$ 657,744
Net Assets held in trust for pension benefits	$ 32,953,171	

See accompanying notes to financial statements

The City of Dover
Statement of Changes in Fiduciary Net Assets
For the Year Ended June 30, 2007

	Pension Trust Funds
Additions:	
Net investment income/loss	$ 4,686,149
City's contribution- payroll based	2,093,613
City's contribution- lump sum	778,242
Employee contribution	267,819
State insurance premium tax proceeds	429,653
State contribution toward COLA increases	217,500
Other	2,462
Total additions to net assets	8,475,438
Deductions:	
Benefit payments	3,607,269
General administration	38,600
Refund of pension contribution	26,609
Total deductions from net assets	3,672,478
Changes in net assets	4,802,960
Net assets - beginning	28,150,211
Net assets - ending	$ 32,953,171

See accompanying notes to financial statements

NOTES:

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YEAR ENDED JUNE 30, 2007
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NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

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, 2007.

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 Generally Accepted Accounting Principles (GAAP). The criterion used is that set forth by Statement of Governmental Accounting Standard 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 has complete financial and operational oversight of the following functions, and, therefore, they are included in this report - 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.

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 Governmental Accounting Standards.

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:

A. Basis of Presentation

Government-wide Statements: The statement of net assets 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 and economic development.

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:

Electric Revenue Fund
This fund incorporates all transactions related to the generation transmission and distribution of electricity. Pace Global and North American Energy Services have been contracted to manage the City's power supply and generation assets.

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.

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 triennially to insure sufficient reserves for claims for the Workers' Compensation Fund.

Special Revenue Funds
The City has twelve Special Revenue Funds to account for proceeds from specific revenue sources which are legally or administratively restricted to specified expenditure purposes.

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 others. 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. The activity of the 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 six agency funds.

The City acts as the receiving and paying agent for the Dover Parking Authority, Library Consortium, Dover Arts Council, Downtown Dover Development Corporation, Main

Street Dover, Inc., and Fourth of July Celebration Committee and the transactions are shown under the Agency Funds category.

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.

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 (60) days after year-end, except for trash collection, which has a thirty (30) 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. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. 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 are 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, 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 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 5. 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	5	-	7	years
Equipment, Furniture, Fixtures	7	-	15	years

Long-term liabilities expected to be financed from governmental funds and the long-term estimated liability 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 5 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	-	50	years
Improvements	10	-	20	years
Equipment	5	-	15	years
Vehicles	5	-	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, Delaware Prevention Network Grant and State Department of Transportation Grant Funds.

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 the cash basis, except for property taxes and billable services, which are on a modified accrual basis. The expenditures are accounted for when the purchase orders are issued.

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 budget and actual schedule (in the legal budget format (non GAAP) adopted by the City) of the City's only major governmental fund, the general fund, is presented in the Required Supplementary Information Section of this report. The budget and actual schedules of the other funds are 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 annually transfers a budgeted portion of its revenues to the General Fund. Transfers are also usually made from the Realty Transfer Tax Fund, Municipal Street Aid Fund, ERLSP Fund, Police Grant Fund and Water/Wastewater 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.

The General Fund, General Fund Contingency Reserve Account, Electric Revenue Fund and the Water/Wastewater Fund are providing for post-retirement benefits other than pensions by transferring to a special revenue fund $250,000, $100,000, $100,000 and $50,000, respectively, during the year ended June 30, 2007.

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

F. Inventories

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.

The warehouse inventories, consisting mostly of parts and supplies, are maintained on a perpetual inventory basis. Inventories of all funds are valued at cost, utilizing a weighted moving average method of valuation.

The Electric Revenue Fund maintains fuel inventory on a perpetual basis and utilizes the weighted moving average method of valuation. The balance as of June 30, 2007 is $1,432,371.

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, open-end mutual funds and an investment pool. All investments are stated at fair 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.

I. Restricted Assets

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

Restricted assets at June 30, 2007 total $35,090,834 including cash and cash equivalents of $4,079,709 and $31,011,125 in investments. Of this amount, $1,183,965 is attributed to governmental activities and $33,906,869 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, 2007, by the operating departments is billed and accounted for in the month the information is received.

K. Bond Accounts/Issuance Costs

In governmental funds, bond discounts and issuance costs are recognized in the current period. Bond discounts and issuance costs for Proprietary Funds and in the government-wide financial statements are deferred and amortized over the term of the bonds using the straight-line method. Bond discounts and issuance costs are presented as a reduction of the face amount of bonds payable.

L. Fund Equity/Net Assets

Governmental funds report reservations of fund balance for amounts that are not available for appropriation or that are legally restricted by third parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. Unreserved, undesignated fund balance represents the amount available for appropriation. Proprietary funds report net assets in three categories; 1) invested in capital assets net of related debt; 2) restricted net assets; and 3) unrestricted net assets. Fund equity/net assets is further explained in Note 8.

M. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at 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. 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 (11) sick days per year. All employees may accumulate sick days, payable upon retirement, at a maximum of 130 days for less than 25 years of service or 150 days for more than 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 an expenditure 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.

4. DEPOSITS AND INVESTMENTS

A. Cash in Bank and Cash Equivalents

All bank balances of deposits at year end are insured by federal depository insurance or collateral pledged which is housed at the Federal Reserve Bank of Cleveland in the City's name. All collateral, including additions thereto and substitutions thereof shall consist of direct obligations of the United States of America.

Custodial credit risk – deposits. The bank shall, at its own expense, in all ways service or cause to be serviced and preserve the collateral, to be held by the Federal Reserve Bank of Cleveland. The collateral is required to have a market value of at least 102% of the balance. The bank may substitute for all or any portion of the collateral held by it as security or deposited other collateral having a current market value at least equal to 102% of the balances, after which it shall notify the City of the collateral withdrawn and then substituted within 10 business days.

The City's minimum requirements for its depository are as follows:

- Federally or State of Delaware chartered Financial Institution
- Qualified depository as defined by the State of Delaware
- A member of the Federal Reserve System
- Maintain FDIC insurance
- Be assigned or maintain a rating of "B" or better by Standard & Poor's, Moody's, Fitch Ratings or other such bank rating service.
- Collateralize all account balances in accordance with the Collateralization Agreement and provide the City with a certified board resolution of collateralization
- Local presence

On June 30, 2007, the carrying amount of unrestricted bank deposits was $10,209,978 and the carrying amount of restricted bank deposits totaled $4,079,709. Included in the amount of unrestricted bank deposits is $2,914,598 of cash transferred to the Enterprise Funds operating accounts on June 29, 2007 for availability to pay Bond interest and principal due on July 2, 2007. The restricted deposits are held by the City for bond related transactions, special purpose operating and capital grants. Fiduciary funds deposits of $1,391,831 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, 2007, the City had the following investments:

Investment Type	Fair Value	(Years)
Government-Wide:		
Fixed income securities:		
U. S. Government Treasuries	$ 3,126,096	7.68
U. S. Government Agencies	20,683,316	1.38
Corporate Bonds	20,764,112	0.81
Fair Value of fixed income securities	44,573,524	
Portfolio weighted average maturity		1.56
Other investments:		
Money Market Mutual Funds	2,819,774	
Delaware Public Employees Retirement System Pool	4,204,000	
Equity Stock	23,158	
Total Other Investments	7,046,932	
Total Government-Wide Investments	$ 51,620,456	
Pension Funds (Trustee held):		
Short-term corporate bond open-end mutual funds	$ 6,725,386	2.70
Intermediate-term corporate bond open-end mutual funds	3,502,092	7.50
Fair value of fixed income open-end mutual funds	10,227,478	
Portfolio weighted average maturity		4.10
Other investments:		
Domestic equity open-end mutual funds	16,577,193	
International equity open-end mutual funds	4,895,243	
Fair value of other investments	21,472,436	
Total fair value pension funds	$ 31,699,914	

Interest rate risk: The City's investment policy requires the Treasurer to periodically review and analyze its investments for exposure to fluctuating interest rates. Debt securities are held to maturity to further reduce exposure to interest rate fluctuations.

The investments are held in the City's name. Wilmington Trust Company issues monthly statements which the Finance Department reviews for contractual and investment policy compliance.

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, 2007, 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	Portfolio Characteristics
Certificates of Deposit, Time Deposits & Bankers Acceptances	B	0%
Corporate Debt		
Commercial Paper	A1/P1	
Corporate Bonds	AA	AAA - 59%
		AA - 27%
		A1/P1 - 14%
Pension Trusts		AAA - 74%
Short-term Corporate bond open-end mutual funds	Avg. AA	AA - 8%
	Min. BB	A - 10%
		BBB - 8%
Mid-term Corporate bond open-end mutual funds	Avg. AA	AAA - 57%
	Min. BBB	AA - 10%
		A - 16%
		BBB - 17%

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

Us Government	No Restrictions
Certificates of Deposits and Time Deposits	50% of total, max 10% for any one issuer
U. S. Government Agency Securities	75% of total, max 40% in any one agency
Corporate Equities	50% of total, max 25% in any industry, 10% in any one issuer, and, additionally, 5% of any issuer's total outstanding securities
Repurchase Agreements	50% of total
Reverse Repurchase Agreements	25% of total
Money market funds	25% of total, 10% in any one fund except for the cash account
Municipal Obligations	10% in any one issuer

The Pension Trust fund has its investments exclusively in open-end mutual funds, with limits on its investments as follows:

General Restriction	Domestic: Investment no more than 5% in any one security. May maintain no more than 8% in any one security. International Equities: Maintain limit of 15% of international equity portfolio.
Domestic Equity funds	Minimum 46% of total Maximum 56% of total Target 51% Benchmark Russell 3000
International Equity	Minimum 9% of total Maximum 18% of total Target 14% of total Benchmark MSCI EAFE
Fixed Income	Minimum 30% of total Maximum 40% of total Target 35% of total Benchmark Lehman Intermediate Government/Credit

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. The City's policy is to have its investments held in the City's name by the City's agents to avoid custodial credit risk. The funds in the amount of $4,204,000 held in the Delaware Public Employees' Retirement System are held in a pooled fund with no specific identification of any investor's assets.

5. CAPITAL ASSETS

A summary of the Capital asset activity for the year ended June 30, 2007 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	1,561,476	1,897,473	2,519,873	939,076
Total capital assets, not being depreciated	5,520,363	1,897,473	2,519,873	4,897,963
Capital assets, being depreciated:				
Buildings	7,906,384	947	5,793	7,901,538
Furniture and fixtures	314,280	-	61,528	252,752
Equipment	8,613,508	1,182,624	1,143,134	8,652,998
Vehicles	3,095,087	628,424	658,346	3,065,165
Lights	542,435	-	-	542,435
Improvements other than buildings	27,074,573	3,645,182	61,412	30,658,343
Books and audio visuals	885,779	-	866,361	19,418
D.R.M.O. police equipment	80,155	-	22,127	58,028
Fully depreciated assets	457,200	-	73,919	383,281
Total capital assets, being depreciated	48,969,401	5,457,177	2,892,620	51,533,958
Less accumulated depreciation for:				
Buildings	(2,565,038)	(192,409)	4,433	(2,753,014)
Furniture and fixtures	(256,399)	(10,295)	61,528	(205,166)
Equipment	(6,449,331)	(508,333)	1,161,548	(5,796,116)
Vehicles	(2,114,824)	(301,526)	325,413	(2,090,937)
Lights	(354,042)	(26,956)	-	(380,998)
Improvements other than buildings	(11,670,401)	(1,092,296)	44,079	(12,718,618)
Books and audio visuals	(881,743)	(1,159)	866,361	(16,541)
D.R.M.O. police equipment	(80,155)	-	22,127	(58,028)
Total accumulated depreciation	(24,371,933)	(2,132,974)	2,485,489	(24,019,418)
Total capital assets, being depreciated, net	24,597,468	3,324,203	407,131	27,514,540
Governmental activities capital assets, net	$ 30,117,831	$ 5,221,676	$ 2,927,004	$ 32,412,503

(continued)

(continued)

	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	762,121	1,108,018	538,487	1,331,652
Total capital assets, not being depreciated	2,220,187	1,108,018	538,487	2,789,718
Capital assets, being depreciated				
Buildings	16,037,982	178,162		16,216,144
Production	59,168,466	-	2,279	59,166,187
Transmission	21,367,216	873,500	245,428	21,995,288
Distribution	44,539,971	1,677,041	662,872	45,554,140
Administration	1,533,216		14,120	1,519,096
Vehicles	500,795	293,706	79,154	715,347
Total capital assets, being depreciated	143,147,646	3,022,409	1,003,853	145,166,202
Less accumulated depreciation for:				
Buildings	(8,971,234)	(436,228)		(9,407,462)
Production	(33,554,513)	(1,323,682)	2,279	(34,875,916)
Transmission	(7,531,099)	(629,121)	98,869	(8,061,351)
Distribution	(18,590,676)	(1,315,756)	310,245	(19,596,187)
Administration	(746,819)	(94,857)	14,120	(827,556)
Vehicles	(407,064)	(43,453)	59,007	(391,510)
Total accumulated depreciation	(69,801,405)	(3,843,097)	484,520	(73,159,982)
Total capital assets, being depreciated, net	73,346,241	(820,688)	519,333	72,006,220
Total electric revenue fund capital assets, net	$ 75,566,428	$ 287,330	$ 1,057,820	$ 74,795,938
Water/Wastewater Fund				
Capital assets, not being depreciated				
Land	$ 163,240	$ -	$ -	$ 163,240
Construction in progress	992,898	928,043	1,844,615	76,326
Total capital assets, not being depreciated	1,156,138	928,043	1,844,615	239,566
Capital assets, being depreciated				
Plant, wells, pumping stations, and storage	14,161,744	618,240		14,779,984
Distribution mains, hydrants, and accessories	11,820,951	584,400	131,234	12,274,117
Sewage plant mains, and pumping stations	21,671,949	1,473,315	339,085	22,806,179
Vehicles and equipment	3,737,288	110,097	241,799	3,605,586
Total capital assets, being depreciated	51,391,932	2,786,052	712,118	53,465,866
Less accumulated depreciation for:				
Plant, wells, pumping stations, and storage	(4,686,539)	(336,307)		(5,022,846)
Distribution mains, hydrant, and accessories	(4,055,695)	(225,237)	5,268	(4,275,664)
Sewage plant mains, and pumping stations	(8,205,607)	(455,780)	339,085	(8,322,302)
Vehicles and equipment	(2,132,725)	(292,214)	196,697	(2,228,242)
Total accumulated depreciation	(19,080,566)	(1,309,538)	541,050	(19,849,054)
Total capital assets, being depreciated, net	32,311,366	1,476,514	171,068	33,616,812
Total water/wastewater fund capital assets, net	$ 33,467,504	$ 2,404,557	$ 2,015,683	$ 33,856,378
Business-type activities capital assets, net	$ 109,033,932	$ 2,691,887	$ 3,073,503	$ 108,652,316

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

Governmental activities:		
General government	$	15,412
Central services		90,600
Public safety		427,137
Public works		1,397,367
Library and recreation		120,886
Financial administration		81,572
Total depreciation expense - governmental activities	$	2,132,974
Business-type activities:		
Water/wastewater	$	1,309,538
Electric		3,843,097
Total depreciation expense-business-type activities	$	5,152,635

The decrease in accumulated depreciation for governmental activities is $352,515 comprised of $2,132,974 current depreciation and $2,485,489 accumulated depreciation on fully depreciated assets valued under $5,000 that were written off or disposed of during the fiscal year.

The increase in accumulated depreciation for the Electric Fund is $3,358,577 comprised of $3,843,097 current depreciation and $484,520 accumulated depreciation on fully depreciated assets valued under $5,000 that were written off or disposed of during the fiscal year.

The increase in accumulated depreciation for the Water/Wastewater Fund is $768,488 comprised of $1,309,538 current depreciation and $541,050 accumulated depreciation on fully depreciated assets valued under $5,000 that were written off or disposed of during the fiscal year.

In accordance with generally accepted accounting principles, the interest paid during the construction of projects for enterprise funds is capitalized. This amount is netted against the interest earned on the project funds.

6. LONG -TERM OBLIGATIONS

A. Lease Payments

The City had certain capital leases on vehicles and construction equipment. The lease payments were budgeted in the applicable department budget as an annual appropriation. All of the City's leases are expired as of June 30, 2007.

B. Summary of Bonded Indebtness by Issue

Debt Issue	Original Amount	Remaining Amount	Interest Rate	Maturity Range	Federal Arbitrage Applicable	Purpose
Governmental Activities						
1993 General Obligation Bonds	$ 3,340,000	$ 160,000	4.728%	7/1/94 - 7/1/08	No	Advance refund 87 & 88 issues and street repaving, storm drainage, and handicap ramp projects
2003 General Obligation Bonds	$ 3,430,000	$ 2,635,000	3.870%	7/1/04 - 7/1/16	No	Refunding of '92 &'95 issues
Business Type Activities						
Water/Wastewater Bonds						
State of Delaware - Revolving Loan Fund - Municipal Revenue	$ 750,000	$ 545,657	3.600%	10/1/00 - 4/1/20	No	Wastewater Pump Station # 7 - Leipsic
2003 Revenue Bonds	$ 7,980,000	$ 5,115,000	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 system
(Coverage ratio on Water/Wastewater Bonds requires net revenues to be at least 1.2 times the maximum annual debt service)						
Electric Revenue Bonds						
2004 Taxable Revenue Bonds	$ 22,535,000	$ 18,950,000	4.820%	7/1/05 - 7/1/15	No	Complete refund 1990 and 1993 Series
(Coverage ratio on Electric Bonds requires net revenues to be at least 1.25 times the maximum annual debt service)						

C. Status as of June 30, 2007 – General Obligation Bonds

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

General Obligation Bonds	General Purpose
1993 Series	$ 160,000
2003 Series	2,635,000
Total	$ 2,795,000

The total General Obligation Bonds outstanding amount includes $350,000 payable within one year.

D Change in Long-Term Debt

The following tables summarize the debt transactions for the year ended June 30, 2007, including bonds and capital leases payable within one year:

i. General Long-Term Debt

Item	Balance 7/01/06	Additions	Reductions	Balance 6/30/07	Payable within one Year
Vehicle & Equipment Leases	$ 23,384	$ -	$ 23,384	$ -	$ -
Compensated Absences	1,145,341	1,282,826	1,060,012	1,368,155	727,263
General Obligation Bonds	3,140,000	-	345,000	2,795,000	350,000
Sub-total of General Long-Term Debt	$ 4,308,725	$ 1,282,826	$ 1,428,396	$ 4,163,155	$ 1,077,263

ii. Enterprise Funds Debt

Item	Balance 7/01/06	Additions	Reductions	Balance 6/30/07	Payable within one Year
Vehicle & Equipment Leases	$ 9,287	$ -	$ 9,287	$ -	$ -
Compensated Absences	104,762	100,840	103,460	102,142	43,739
Revenue Bonds-Water and Wastewater	6,475,000	-	1,360,000	5,115,000	620,000
State of Delaware Municipal Revenue Bond	578,065	-	32,408	545,657	33,585
Sub-total of Water/ Wastewater Fund	$ 7,167,114	$ 100,840	$ 1,505,155	$ 5,762,799	$ 697,324

iii. Electric Revenue Fund

Item	Balance 7/01/06	Additions	Reductions	Balance 6/30/07	Payable within one Year
Vehicle & Equipment Leases	$ 36,221	$ -	$ 36,221	$ -	$ -
Compensated Absences	577,260	218,079	411,950	383,389	147,573
Revenue Bonds	20,680,000	-	1,730,000	18,950,000	1,780,000
Sub-total of Electric Revenue Fund	$ 21,293,481	$ 218,079	$ 2,178,171	$ 19,333,389	$ 1,927,573
Sub-total of Enterprise Fund Debt	$ 28,460,595	$ 318,919	$ 3,683,326	$ 25,096,188	$ 2,624,897
Grand Totals of Long-Term Debt	$ 32,769,320	$ 1,601,745	$ 5,111,722	$ 29,259,343	$ 3,702,160

The revenue and general obligation bonds payable for the Water/Wastewater Fund and Electric Revenue Fund, and major funds, shown in the statement of net assets is net of unamortized bond discount and issuance costs as follows:

Fund	As Shown Above	Discount/ Issuance Costs	Balance Sheet
General	$ 2,795,000	$ 91,543	$ 2,703,457
Water/Wastewater	5,660,657	269,337	5,391,320
Electric	18,950,000	834,432	18,115,568
Total	$ 27,405,657	$ 1,195,312	$ 26,210,345

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, 2007.

E. Debt Service Requirements

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

i. Governmental Activities:

Fiscal	1993 General Obligation Bonds		2003 General Obligation Bonds		
Year	Principal	Interest	Principal	Interest	Total
2008	$ 80,000	$ 6,150	$ 270,000	$ 81,318	$ 437,468
2009	80,000	2,050	285,000	75,269	442,319
2010	-	-	260,000	68,410	328,410
2011	-	-	270,000	60,850	330,850
2012	-	-	275,000	52,262	327,262
2013	-	-	285,000	42,738	327,738
2014	-	-	295,000	32,440	327,440
2015	-	-	220,000	22,950	242,950
2016	-	-	230,000	14,285	244,285
2017	-	-	245,000	4,900	249,900
Total	$ 160,000	$ 8,200	$ 2,635,000	$ 455,422	$ 3,258,622

ii. Business-type Activities

Fiscal	Water/Wastewater Fund 2003 Revenue Bonds		Water/Wastewater Fund Municipal Revenue Bonds		2004 Electric Revenue Fund Taxable Revenue Bonds		
Year	Principal	Interest	Principal	Interest	Principal	Interest	Total
2008	620,000	157,748	33,585	19,343	1,780,000	797,104	3,407,780
2009	640,000	142,706	34,804	18,124	1,840,000	726,448	3,402,082
2010	655,000	125,022	36,070	16,859	1,905,000	647,580	3,385,531
2011	290,000	116,322	37,379	15,550	1,995,000	560,300	3,014,551
2012	300,000	106,422	38,737	14,192	2,080,000	464,620	3,003,971
2013	310,000	95,572	40,144	12,785	2,180,000	361,070	2,999,571
2014	320,000	84,052	41,601	11,326	2,270,000	248,706	2,975,685
2015	330,000	71,512	43,113	9,815	2,390,000	128,010	2,972,450
2016	155,000	65,468	44,679	8,250	2,510,000	-	2,783,397
2017	160,000	59,068	46,301	6,626	-	-	271,995
2018	165,000	52,302	47,984	4,946	-	-	270,232
2019	175,000	44,866	49,727	3,202	-	-	272,795
2020	180,000	37,126	51,533	1,397	-	-	270,056
2021	190,000	28,766	-	-	-	-	218,766
2022	200,000	19,764	-	-	-	-	219,764
2023	210,000	10,106	-	-	-	-	220,106
2024	215,000	-	-	-	-	-	215,000
Total	$ 5,115,000	$ 1,216,822	$ 545,657	$ 142,415	$ 18,950,000	$ 3,933,838	$ 29,903,732

The preceding tables do not include compensated absences.

F. Bond Discounts/Issuance Cost Unamortized

The following adjustments were made to the deferred interest for the fiscal year ending June 30, 2007:

	Balance 7/1/2006	Additions FY 2007	Amortized FY 2007	Balance 6/30/2007
General Fund GO Bonds Discounts/Issuance Cost	$ 101,714	-	10,171	$ 91,543
Water/Wastewater Bonds Discounts/Issuance Cost	$ 300,934	-	31,597	$ 269,337
Electric Revenue Bonds Discounts/Issuance Cost	$ 938,742	-	104,310	$ 834,432

G. Bonds Payable within One Year – Detail by Issue

Principal payments on bonds are due as follows:

i. Payable by General Fund – General Obligation Bonds

Issue	Principal Amount Due	Date Due
1993 Series General Obligation	$ 80,000	July 1, 2007
2003 Series General Obligation	$ 270,000	July 1, 2007
Total General Fund	$ 350,000	

ii. Payable by Water/Wastewater Fund – Revenue Bonds

Issue	Principal Amount Due	Date Due
2003 Water/Wastewater Revenue	$620,000	July 1, 2007
Subtotal - Revenue	$620,000	

iii. State of Delaware Municipal Revenue Bonds – State Revolving Fund

Issue	Principal Amount Due	Date Due
Subordinated Series 2000-SRF	$ 16,643	October 1, 2007
Subordinated Series 2000-SRF	$ 16,942	April 1, 2008
Subtotal – Revenue SRF	$ 33,585	
Total Water/Wastewater	$653,585	

iv. Payable by Electric Fund – Revenue Bonds

Issue	Principal Amount Due	Date Due
2004 Electric Revenue	$1,780,000	July 1, 2007
Total Electric Fund	$1,780,000	

Total bond indebtedness principal to be paid in fiscal year 2008 is $2,783,585.

7. RESTRICTED ASSETS

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

Governmental Activities			
Grants-capital construction	These represent the State DOT, Garrison Oak, and Greenway grants reported in the non-major special revenue funds.	$	1,247,645
Grants-other purposes Expendable	These represent all other funds reported in the special revenue except post-retirement benefit funds, and includes interest income on the Mary Paton library endowment.	$	322,439
Stocks	Southern States Cooperative Ltd. patronage stock which cannot be sold to other parties.	$	16,594
Mary Paton	An endowment from Mary Elizabeth Paton of which only interest income can be used for library purposes. A permanent fund was not established because the city follows the principal of establishing the minimum number of separate funds consistent with legal specifications, operational requirements and the principles of fund classification.		5,000
	Other purposes - non-expendable	$	21,594
Total Restricted Net Assets		$	1,591,678

Business Type Activities

Net restricted assets for construction purposes - expendable

Water/Wastewater	Restrictions on investments imposed by bond covenants	$ 4,104,580
Electric	Restrictions on investments imposed by bond covenants	25,651,802
		$ 29,756,382

Net restricted assets for other purposes - non-expendable

Electric	Southern States Cooperative Ltd. patronage stock which cannot be sold to other parties	$ 6,564

8. FUND EQUITY/NET ASSETS

In the governmental fund financial statements, the stocks, and Mary Paton restricted assets in preceding note are reported as reserved fund balances. Additionally, the following unrestricted net assets are reported as reservations or designations of fund balances as follows:

Parkland and Recreation	A separate account established by ordinance for the construction and/or development of parklands and recreation facilities.	$ 1,774,531
Reserved for Encumbrances	Commitments to third parties to be paid in the following fiscal year.	$ 226,421
Designated for capital assets	A separate account established in 2003 for the acquisition of future capital assets.	$ 160,404
Designated for contingency	A separate account established by ordinance for emergencies or uninsured capital losses with approval of City Council	$ 645,254
Library Reserve-capital construction	The City established this reserve for the construction of a new library.	$ 2,373,776

9. 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.

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, 2007.

10. GRANTS RECEIVED

The total grants received in various non-major Special Revenue Funds are as follows:

Police grants	$ 503,604
Library related	247,541
Municipal Street Aid	656,322
Housing grants	469,618
Delaware Prevention Network	70,400
DelDOT grant	1,415,503
Substance Abuse Prevention grant	107,173
Greenway grant	26,559
	$ 3,496,720

Total grants received directly in the General Fund are as follows:

General Government	$ 16,000
Public Safety	704,180
Recreation	333,707
Total	$ 1,053,887

11. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2007 is as follows:

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

Receivable Fund	*Payable Fund*	*Amount*
General Fund	Non-major governmental funds	$ 150,133
	Water/ Wastewater Fund	125,756
	Electric Revenue Fund	370,768
Water/ Wastewater Fund	General Fund	607
	Non-Major Governmental Funds	2,348
Electric Fund	General Fund	8,649
	Water/Wastewater Fund	9,823
Non-Major Governmental Funds	General Fund	12,612
Total		$ 680,696

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. Due to/from Other Funds-Temporary Advances

Receivable Fund	*Payable Fund*	*Amount*
General Fund	Non-major governmental funds	$ 66,000

C. Interfund Transfers

	Transfers In		
	General Fund	Non-major Governmental Funds	Total
Transfers Out			
General Fund	$ -	$ 768,120	$ 768,120
Non-major governmental funds	2,163,602	-	2,163,602
Water/ Wastewater Fund	535,000	50,000	585,000
Electric Revenue Fund	4,700,000	100,000	4,800,000
Total	$ 7,398,602	$ 918,120	$ 8,316,722

Transfers are generally made for the purpose of providing operating, capital or debt service subsidies to the receiving fund in accordance with City policy. However, the general fund transfers to the non-major government funds represent the City's share of street related improvements and appropriations to post-retirement medical benefits.

12. RENTAL INCOME

The City has a lease agreement with an individual for agricultural use of the Garrison Farm. The lease payment of $35,533 has been recorded as miscellaneous revenue in the General Fund.

The City's Electric Revenue Fund owns an office building which houses the City's Customer Service and Information Technology Departments. At June 30, 2007, the City had leases with three tenants for the remaining space available. The City started the fiscal year with four tenants and on March 31, 2007 one lease ended. Lease revenue is $205,289 in the Electric Revenue Fund consisting of building rental of $152,695, substation rental of $30,000 and pole rentals of $22,594.

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 $287,017 in the current fiscal year.

13. MATERIAL COMMITMENTS

A. The City has entered into a written agreement with the volunteer fire company to assist with payments on several pieces of fire fighting equipment. The payments are budgeted as expenditures in the General Fund-Fire Department budget.

The schedules of payments are as follows:

Equipment	Annual Appropriation	Ending Date
Ladder #1	$70,000	FY 2008
Engine #4	$126,000	FY 2008
Fire Station #2 - Mortgage	$60,000	FY 2014

In addition to the appropriations, the City has paid vendors directly for Communications Equipment and radios in the amount of $272,141.

B. The City entered into a two year contract for the construction of the John W. Pitts Recreation Center in the amount of $2.7 million. The construction is expected to be completed in January, 2008.

C. On May 4, 2006 the City entered into a contract to provide a market-based approach for power supply managed by Pace Global Asset Management, LLC. The five year management contract with Pace covers asset, energy and risk management programs. Pace will manage energy purchases and utilize 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 contract provides for management fees to be paid monthly with a performance incentive to be paid at the end of the each fiscal year. The average annual cost is approximately $3 million.

D. On May 4, 2006, the City also entered into a four year management contract with North American Energy Services to operate and maintain the generating assets of the electric utility. 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 North American 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 average annual cost for management and the incentive is approximately $.7 million and is included in the plant operating budget.

14. FORWARD CONTRACTS

Pursuant to the May 4, 2006 Energy Management Agreement between the City and Pace Global Asset Management, LLC, 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 Pace Global, the City's designated provider of energy risk management services conducts its activities.

The Procedures authorize Pace 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. Pace is not authorized to enter into financial hedges.

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 mark-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.

Counterparty Credit Risk ($000's)

Counterparty	Credit Rating	Credit Limit	Line Availability		
Sempra Energy Trading	Baa1	$15,000	$11,007		
Constellation	Baa1	$40,000	$40,000		
BP Energy	Aa1	$30,000	$30,000		
Conectiv	Baa3	$10,000	$9,919		
Integrys	A3	$15,000	$14,203		

15 INSURANCE

A. Health Insurance – State of Delaware

The City participates in the State of Delaware Health Insurance Program. The State offers five health plan options. The administration of benefits is coordinated with Coventry Health Care of Delaware 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. An actuarial analysis was completed in fiscal year 2005.

As of June 30, 2007, there is $228,122 in outstanding claims in this fund. An appropriate umbrella policy for the excess coverage has been purchased and is in effect as of June 30, 2007.

The City maintains a fund balance to cover any significant claims or settlements. There have been no significant reductions or settlements exceeding coverage in the past four fiscal years. Workers' Compensation activity is as follows:

	2007	2006
Claims payable beginning of year	$ 172,531	$ 224,263
Claims incurred	260,429	176,146
Payment of claims	(204,838)	(227,878)
Claims payable end of year	$ 228,122	$ 172,531

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 8). There have been no significant reductions or settlements exceeding coverage in the past four fiscal years.

16. OTHER POST EMPLOYMENT BENEFITS

The City provides for post-employment benefits other than pensions, as required under a City resolution. This benefit is not paid from the City retirement plans or other trust funds and does not meet the requirements of GASB Statement 43, Post-employment Benefits other than Pensions. These costs are budgeted for each fiscal year in the General Fund, Water/Wastewater Fund, and the Electric Revenue Fund.

The City is a participating member of the State of Delaware self-insurance health plan and will be implementing the requirements for a cost-sharing plan in accordance with GASB 45 – Employer Accounting for Other Post-employment Benefits during fiscal year 2008.

The State Employees' Post-Retirement Health Insurance Premium Fund is administered by the State of Delaware. In June 2007, the State Legislature passed and the Governor signed House Bill 136, creating a new irrevocable trust fund for Other Post-Employment Benefits. The bill takes effect July 1, 2007, and the trust fund will be used to accumulate and invest assets to pay the participating members share of future retiree health insurance premiums. The assets of the State Employees' Post-retirement Health Insurance Premium Fund will be transferred to the newly created trust fund during fiscal year 2008.

Currently, 223 retirees are eligible for post-retirement health care benefits and 193 are enrolled.

The employer contributions towards health care premiums this fiscal year are as follows:

General Government	$ 736,286
Water/Wastewater Fund	125,480
Electric Revenue Fund	498,269
Total Benefit Provided	$1,360,035

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. At the time, employees were eligible to make contributions to the plan not to exceed the ceiling set by federal regulations.

In May 1994, the City amended its pension plan to allow employees the choice of the defined benefit plan or the 457 Plan. The City provided a maximum 5% matching contribution to the 457 Plan and added an alternative investment firm with Nationwide Retirement Solutions.

The ICMA Plan has assets of $5,202,951 as of June 30, 2007, with 159 employees participating. The Nationwide plan has assets of $2,761,247 as of June 30, 2007 with 50 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. To be eligible for benefit payments the participant must meet the same eligibility requirements as the participants in the defined benefit plan as described in Note 18. 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.

Employees who select the defined benefit plan are also eligible for the 457 Deferred Compensation Plan; however, no matching employer contribution is made. As of June 30, 2007, there are 378 employees eligible to enroll in the 457 Deferred Compensation Plan.

18. RETIREMENT PLANS

A. Defined Contribution Plan

Effective July 1, 2000, the City implemented a self-directed defined contribution money purchase plan. 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 100% match of the employee's required contribution of 6% 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, 2007, there were 259 eligible full-time employees of whom 84 are participants in this plan. The City contributed a total of $199,070 on wages of approximately $3,511,397. The plan assets totaled $1,696,189 as of June 30, 2007.

B. Defined Benefit Plans

The City participates in three defined benefit pension plans: City of Dover Police Pension Plan, State of Delaware Police Pension Plan, and The City of Dover General Employee 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 State of Delaware 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 of Dover General Employee Pension Plan, a single employer defined benefit plan, covers all full-time permanent employees, other than police officers. 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. Separate pension fund financial statements for each plan have not been issued; accordingly, they are presented as required by GASB Statement No. 34, as follows:

The City of Dover, Delaware
Statement of Pension Trust Fund Net Assets
June 30, 2007

	Police Pension	Employee Pension	Totals
ASSETS:			
Cash and cash equivalents	$ 226,776	$ 734,287	$ 961,063
Investments at fair value			
Mutual Funds	13,407,931	18,291,983	31,699,914
Receivables	332,989	-	332,989
LIABILITIES:			
Accounts Payable	(17,374)	(23,421)	(40,795)
Net assets held in trust for pension benefits	$ 13,950,322	$ 19,002,849	$ 32,953,171

The City of Dover, Delaware
Statement of Changes in Pension Trust Fund Net Assets
For the Year Ended June 30, 2007

	Police Pension	General Pension	Total Pension Trust Funds
Additions			
Net investment income/loss	$ 1,997,298	$ 2,688,851	$ 4,686,149
City's contribution - payroll based	320	2,093,293	2,093,613
City's contribution - lump sum	95,000	683,242	778,242
Employee contribution	101	267,718	267,819
State contributions	429,653	-	429,653
State contributions toward COLA increases	217,500	-	217,500
Other	2,462	-	2,462
Total Additions to Net Assets	2,742,334	5,733,104	8,475,438
Deductions			
Benefit payments	1,246,539	2,360,730	3,607,269
General administration	16,530	22,070	38,600
Refund of pension contribution	-	26,609	26,609
Total Deductions From Net Assets	1,263,069	2,409,409	3,672,478
Changes in net assets	1,479,265	3,323,695	4,802,960
Net assets - beginning	12,471,057	15,679,154	28,150,211
Net assets - ending	$ 13,950,322	$ 19,002,849	$ 32,953,171

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.

The City's total payroll for all eligible full-time regular employees for the year ended June 30, 2007, was $17,960,553. Of this amount $12,838,801 in total payroll earnings was reported to and covered by the three defined benefit pension plans.

Following is further information on each plan.

i. City of Dover Police Pension Plan

This contributory pension plan began on January 1, 1970 under the authority of the City Code, Chapter 18, Article II. 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 on June 29, 2006. An officer's pension right is vested upon the completion of 15 years of continuous service. As of June 30, 2007, there are 47 retirees and benefactors 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. For the year ended June 30, 2007, $2,529 in payroll earnings were reported to and covered by this plan.

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. An employee may not work longer than 25 years of continuous service or past the first of the month following his or her attainment of age 55. With the written consent of the participant and the Chief of Police, a participant's retirement may be deferred on an annual basis beyond his normal retirement to 60 years of age. 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 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.

If an employee terminates before becoming vested in the plan, his/her total contribution is refunded with interest compounded annually. Interest is based on prime.

The plan is managed by the City of Dover Police Pension Board established in the City Code. The committee recommends changes and amendments to City Council, which approves changes to the code. The rate of the City's contribution is determined by the actuarial study.

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. For the year ended June 30, 2007, the State contribution was $429,653. The State also provides 75% for the annual cost of living increase (COLA) granted to police retirees on January 1 each year. For 2007, the

State's contribution was $217,500. The total on-behalf contributions by the State the Plan was $647,153. This amount is included as Grants received revenue and Public Safety and Law Enforcement expenditures in the General Fund.

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 study as of July 1, 2006 in accordance with GASB Statement 25 and 27 has been completed. The City's actuary is Pike Associates of Potomac, Maryland.

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 (excluding COLA contributions not part of the actuarial valuation) have exceeded the calculated annual pension cost and have resulted in a net pension asset (NPA), defined as the accumulated value of contributions, deficiencies, or excesses over required contributions, of $848,153 as follows:

Annual required contribution	$ 485,055
Interest on net pension asset	(45,060)
Adjustment to annual required contribution	57,581
Annual pension cost	497,576
Contributions	(744,935)
(Increase)/decrease in net pension asset	(247,359)
Net pension obligation (asset) at beginning of year	(600,794)
Net pension obligation (asset) at end of year	$ (848,153)

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
2005	$ 535,722	159%	$ (453,977)
2006	$ 568,994	126%	$ (600,794)
2007	$ 497,576	150%	$ (848,153)

The funding requirement for fiscal year 2006-2007 for this plan is presented below:

1.	Employee Contribution	4% of payroll	As required by the City Code and the plan provisions ($101)

2.	Employer's Contribution July 2006 – June 2007	12.66%	Actuarially determined percent of payroll for current normal cost ($320)
3.	Employer's Contribution Additional Lump Sum	$95,000	Lump sum contribution as actuarially determined to fund the unfunded liability
4.	State of Delaware Contributions	$647,153	Surcharge on insurance premiums and COLA
5.	Annual Pension Cost	$497,576	Actuarially computed using entry age cost method
6.	Net Pension Asset	$848,153	As of June 30, 2007

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 increase on January 1, 2007 is not included in the liability calculation that was performed on July 1, 2006. The July 1, 2007 valuation will take into account the January 1, 2007 COLA and the State contribution.

Actuarial methods and significant assumptions:	
Valuation date	July 1, 2006
Actuarial cost method	Entry age cost method
Amortization method	Level percentage of projected payroll
Remaining amortization period	18 years
Amortization Period	Closed
Asset valuation method	Current market value
Actuarial Assumptions:	
Investment rate of return	7.5%
Projected salary increases	4.5%
Includes inflation at	3.5%
Automatic Cost of Living (retirees)	2.0%

ii. 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 per the City of Dover Code, Chapter 18 (Police Department) Article II (Pension Plan). 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, 2007, $5,208,970 in payroll earnings were reported to and covered by this plan.

The City's actuarially determined contributions as the employer were 12.36%, 13.84% and 13.97% for the fiscal years ended June 30, 2005, 2006 and 2007, respectively. The City's contributions to the plan for years ending June 30, 2005, 2006 and 2007 were $567,244, $678,889, and $727,573 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. 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 Employee's Retirement System can be obtained from the Office of Pensions, 680 Silver Lake Boulevard, Dover, Delaware, 19904-2402 or their www.delawarepensions.com website.

As of June 30, 2007 city membership in this plan is comprised of the following:

Retired and beneficiaries currently receiving benefits		13
Active employees:	Fully Vested 10 years	52
	Non Vested	38

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.

The City of Dover's employer contribution was 12.36%, 13.84% and 13.97% of the total employer contributions to the plan for each fiscal year 2005, 2006 and 2007.

The State of Delaware passed legislation in 2006 to amend the plan provisions eliminating the FICA adjustment and increasing the employee contribution from 5% to 7%.

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.

iii. 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, Article IX, General Employee Pension Plan, Sections 2-176 through 2-215, 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. Participation in the plan became mandatory for employees hired after July 1, 1991. At the present time, 189 employees and 169 retirees participate in the plan, while 84 employees have chosen to participate in the deferred contribution money purchase option, which began May 1, 1994. Current membership in the General Employee Pension Plan as of June 30, 2007, is comprised of the following:

Retired and beneficiaries currently receiving benefits		167
Active employees:	Fully Vested	92
	Non Vested	97
	Deferred Vested	32

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, 2007, payroll earnings of $7,627,303 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 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. Interest is based on prime.

The plan is managed by the City of Dover Employees' Pension Board established in the Code, which may make recommendations for changes and amendments to the plan to the City Council. 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 study as of July 1, 2006 has been completed in accordance with GASB Statements No. 25 and 27. The City's actuary is Pike Associates of Potomac, Maryland.

The annual required contribution (ARC) conforms to the aggregate entry age cost method as defined in Statement 25. The net pension obligation (NPO), which is defined as a liability equal to the accumulated value of deficiencies of required contributions at June 30, 2007 is $329,944, as follows:

Annual required contribution	$ 2,231,594
Interest on net pension obligation	65,631
Adjustment to annual required contribution	(65,823)
Annual pension cost	2,231,402
Contributions made	2,776,535
Increase (decrease) in net pension obligation	(545,133)
Net pension obligation (asset) at beginning of year	875,077
Net pension obligation (asset) at end of year	$ 329,944

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 End of Year
2005	$1,729,127	91%	$589,650
2006	$2,024,109	86%	$875,077
2007	$2,231,402	124%	$329,944

On May 1, 1994, a deferred compensation option was offered to employees in lieu of participation in the General Employee Pension Plan, and 41 employees elected to switch to the deferred compensation plan. (See Note 17 - Deferred Compensation Plan)

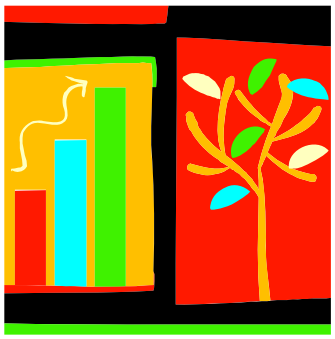
The funding requirement for fiscal year 2006-2007 for this plan is as follows:

1.	Employee Contribution	3.5% of payroll	As required by the City Code and the plan provisions ($267,718)
2.	Employer's Contribution July 2006– June 2007	27.4%	Actuarially determined percent of payroll for current normal cost ($2,093,293)
3.	Employer's Contribution Additional Lump Sum	$683,242	Lump Sum Contribution to reduce unfunded liability
4.	Annual Pension Cost	$2,231,402	Actuarially computed using entry age cost method
5.	Net Pension Obligation	$329,944	As of June 30, 2007

Actuarial Methods and significant assumptions:

Valuation date	July 1, 2006
Actuarial cost method	Aggregate entry age cost method
Amortization method	Level percentage of projected payroll
Remaining amortization period	18 years
Amortization Period	Closed
Asset valuation method	Current market value

Actuarial Assumptions:	
Investment rate of return	7.5%
Projected salary increases	4.5%
Includes inflation at	3.5%



FINANCIAL SECTION

PART - D

REQUIRED SUPPLEMENTARY INFORMATION

Services to Our Residents and Customers

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

The City also Offers

Parking
Downtown Development
Historic Preservation

CITY OF DOVER
GENERAL FUND
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget & Actual (Non-GAAP Basis)
For the Year Ended June 30, 2007

	GENERAL FUND			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Beginning Balance	$ 4,232,792	$ 5,437,696	$ 5,437,696	$ -
Fines and Other Police Revenue	760,000	706,020	717,310	11,290
911 Fees	64,000	64,000	56,370	(7,630)
Investment Income	290,000	290,000	307,698	17,698
Library Revenue	399,500	379,900	989,005	609,105
Licenses and Permits	2,310,000	2,691,500	2,689,348	(2,152)
Miscellaneous Service Charges	93,054	253,054	236,646	(16,408)
Police Extra Duty Fees	350,000	350,000	358,756	8,756
Property Taxes	9,148,680	9,254,909	9,032,995	(221,914)
Recreation Revenues	95,500	102,200	98,613	(3,587)
Sanitation Fees & Rebate	1,258,540	1,282,540	1,283,358	818
Rent Revenue	28,213	28,213	35,533	7,320
Court of Chancery Fees	710,000	761,000	929,120	168,120
Internet Revenue	10,000	10,000	7,483	(2,517)
Curbside Recycling	24,000	24,000	10,041	(13,959)
Electric Fund Appropriation	5,700,000	4,700,000	4,700,000	-
Water/Wastewater Fund Appropriation	535,000	535,000	535,000	-
Franchise Fee	410,000	422,000	440,745	18,745
Transfer Tax	2,900,000	2,900,000	3,009,539	109,539
Sale of Assets	-	-	169,900	169,900
Interfund Service Receipts Water/Wastewater	1,176,357	1,112,461	1,092,328	(20,133)
Interfund Service Receipts Electric	3,869,378	3,732,641	3,679,042	(53,599)
Grants:				
Police Related	149,285	192,753	140,833	(51,920)
Homeland Security	69,650	169,650	87,351	(82,299)
State Grant- Trail Maintenance	-	-	1,100	1,100
Recreation	300,000	335,000	332,607	(2,393)
Misc Grant Revenue	5,500	5,500	18,000	12,500
Transfer from Civil Traffic Penalties	950,000	500,000	540,566	40,566
Transfer from Capital Asset Reserve	-	324,824	324,824	-
Transfer from Municipal Street Aid	660,000	656,504	657,474	970
Transfer from Delaware Prevention Network	-	-	3,000	3,000
Transfer from Parkland Reserve	964,800	974,800	781,538	(193,262)
TOTAL REVENUES	$ 37,464,249	$ 38,196,165	$ 38,703,819	$ 507,654
EXPENDITURES:				
Tax Assessor	$ 273,777	$ 221,612	$ 224,895	$ (3,283)
Fire	1,299,787	1,137,347	1,188,173	(50,826)
Library	1,087,627	1,012,635	1,005,737	6,898
Recreation	1,728,179	1,813,458	1,452,987	360,471
Planning Commission	338,564	297,362	295,426	1,936
Public Inspections	1,191,003	1,223,379	1,167,072	56,307
Police	12,064,643	11,930,056	11,695,791	234,265
Streets	1,009,197	885,866	868,910	16,956
Sanitation	2,453,231	2,246,285	2,163,486	82,799
Public Works-Engineering	312,126	302,068	314,729	(12,661)

(continued)

	GENERAL FUND			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE POSITIVE (NEGATIVE)
Allocated Expenditures:				
Human Resources	$ 399,475	$ 354,997	$ 349,509	$ 5,488
Administrative Services	1,036,712	1,039,318	1,048,692	(9,374)
City Manager	642,239	630,607	629,503	1,104
Information Technology	941,400	942,129	892,449	49,680
Finance	715,733	669,261	654,883	14,378
Public Works-Administration	317,485	237,276	235,183	2,093
Facilities Management	1,402,610	1,355,050	1,330,499	24,551
Central Services	759,832	727,860	733,291	(5,431)
Vehicle Maintenance	676,695	675,762	649,012	26,750
City Clerk	308,362	244,689	236,271	8,418
Mayor	114,661	114,841	106,908	7,933
Council	119,218	117,494	110,404	7,090
Grounds Maintenance	1,168,150	1,098,239	1,105,432	(7,193)
Insurance	465,980	465,980	452,414	13,566
Retiree Benefits	763,982	763,982	736,286	27,696
Subtotal	$ 31,590,668	$ 30,507,553	$ 29,647,942	$ 859,611
Debt Service:				
Principal and Interest	441,232	441,232	441,232	-
Transfer to Post Retirement Benefit	250,000	250,000	250,000	-
Transfer to Contingency	8,007	-	-	-
Transfer to Street Program	350,000	418,120	418,120	-
Transfer to Parkland Reserve	350,000	360,000	361,375	(1,375)
Transfer to Capital Asset Reserve	-	-	159,810	(159,810)
DSWA Recycling Program	24,000	24,000	9,622	14,378
Inventory Write Offs	-	-	13,010	(13,010)
I/T Emergency Preparedness Plan	-	100,000	87,351	12,649
Appropriation to Pension Fund	402,204	402,204	402,204	-
Transfer to Library Escrow	583,500	1,620,970	2,226,932	(605,962)
Provision for Uncollectible	10,000	10,000	10,000	-
Street Lights	746,200	520,000	624,242	(104,242)
TOTAL EXPENDITURES	$ 34,755,811	$ 34,654,079	$ 34,651,840	$ 2,239
Budget Balance-Carry Forward	$ 2,708,438	$ 3,542,086	$ 4,051,979	$ 509,893
Perspective and GAAP (Non-GAAP) Differences:				
Escrows not included in fund balance			$ 48,796	
Fair value of investment adjustment			(6,957)	
Reserve for Encumbrances			(226,421)	
Unreserved Fund Balance			$ 3,867,397	

Notes to Required Supplementary Information

A. Budgetary Basis of Accounting

The City prepares its budget for the General Fund on the cash basis, except for property taxes and billable service changes, which are on 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.

B. Explanation of Excess Expenditures over Appropriations

Actual revenues exceeded the final appropriation by $507,654 mainly as a result of a one-time receipt from Kent County for Libraries. Expenditures were lower than budget by $2,239 across several functions. Several purchases/projects were not able to be completed in fiscal year 2007 and will be rebudgeted in fiscal year 2008. Transfers to reserves were greater than budget as a result of non-recurring unexpected receipts.

Transfer from the Parkland Reserve is for funding the capital expenditures included in Recreation for the construction of the John W. Pitts Recreation Center. Both the transfer in and expenditure are less than budget due to construction delays.

The net result is an increase of $509,893 to the General Fund ending fund balance.

Police Pension Fund
Supporting Schedule – 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
7/1/98	$ 14,704,970	$ 15,310,072	$ 605,102	96.1%	$ 462,976	130.7%
7/1/00	$ 17,148,623	$ 16,659,729	$ (488,894)	102.9%	$ 298,678	163.7%
7/1/02	$ 16,640,675	$ 17,480,732	$ 840,057	95.2%	$ 138,353	607.2%
7/1/03	$ 11,660,850	$ 17,492,167	$ 5,831,317	66.7%	$ 138,353	4214.8%
7/1/04	$ 11,829,963	$ 17,587,922	$ 5,757,959	67.3%	$ 63,830	9020.8%
7/1/05	$ 11,944,213	$ 17,850,795	$ 5,906,582	66.9%	$ 65,673	8993.9%
7/1/06	$ 12,471,057	$ 17,532,104	$ 5,061,047	71.1%	$ 65,745	7698.0%

Plan costs reflect a change in the method used to value plan assets. Investment gains or losses under the revised method are spread over five years. The City will continue amortizing the unfunded actuarial accrued liability over 18 years with payments increasing at 3 1/2% per year utilizing the level percentage of projected payroll method. The amortization period is closed.

Police Pension Fund
Required Supplementary Information
Schedule of Employers' Contribution

Year Ended June 30	Annual Required Contribution	Percentage Contributed
1998	$ 129,073	100%
1999	$ 120,188	100%
2000	$ 117,721	100%
2001	$ 92,435	100%
2002	$ 80,553	100%
2003	$ 91,373	595%
2004	$ 538,271	87%
2005	$ 533,486	159%
2006	$ 560,638	128%
2007	$ 485,055	154%

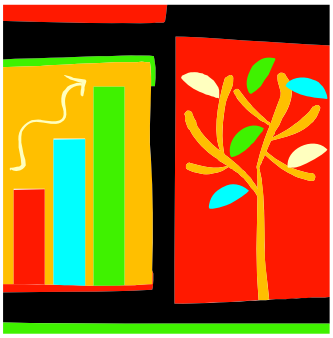
General Employee Pension Fund
Required Supplementary Information
Schedule of Funding Progress

Valuation Date	Plan Assets	Actuarial Accrued Liability	Unfunded Accrued Liability	Funded Ratio	Payroll	Unfunded as a Percent of Payroll
7/1/98	$ 18,792,809	$ 22,096,611	$ 3,303,802	85.0%	$ 6,592,117	50.1%
7/1/00	$ 22,095,632	$ 27,497,493	$ 5,401,861	80.4%	$ 6,559,611	82.4%
7/1/02	$ 20,638,445	$ 32,013,030	$ 11,374,585	64.5%	$ 6,774,554	167.9%
7/1/03	$ 19,133,025	$ 36,131,839	$ 16,998,814	53.0%	$ 6,661,757	255.2%
7/1/04	$ 17,531,096	$ 37,764,973	$ 20,233,877	46.4%	$ 7,320,938	276.4%
7/1/05	$ 16,277,640	$ 39,860,241	$ 23,582,601	40.8%	$ 7,370,418	320.0%
7/1/06	$ 15,712,605	$ 41,103,526	$ 25,390,921	38.2%	$ 7,627,303	332.9%

The unfunded actuarial accrued liability for this plan is being amortized over 30 years beginning July 1, 1994, 18 of which remain as of June 30, 2007, with payments increasing at 3 1/2% per year as of July 1, 2002. Plan costs reflect a change in the method used to value plan assets. Investment gains or losses under the revised method are spread over five years. The change has significantly reduced the impact of investment losses on the July 1, 2002 valuation. The unfunded accrued liability increased due to the recognition of these deferred losses and due to the fact the City granted retirees a 2% COLA. The amortization period is closed. The City utilizes the level percentage of projected payroll method to amortize the unfunded liabilities, currently 29.32%.

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

Year Ended June 30	Annual Required Contribution	Percentage Contributed
1998	$ 501,624	100%
1999	$ 512,143	100%
2000	$ 478,016	100%
2001	$ 487,736	100%
2002	$ 591,311	100%
2003	$ 941,910	100%
2004	$ 1,433,298	73%
2005	$ 1,726,989	91%
2006	$ 2,022,614	86%
2007	$ 2,231,594	124%



FINANCIAL SECTION

PART - E

SUPPLEMENTARY INFORMATION

- **COMBINING FUND STATEMENTS**
- **BUDGETARY SCHEDULES**



FINANCIAL STATEMENTS
SPECIAL REVENUE FUNDS

Special Revenue Funds include the group of funds classified as grant funds, post-retirement benefits and a recently created 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 also, 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 maintenance and repairs.

CDBG HOUSING GRANTS

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.

DPN GRANTS

The Delaware Prevention Network grant provides comprehensive and coordinated strategies to prevent substance abuse. The grant is administered by the State of Delaware, Office of Prevention.

STATE OF DELAWARE DEPARTMENT OF TRANSPORTATION GRANTS

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.



FINANCIAL STATEMENTS
SPECIAL REVENUE FUNDS
(continued)

GREENWAY GRANT

The State of Delaware, Department of Transportation, provides Suburban Street Funds to the City as a Project Sponsor for the planning and development of the St. Jones River Greenway. The grant is administered by the State Division of Parks and Recreation. All grant transactions are recorded in 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.

POST-RETIREMENT BENEFITS

The City is currently accumulating funds for future benefits, other than pensions for retirees and future retirees, by transferring contributions from the General, Water/Wastewater and Electric Revenue Funds specifically for such benefits.

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, economics development programs, public works services, capital projects and improvements, infrastructure projects and improvements and debt reduction.

CITY OF DOVER
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2007

	POLICE GRANTS	LIBRARY GRANTS	MUNICIPAL STREET AID	CDBG HOUSING GRANTS	DPN GRANT	STATE D.O.T. GRANTS	GREENWAY GRANT	SUBSTANCE ABUSE PREV. GRANT	POST RETIREMENT BENEFITS	ERLSP	GARRISON OAK TECH. PARK	REALTY TRANSFER TAX	TOTALS
ASSETS:													
Cash	$ 321,854	$ 30,062	$ 146	$ 55,248	$ 6,009	$ 314,634	$ 11	$ 8,903	$ -	$ 1,227	$ 375,545	$ 48,109	$ 1,161,748
Receivables	76,540	-	-	-	-	381	-	15,012	-	-	-	11,759	103,692
Investments	-	-	-	-	-	-	-	-	4,204,000	-	-	-	4,204,000
Due from other funds-charges	4,712	436	-	-	-	7,464	-	-	-	-	-	-	12,612
Due from other governments	-	-	-	6,850	5,568	552,521	26,559	-	-	18,387	-	-	609,885
TOTAL ASSETS	$ 403,106	$ 30,498	$ 146	$ 62,098	$ 11,577	$ 875,000	$ 26,570	$ 23,915	$ 4,204,000	$ 19,614	$ 375,545	$ 59,868	$ 6,091,937
LIABILITIES AND FUND BALANCE:													
Liabilities:													
Vouchers Payable	$ 62,292	$ 14,295	$ -	$ 6,825	$ 5,318	$ 4,470	$ -	$ 6,773	$ -	$ -	$ -	$ 22	$ 99,995
Deferred Revenue	-	-	-	-	-	524,532	-	-	-	-	-	-	524,532
Due to other funds-charges	74,257	-	-	108	259	-	-	-	-	18,567	-	59,290	152,481
Due to other funds-temporary advances	-	-	-	30,000	6,000	-	25,000	5,000	-	-	-	-	66,000
Total Liabilities	$ 136,549	$ 14,295	$ -	$ 36,933	$ 11,577	$ 529,002	$ 25,000	$ 11,773	$ -	$ 18,567	$ -	$ 59,312	$ 843,008
Fund Balances:													
Unreserved	$ 266,557	$ 16,203	$ 146	$ 25,165	$ -	$ 345,998	$ 1,570	$ 12,142	$ 4,204,000	$ 1,047	$ 375,545	$ 556	$ 5,248,929
Total Fund Balances	$ 266,557	$ 16,203	$ 146	$ 25,165	$ -	$ 345,998	$ 1,570	$ 12,142	$ 4,204,000	$ 1,047	$ 375,545	$ 556	$ 5,248,929
TOTAL LIABILITIES AND FUND BALANCES	$ 403,106	$ 30,498	$ 146	$ 62,098	$ 11,577	$ 875,000	$ 26,570	$ 23,915	$ 4,204,000	$ 19,614	$ 375,545	$ 59,868	$ 6,091,937

CITY OF DOVER
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN UNRESERVED FUND BALANCES
YEAR ENDED JUNE 30, 2007

	POLICE GRANTS	LIBRARY GRANTS	MUNICIPAL STREET AID	CDBG HOUSING GRANTS	DPN GRANT	STATE D.O.T. GRANTS	GREENWAY GRANT	SUBSTANCE ABUSE PREV. GRANT	POST RETIREMENT BENEFITS	ERLSP	GARRISON OAK TECH. PARK	REALTY TRANSFER TAX	TOTALS
REVENUES:													
Grant received	$ 503,604	$ 247,541	$ 656,322	$ 469,618	$ 70,400	$ 1,415,503	$ 26,559	$ 107,173	$ -	$ -	$ -	$ -	$ 3,496,720
Recreation revenue	-	-	-	-	-	-	-	12,793	-	-	-	-	12,793
Police Fines	-	-	-	-	-	-	-	-	-	540,566	-	-	540,566
Revenue from General Fund	-	-	-	-	-	-	-	-	-	-	-	820,560	820,560
Miscellaneous revenue	1,277	-	-	-	-	18,929	-	-	-	-	-	-	20,206
Investment income (loss)	11,173	-	1,198	1,646	-	9,119	55	30	563,487	197	18,456	1,724	607,085
TOTAL REVENUES	$ 516,054	$ 247,541	$ 657,520	$ 471,264	$ 70,400	$ 1,443,551	$ 26,614	$ 119,996	$ 563,487	$ 540,763	$ 18,456	$ 822,284	$ 5,497,930
EXPENDITURES:													
Program expenditures	$ 302,531	$ 247,563	$ -	$ 464,326	$ 67,409	$ 617,114	$ 26,559	$ 107,810	$ -	$ -	$ -	$ -	$ 1,833,312
TOTAL EXPENDITURES	$ 302,531	$ 247,563	$ -	$ 464,326	$ 67,409	$ 617,114	$ 26,559	$ 107,810	$ -	$ -	$ -	$ -	$ 1,833,312
Excess (deficiency) of revenues over expenditures	$ 213,523	$ (22)	$ 657,520	$ 6,938	$ 2,991	$ 826,437	$ 55	$ 12,186	$ 563,487	$ 540,763	$ 18,456	$ 822,284	$ 3,664,618
Other financing sources (uses):													
Operating transfers-in	-	-	-	-	-	418,120	-	-	500,000	-	-	-	918,120
Operating transfers-out	(136,720)	-	(657,474)	(4,114)	(3,000)	-	-	-	-	(540,566)	-	(821,728)	(2,163,602)
Excess (deficiency) of revenues and other financing sources over expenditures & other uses	$ 76,803	$ (22)	$ 46	$ 2,824	$ (9)	$ 1,244,557	$ 55	$ 12,186	$ 1,063,487	$ 197	$ 18,456	$ 556	$ 2,419,136
UNRESERVED FUND BALANCE AT BEGINNING OF YEAR	$ 189,754	$ 16,225	$ 100	$ 22,341	$ 9	$ (898,559)	$ 1,515	$ (44)	$ 3,140,513	$ 850	$ 357,089	$ -	$ 2,829,793
UNRESERVED FUND BALANCE AT END OF YEAR	$ 266,557	$ 16,203	$ 146	$ 25,165	$ -	$ 345,998	$ 1,570	$ 12,142	$ 4,204,000	$ 1,047	$ 375,545	$ 556	$ 5,248,929

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, 2007

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Beginning balance	$ 221	$ 100	$ 100	$ -
Grant received	660,000	656,504	656,322	(182)
Interest earned	100	300	1,198	898
TOTAL REVENUES	$ 660,321	$ 656,904	$ 657,620	$ 716
OTHER FINANCING USES:				
Operating transfer-out	$ 660,000	$ 656,504	$ 657,474	$ (970)
BALANCE CARRIED TO NEXT YEAR	$ 321	$ 400	$ 146	$ (254)

CITY OF DOVER
HOUSING GRANTS - CDBG

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNRESERVED FUND BALANCE-BUDGET (NON-GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2007

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Beginning balance	$ -	$ -	$ 22,341	$ 22,341
Federal grant received	314,371	574,965	469,618	(105,347)
Interest earned-State CDBG	-	-	1,646	1,646
TOTAL REVENUES	$ 314,371	$ 574,965	$ 493,605	$ (81,360)
EXPENDITURES:				
Federal program expenditures	$ 314,371	$ 574,965	$ 464,326	$ 110,639
TOTAL EXPENDITURES	$ 314,371	$ 574,965	$ 464,326	$ 110,639
OTHER FINANCING USES:				
Operating transfer-out	$ -	$ -	$ (4,113)	$ (4,113)
Balance Carried to Next Year	$ -	$ -	$ 25,166	$ (25,166)

CITY OF DOVER
DELAWARE PREVENTION NETWORK GRANT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNRESERVED FUND BALANCE-BUDGET (NON-GAAP BASIS) AND ACTUAL

YEAR ENDED June 30, 2007

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Beginning balance	$ -	$ -	$ 9	$ 9
Grant received	70,000	70,400	70,400	-
TOTAL REVENUES	$ 70,000	$ 70,400	$ 70,409	$ 9
EXPENDITURES:				
Program expenditures	$ 70,000	$ 70,400	$ 70,409	$ (9)
TOTAL EXPENDITURES	$ 70,000	$ 70,400	$ 70,409	$ (9)
BALANCE CARRIED TO NEXT YEAR	$ -	$ -	$ -	$ -

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, 2007

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Beginning balance	$ 3,940	$ (898,559)	$ (898,559)	$ -
Grants received: State	1,000,000	1,326,420	1,269,288	(57,132)
Interest earned	-	7,000	7,361	361
TOTAL REVENUES	$ 1,003,940	$ 434,861	$ 378,090	$ (56,771)
EXPENDITURES:				
Program expenditures	$ 1,350,000	$ 311,165	$ 493,536	$ (182,371)
TOTAL EXPENDITURES	$ 1,350,000	$ 311,165	$ 493,536	$ (182,371)
Other financing sources (uses):				
Operating transfers-in	$ 350,000	$ 418,120	$ 418,120	$ -
BALANCE CARRIED TO NEXT YEAR	$ 3,940	$ 541,816	$ 302,674	$ (239,142)



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

CITY OF DOVER
WATER/WASTEWATER FUND
SCHEDULE OF REVENUES AND EXPENSES
BUDGET (NON-GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2007

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Beginning balance-water	$ 2,065,305	$ 2,041,746	$ 2,041,746	$ -
Beginning balance-wastewater	968,218	808,997	808,997	-
Beginning balance-wastewater adjustment	(1,642,113)	(1,349,486)	(1,349,486)	-
Water fees	4,222,500	4,222,500	4,250,634	28,134
Wastewater fees	2,618,250	2,618,250	2,619,013	763
Wastewater adjustment	3,761,010	3,904,341	3,854,100	(50,241)
Miscellaneous services	98,750	98,750	83,760	(14,990)
Water tank space rent	303,000	303,000	287,017	(15,983)
Interest earnings	78,000	100,000	108,274	8,274
Impact fees	750,000	750,000	725,120	(24,880)
TOTAL REVENUES	$ 13,222,920	$ 13,498,098	$ 13,429,175	$ (68,923)
EXPENSES:				
Water services	$ 962,106	$ 947,688	$ 814,930	$ 132,758
Water construction	569,216	567,475	516,610	50,865
Water treatment plant	796,627	796,218	805,524	(9,306)
Water meter reading	67,077	66,277	62,525	3,752
Wastewater services	835,162	838,567	739,840	98,727
Kent County sewer fees	3,853,000	3,664,336	3,702,815	(38,479)
Intrafund service fee	1,176,357	1,112,461	1,092,328	20,133
Retirees health care	151,220	151,220	125,480	25,740
Debt service-water	922,832	276,275	276,231	44
Debt Service-wastewater	660,244	232,447	232,417	30
Transfer to Capital Asset Reserve	300,000	895,557	895,557	-
Transfer to Impact Fee Reserve	89,756	89,756	408,508	(318,752)
Transfer to General Fund from Water	267,500	267,500	267,500	-
Transfer to General Fund from Wastewater	267,500	267,500	267,500	-
Transfer to Water Imp and Ext	551,701	576,701	576,701	-
Transfer to Wastewater I & E	115,272	389,642	389,642	-
Transfer to Post-Retirement Benefits Reserve	50,000	50,000	50,000	-
Transfer to Pension Unfunded liability	50,225	50,225	50,225	-
Transfer to Pension Cola	39,850	39,850	39,850	-
TOTAL EXPENSES	$ 11,725,645	$ 11,279,695	$ 11,314,183	$ (34,488)
BUDGET BALANCE-WATER	$ 1,976,441	$ 2,037,928	$ 2,220,461	$ 182,533
BUDGET BALANCE-WASTEWATER	$ 1,254,937	$ 1,289,956	$ 1,092,732	$ (197,224)
BUDGET BALANCE - WASTEWATER ADJUSTMENT	$ (1,734,103)	$ (1,109,481)	$ (1,198,201)	$ (88,720)

CITY OF DOVER
WATER/WASTEWATER IMPROVEMENT & EXTENSION FUND

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

JUNE 30,2007

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Beginning balance restated-water	$ 44,148	$ 142,798	$ 160,692	$ 17,894
Beginning balance restated-wastewater	258,767	135,206	186,230	51,024
Prior year bond proceeds restated-wastewater	-	240,083	240,083	-
Interest earnings	20,000	24,000	30,006	6,006
Transfer from Water Fund	551,701	576,701	576,701	-
Transfer from Wastewater Fund	115,272	389,642	389,642	-
Transfer from Impact Fee Reserve	850,000	428,979	426,494	(2,485)
TOTAL REVENUES	$ 1,839,888	$ 1,937,409	$ 2,009,848	$ 72,439
EXPENSES:				
Water	$ 562,025	$ 699,672	$ 447,201	$ 252,471
Wastewater	1,221,215	1,189,408	972,483	216,925
Water meter reading	5,648	-	-	-
Water treatment plant	31,000	31,000	30,061	939
TOTAL EXPENSES	$ 1,819,888	$ 1,920,080	$ 1,449,745	$ 470,335
BUDGET BALANCE-WATER	$ 10,000	$ 827	$ 275,134	$ 274,307
BUDGET BALANCE-WASTEWATER	$ 10,000	$ 16,502	$ 284,969	$ 268,467

CITY OF DOVER
ELECTRIC REVENUE FUND

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

JUNE 30, 2007

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Beginning balance-operating	$ 4,974,107	$ 5,455,085	$ 5,455,085	$ -
Direct base sales	81,578,240	80,281,040	79,505,603	(775,437)
Purchased power adjustment	-	2,655,400	2,142,773	(512,627)
Rental income	145,505	204,467	205,289	822
Miscellaneous services	584,900	2,424,900	2,420,949	(3,951)
Utility tax	1,937,446	1,428,100	1,461,435	33,335
Green Energy	-	134,350	133,852	(498)
Interest earned-operating	420,000	419,000	427,328	8,328
Trf from Rate Stabilization Reserve	5,000,000	5,000,000	5,000,000	-
Duke contract revenue	-	-	1,079,000	1,079,000
TOTAL REVENUES	$ 94,640,198	$ 98,002,342	$ 97,831,314	$ (171,028)
EXPENSES:				
Plant Operations	$ 6,126,384	$ 5,483,923	$ 5,084,842	$ 399,081
Power Supply	65,154,000	63,753,400	57,926,074	5,827,326
PJM Charges - Load	-	-	5,054,477	(5,054,477)
Power Supply Management/Incentive	2,175,000	3,056,200	3,153,000	(96,800)
PJM Credits	(6,126,384)	(1,520,923)	(4,517,569)	2,996,646
Generation Fuels	-	-	3,879,167	(3,879,167)
Transmission/Distribution	3,282,637	3,344,777	3,168,037	176,740
Transition Costs	-	92,000	87,001	4,999
Electrical Engineering	2,001,295	2,029,626	1,826,367	203,259
Administration	562,322	590,202	654,609	(64,407)
Meter Reading	323,111	312,553	281,728	30,825
Utility Tax	1,937,446	1,428,100	1,461,435	(33,335)
Provision for Uncollectible	125,000	-	-	-
Retirees Health Care	526,400	526,400	498,269	28,131
Green Energy Payment to DEMEC	-	134,350	133,852	498
Interest on Deposits	25,000	25,000	39,323	(14,323)
Intrafund Service Fees	3,869,378	3,732,641	3,679,042	53,599
Other Appropriations:				-
OPEB Reserve	100,000	100,000	100,000	-
Pension Cola	101,692	101,692	101,692	-
Pension Unfunded Liability	89,271	89,271	89,271	-
General Fund	5,700,000	4,700,000	4,700,000	-
Debt Service	2,149,048	2,200,257	2,149,044	51,213
Rate Stabilization Fund	500,000	-	-	-
TOTAL EXPENSES	$ 88,621,600	$ 90,179,469	$ 89,549,661	$ 629,808
BUDGET BALANCE - CARRY FORWARD	$ 6,018,598	$ 7,822,873	$ 8,281,653	$ 458,780

CITY OF DOVER
ELECTRIC IMPROVEMENT AND EXTENSION FUND

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

YEAR ENDED JUNE 30, 2007

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Beginning balance	$ 2,471,378	$ 2,709,730	$ 2,709,730	$ -
General Service Billing	645,749	-	-	-
Transfer from Depreciation Reserve	3,374,792	2,620,238	2,620,238	-
Interest earnings	214,000	157,000	165,459	8,459
DEMA Grant	-	39,500	39,500	-
TOTAL REVENUES	$ 6,705,919	$ 5,526,468	$ 5,534,927	$ 8,459
EXPENSES:				
Transmission/Distribution	$ 1,656,654	$ 1,970,654	$ 1,938,515	$ 32,139
Engineering	4,972,724	3,436,360	2,142,930	1,293,430
Meter Reading	60,241	32,000	30,228	1,772
Administration	16,300	73,500	56,271	17,229
TOTAL EXPENSES	$ 6,705,919	$ 5,512,514	$ 4,167,944	$ 1,344,570
BUDGET BALANCE-CARRY FORWARD	$ -	$ 13,954	$ 1,366,983	$ 1,353,029

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 assessed 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.

CITY OF DOVER
INTERNAL SERVICE FUND - WORKERS' COMPENSATION

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

YEAR ENDED JUNE 30, 2007

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
OPERATING REVENUES:				
Beginning balance	$ 1,000,507	$ 1,211,478	$ 1,211,478	$ -
Interest earned	33,613	55,000	39,793	(15,207)
City contribution	593,497	593,188	573,462	(19,726)
TOTAL REVENUES	$ 1,627,617	$ 1,859,666	$ 1,824,733	$ (34,933)
OPERATING EXPENSES:				
Program expenses	$ 350,000	$ 325,000	$ 260,429	$ 64,571
Contractual services	28,000	28,000	28,000	-
Insurance	109,000	89,000	84,905	4,095
Bank fees	-	1,250	1,603	(353)
State of Del. - Self-Insurance Tax	-	45,000	46,403	(1,403)
TOTAL EXPENSES	$ 487,000	$ 488,250	$ 421,340	$ 66,910
BUDGET BALANCE - CARRY FORWARD	$ 1,140,617	$ 1,371,416	$ 1,403,393	$ 31,977

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 $7,521.

FINANCIAL STATEMENTS
FIDUCIARY FUND TYPES
AGENCIES

PARKING AUTHORITY

The City acts as the receiving and disbursing agent for the Dover Parking Authority. The transactions are recorded in this fund with respect to the City's agency capacity.

LIBRARY CONSORTIUM

The Library Consortium is an Agency Fund, which incorporates the transactions of three libraries. They are the City of Dover Public Library, Harrington Public Library, and Smyrna Public Library. Receipts from these libraries are for services to provide a book catalogue system. Disbursements are for the cost of the book catalogue system.

DOVER ARTS COUNCIL

The Dover Arts Council is an organization, which promotes the arts and cultural activities in the City. The City acts as the receiving and disbursing agent for the Dover Arts Council. The relevant transactions of Dover Arts Council are presented in this section.

DOWNTOWN DEVELOPMENT

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

MAIN STREET PROJECT

The Main Street Program is designed to encourage economic development and the preservation of historic resources in Downtown Dover and neighboring business districts. The relevant transactions pertaining to the Main Street Project are presented in this section.

The funding for Main Street comes from Business Improvement District tax, membership dues, donations, and special purpose grants directly received by this agency.

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.

CITY OF DOVER
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS

YEAR ENDED JUNE 30, 2007

	BALANCE JUNE 30, 2006	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2007
PARKING AUTHORITY				
ASSETS:				
Cash	$ 82,150	$ 320,291	$ 140,426	$ 262,015
Investments	225,299	2,824	228,123	-
Due from special revenue	-	22	-	22
Receivables	9,182	19,820	17,646	11,356
Total Assets	$ 316,631	$ 342,957	$ 386,195	$ 273,393
LIABILITIES:				
Vouchers payable	$ 83	$ 32,012	$ 27,887	$ 4,208
Due to special revenue fund	-	11,303	-	11,303
Due to agencies	$ 316,548	39,410	98,076	$ 257,882
Total Liabilities	$ 316,631	$ 82,725	$ 125,963	$ 273,393
LIBRARY CONSORTIUM				
ASSETS:				
Cash	$ 537	$ 43	$ -	$ 580
Total Assets	$ 537	$ 43	$ -	$ 580
LIABILITIES:				
Due to agencies	$ 537	$ 43	$ -	$ 580
Total Liabilities	$ 537	$ 43	$ -	$ 580
DOVER ARTS COUNCIL				
ASSETS:				
Cash	$ 2,350	$ -	$ -	$ 2,350
Total Assets	$ 2,350	$ -	$ -	$ 2,350
LIABILITIES:				
Due to agencies	$ 2,350	$ -	$ -	$ 2,350
Total Liabilities	$ 2,350	$ -	$ -	$ 2,350
DOVER DOWNTOWN DEVELOPMENT CORPORATION				
ASSETS:				
Cash	$ 124,173	$ 514,458	$ 550,828	$ 87,803
Investments	301,632	3,781	305,413	-
Receivables	203,084	38,355	27,302	214,137
Total Assets	$ 628,889	$ 556,594	$ 883,543	$ 301,940
LIABILITIES:				
Vouchers payable	$ 56,216	$ 530,280	$ 570,683	$ 15,813
Due to General Fund	-	20,000	20,000	-
Due to agencies	572,673	-	286,546	286,127
Total Liabilities	$ 628,889	$ 550,280	$ 877,229	$ 301,940

(Continued)

(Continued)

	BALANCE JUNE 30, 2006	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2007
MAIN STREET				
ASSETS:				
Cash	$ 56,560	$ 116,680	$ 111,745	$ 61,495
Receivables	1,331	57,221	57,681	871
Prepaid items	590	-	-	590
Due from other governments	4,144	-	4,144	-
Total Assets	$ 62,625	$ 173,901	$ 173,570	$ 62,956
LIABILITIES:				
Vouchers payable	$ 6,317	$ 62,328	$ 60,503	$ 8,142
Due to agencies	56,062	2,700	3,953	54,809
Due to General Fund	246	8,068	8,309	5
Total Liabilities	$ 62,625	$ 73,096	$ 72,765	$ 62,956
4TH JULY CELEBRATION COMMITTEE				
ASSETS:				
Cash	$ 9,315	$ 24,188	$ 16,978	$ 16,525
Total Assets	$ 9,315	$ 24,188	$ 16,978	$ 16,525
LIABILITIES:				
Vouchers payable	$ -	$ 16,825	$ 16,450	$ 375
Due to agencies	9,315	6,549	-	15,864
Due to General Fund	-	815	529	286
Total Liabilities	$ 9,315	$ 24,189	$ 16,979	$ 16,525
TOTAL - ALL AGENCY FUNDS				
ASSETS:				
Cash	$ 275,085	$ 975,660	$ 819,977	$ 430,768
Investments	526,931	6,605	533,536	-
Receivables	213,597	115,396	102,629	226,364
Prepaid items	590	-	-	590
Due from special revenue	-	22	-	22
Due from General Fund	4,144	-	4,144	-
Total Assets	$ 1,020,347	$ 1,097,683	$ 1,460,286	$ 657,744
LIABILITIES:				
Vouchers payable	$ 62,616	$ 641,445	$ 675,523	$ 28,538
Due to General Fund	246	28,883	28,838	291
Due to special revenue	-	11,303	-	11,303
Due to agencies	957,485	48,702	388,575	617,612
Total Liabilities	$ 1,020,347	$ 730,333	$ 1,092,936	$ 657,744

NOTES:

STATISTICAL SECTION



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.

Table 1

City of Dover
Net Assets by Component
Last Five Fiscal Years
(Accrual basis of accounting)

	Fiscal Year				
	2003	2004	2005	2006	2007
Governmental Activities					
Invested in capital assets, net of related debt	$ 19,554,571	$ 21,824,685	$ 23,343,787	$ 27,056,161	$ 29,709,046
Restricted	1,002,363	1,852,754	2,023,096	887,235	1,591,678
Unrestricted	5,423,283	4,067,810	7,431,716	11,590,341	13,849,061
Total governmental activities net assets	$ 25,980,217	$ 27,745,249	$ 32,798,599	$ 39,533,737	$ 45,149,785
Business-type activities					
Invested in capital assets, net of related debt	$ 73,946,422	$ 81,968,635	$ 82,878,764	$ 89,089,027	$ 89,289,351
Restricted	39,568,228	36,010,001	32,620,056	33,801,000	29,762,946
Unrestricted	8,253,229	4,831,263	11,569,305	11,859,329	14,371,418
Total business-type activities net assets	$ 121,767,879	$ 122,809,899	$ 127,068,125	$ 134,749,356	$ 133,423,715
Primary government					
Invested in capital assets, net of related debt	$ 93,500,993	$ 103,793,320	$ 106,222,551	$ 116,145,188	$ 118,998,397
Restricted	40,570,591	37,862,755	34,643,152	34,688,235	31,354,624
Unrestricted	13,676,512	8,899,073	19,001,021	23,449,670	28,220,479
Total primary government net assets	$ 147,748,096	$ 150,555,148	$ 159,866,724	$ 174,283,093	$ 178,573,500

NOTE
Five years worth of trend data is shown here instead of ten, due to data not available prior to fiscal year 2003.

Table 2

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

Fiscal Year	Property Tax	Transfer Tax	Total
1998	$ 5,687,602	$ 931,731	$ 6,619,333
1999	5,698,657	1,163,148	6,861,805
2000	6,081,831	1,205,779	7,287,610
2001	6,021,821	987,753	7,009,574
2002	6,190,763	1,207,241	7,398,004
2003	7,076,050	2,663,963	9,740,013
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

Table 3

City of Dover
Changes in Net Assets
Last Five Fiscal Years
(Accrual basis of accounting)

	Fiscal Year				
	2003	2004	2005	2006	2007
Expenses					
Governmental activities:					
General government	$ 1,710,749	$ 1,426,396	$ 905,382	$ 836,668	$ 1,472,104
Public safety	11,131,850	12,319,713	12,533,566	13,879,609	14,509,849
Public Works	4,029,404	4,536,928	4,563,747	4,493,296	4,791,235
Library and recreation	1,512,396	1,371,944	1,706,743	1,309,601	1,875,872
Community and economic development	392,101	545,899	711,743	600,907	639,545
Central services	48,032	297,857	236,451	447,877	552,042
Financial administration	241,609	1,902,719	1,566,911	1,774,380	1,588,425
Interest on long-term debt	249,661	224,155	129,352	118,130	106,815
Total governmental activities expenses	19,315,802	22,625,611	22,353,895	23,460,468	25,535,887
Business-type activities					
Water and Sewer	8,789,932	9,291,404	8,678,186	9,263,236	9,774,569
Electric	52,380,785	53,387,490	56,384,796	58,620,196	87,813,642
Total business-type activities	61,170,717	62,678,894	65,062,982	67,883,432	97,588,211
Total primary government expenses	80,486,519	85,304,505	87,416,877	91,343,900	123,124,098
Program Revenues					
Governmental activities:					
Charges for services:					
General government	524,342	1,117,648	1,209,067	1,428,996	1,683,817
Public safety	3,000,136	2,956,135	3,684,792	4,487,028	4,499,315
Public works	1,080,356	1,083,894	1,081,064	1,253,313	1,312,328
Library and recreation	434,149	443,925	447,948	549,959	1,100,412
Operating grants and contributions	1,683,806	2,090,106	2,267,722	3,156,369	3,108,545
Capital grants and contributions	717,603	1,154,728	544,360	500,103	790,612
Total governmental activities program revenues	7,440,392	8,846,436	9,234,953	11,375,768	12,495,029
Business-type activities					
Charges for services:					
Water and Sewer	10,541,804	10,454,520	11,173,425	12,496,877	12,525,215
Electric	59,578,543	59,476,870	63,303,032	68,005,332	87,014,071
Total business-type activities program revenues	70,120,347	69,931,390	74,476,457	80,502,209	99,539,286
Total primary government program revenues	77,560,739	78,777,826	83,711,410	91,877,977	112,034,315
Net (expense)/revenue:					
Governmental activities	(11,875,410)	(13,779,175)	(13,118,942)	(12,084,700)	(13,040,858)
Business-type activities	8,949,630	7,252,496	9,413,475	12,618,777	1,951,075
Total primary government net revenue (expense)	(2,925,780)	(6,526,679)	(3,705,467)	534,077	(11,089,783)
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Property taxes	7,076,050	7,183,124	7,370,318	8,792,652	9,032,995
Transfer taxes	2,663,963	1,627,172	2,379,548	3,048,064	3,008,371
Gain (loss) on sale of capital assets	-	-	3,750	-	-
Investment earnings	254,510	97,171	332,853	640,381	1,230,540
Transfers	5,440,923	6,636,740	6,611,024	6,338,741	5,385,000
Total governmental activities	15,435,446	15,544,207	16,697,493	18,819,838	18,656,906
Business-type activities:					
Gain (loss) on sale of capital assets	-	16,213	(13,264)	(127,477)	(556,547)
Investment earnings	2,152,263	198,661	1,312,098	1,528,672	2,664,831
Capital contributions	-	211,390	-	-	-
Transfers	(5,440,923)	(6,636,740)	(6,611,024)	(6,338,741)	(5,385,000)
Total business-type activities	(3,288,660)	(6,210,476)	(5,312,190)	(4,937,546)	(3,276,716)
Total primary government	12,146,786	9,333,731	11,385,303	13,882,292	15,380,190
Change in Net Assets					
Government activities	3,560,036	1,765,032	3,578,551	6,735,138	5,616,048
Business-type activities	5,660,970	1,042,020	4,101,285	7,681,231	(1,325,641)
Total primary government	$ 9,221,006	$ 2,807,052	$ 7,679,836	$ 14,416,369	$ 4,290,407

NOTE
Five years worth of trend data is shown here instead of ten, due to data not available prior to fiscal year 2003.

Table 4

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

	Fiscal Year				
	2003	2004	2005	2006	2007
General Fund					
Reserved	$ 689,233	$ 720,698	$ 1,099,450	$ 2,158,007	$ 2,023,169
Unreserved	4,682,483	3,729,125	4,156,574	6,515,829	7,046,831
Total General Fund	5,371,716	4,449,823	5,256,024	8,673,836	9,070,000
All other governmental funds					
Unreserved, reported in:					
Special revenue funds	805,171	2,119,882	2,984,929	2,829,793	5,248,929
Total all other governmental funds	805,171	2,119,882	2,984,929	2,829,793	5,248,929
Total fund balances	$ 6,176,887	$ 6,569,705	$ 8,240,953	$ 11,503,629	$ 14,318,929

NOTE
Five years worth of trend data is shown here instead of ten, due to data not available prior to fiscal year 2003.

Table 5

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

	Fiscal Year				
	2003	2004	2005	2006	2007
Revenues					
Fines	$ 650,004	$ 619,493	$ 1,117,440	$ 1,759,979	$ 1,314,246
Library revenue	334,702	333,157	346,652	451,705	989,006
Licenses and permits	1,934,820	2,017,287	2,251,091	2,465,845	2,689,348
Sanitation fees and rebates	1,080,356	1,083,894	1,081,064	1,253,313	1,293,399
Recreation	-	-	-	-	12,793
Miscellaneous services	1,039,303	988,511	916,244	996,174	1,367,960
Taxes	9,740,013	8,810,296	9,749,866	11,840,716	12,041,366
Grants	2,396,409	3,244,834	2,812,082	3,919,800	4,550,607
Court of Chancery fees	-	559,260	710,380	792,280	929,120
Investment income	226,165	95,127	315,642	603,451	1,154,829
Total revenues	17,401,772	17,751,859	19,300,461	24,083,263	26,342,674
Expenditures					
General government	698,081	693,874	902,139	836,419	1,000,622
Library services	1,021,282	1,132,413	1,144,289	1,162,301	1,253,300
Public safety	10,671,475	11,755,081	12,432,257	13,922,271	15,055,746
Public works	1,696,969	2,864,345	2,478,911	3,340,643	2,551,962
Recreational services	482,936	486,789	617,624	705,241	1,452,987
Streets and sanitation services	2,971,180	2,957,758	2,711,775	3,242,649	3,018,222
Engineering services	56,703	225,658	253,299	289,208	314,728
Financial administration	391,721	597,973	687,450	725,963	829,002
Garage and stores	545,371	382,851	418,710	417,202	402,915
Insurance	128,127	203,997	168,430	153,202	165,584
Retiree health care	456,025	541,715	590,587	645,457	736,286
Employee pension	-	-	-	-	402,204
Street lights	465,923	470,110	550,682	545,426	624,243
Community and economic development	392,101	545,899	711,743	600,906	639,545
Miscellaneous	437,824	-	-	-	-
Debt service					
Principal	637,960	668,341	490,171	464,480	368,384
Interest	249,661	217,374	121,350	107,959	96,644
Other charges (Issuance of debt)	-	122,387	-	-	-
Total expenditures	21,303,339	23,866,565	24,279,417	27,159,327	28,912,374
Excess of revenues over(under) expenditures	(3,901,567)	(6,114,706)	(4,978,956)	(3,076,064)	(2,569,700)
Other financing sources (uses)					
Transfers in	6,499,751	8,249,757	8,965,067	8,850,767	8,316,722
Transfers out	(1,053,828)	(1,928,012)	(2,354,043)	(2,512,026)	(2,931,722)
Refunding bonds issued	-	3,430,000	-	-	-
Payments to refunded bond escrow agent	-	(3,244,281)	-	-	-
Capital leases	84,377	-	-	-	-
Sale of capital assets	-	-	3,750	-	-
Total other financing sources (uses)	5,530,300	6,507,464	6,614,774	6,338,741	5,385,000
Net change in fund balances	$ 1,628,733	$ 392,758	$ 1,635,818	$ 3,262,677	$ 2,815,300
Debt service as a percentage of noncapital expenditures	4.17%	4.22%	2.52%	2.11%	1.61%

NOTE
Five years worth of trend data is shown here instead of ten, due to data not available prior to fiscal year 2003.

Table 6a

CITY OF DOVER
GENERAL FUND
REVENUES AND OTHER FINANCING TREND DATA
LAST TEN FISCAL YEARS

REVENUES:	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**
Beginning Balance	$1,973,939	$2,252,671	$2,810,398	$2,827,370	$380,166	$2,266,936	$2,890,843	$2,865,516	$ 3,223,548	$ 5,437,696
Fines and Other Police Revenue	538,272	644,025	593,272	635,711	658,869	650,004	619,493	858,604	823,439	773,680
Franchise fees	254,889	182,093	-	-	-	331,515	462,859	395,821	416,595	440,745
Right-of-Way Revenue	-	-	57,763	169,262	56,339	-	-	-	-	-
Court of Chancery Fees	-	-	-	-	-	-	559,260	710,380	792,280	929,120
Internet Revenue	-	-	-	-	10,613	17,903	20,779	17,205	12,951	7,483
Interest Earnings & Transfers	367,927	319,866	346,200	336,533	217,917	146,113	164,686	139,444	263,223	307,698
Library Revenue - General	42,645	47,375	36,332	34,601	33,536	42,251	37,357	50,852	58,905	53,634
Library Revenue - County Reimbursement	264,786	264,786	285,745	286,090	290,607	292,451	295,800	295,800	392,800	935,371
Library Trust Receipt	-	-	-	-	105,410	-	-	-	-	-
Licenses and Permits	1,403,271	1,595,404	1,514,171	2,141,937	1,888,673	1,934,820	2,017,287	2,251,092	2,465,845	2,689,348
Miscellaneous Service Charges	124,221	192,292	128,749	215,266	49,991	77,276	83,572	55,310	120,433	236,646
Police Extra Duty Fees	115,130	173,977	194,381	345,324	389,503	393,601	307,426	303,195	250,985	358,756
Property Taxes	5,687,602	5,698,657	6,081,831	6,021,821	6,190,763	7,076,050	7,183,124	7,370,318	8,792,652	9,032,995
Recreation Revenue	85,115	89,115	94,181	88,460	88,865	92,699	102,483	101,296	98,254	98,613
Rent Revenue	-	-	-	65,610	15,250	28,214	28,214	28,213	35,533	35,533
Electric Fund Appropriation	3,975,000	3,975,000	3,975,000	3,975,000	3,975,000	4,525,000	4,701,664	5,463,008	5,716,956	4,700,000
Electric Improvement & Extension Fund Approp.	-	-	-	-	1,887,950	-	-	-	-	-
Water/Sewer Fund Appropriation	225,000	-	225,000	-	900,000	450,000	831,000	848,016	535,785	535,000
Transfer Tax	931,731	1,163,148	1,205,779	987,753	1,207,241	2,663,963	1,627,172	2,379,548	3,048,064	3,009,539
Curbside Recycling									8,869	10,041
Sanitation Fees	-	-	207,084	920,115	1,059,007	1,080,356	1,083,894	1,081,064	1,244,444	1,283,358
Transfer from Reserve	159,000	112,454	-	-	-	-	859,816	1,040	124,504	1,106,362
Sale of Land	-	-	-	-	-	21,371	2,800	13,000	59,850	169,900
Interfund Service Receipts- Water/Wastewater	-	-	-	-	-	-	846,864	932,708	1,045,326	1,092,328
Interfund Service Receipts- Electric	-	-	-	-	-	-	3,151,045	3,536,040	3,652,063	3,679,042
Grants:										
Emergency Related	-	-	-	-	-	66,263	48,655	-	-	-
Homeland Security									164,872	87,351
Municipal Street Aid	560,950	705,936	848,294	845,221	822,385	803,446	794,301	792,242	659,910	657,474
Police Department	201,212	194,208	369,219	114,270	96,611	124,360	248,070	611,801	1,279,116	681,399
Recreation Related	92,839	54,597	-	74,865	3,007	-	20,000	25,000	300,000	332,607
State Revenue Sharing/Other	455,682	5,119	337,964	-	-	21,203	-	-	-	-
Misc Grant Revenue	-	-	-	-	-	-	1,258	9,900	19,700	22,100
Delaware River & Bay Authority	-	15,910	-	-	-	-	-	-	-	-
Downtown Amenities	-	-	-	253,983	-	-	-	-	-	-
DelDot Enhancements	-	-	-	-	57,056	-	-	-	-	-
TOTAL REVENUES	**$17,459,211**	**$17,686,633**	**$19,311,363**	**$20,339,192**	**$20,384,759**	**$23,105,795**	**$28,989,722**	**$31,136,413**	**$35,606,902**	**$38,703,819**

Source: City of Dover Financial Reports.

Table 6b

CITY OF DOVER
GENERAL FUND
EXPENDITURES AND OTHER USES TREND DATA
LAST TEN FISCAL YEARS

EXPENDITURES:	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Customer Services/Admin Services	$ 37,017	$ 39,779	$ 38,139	$ 39,744	$ 41,327	$ 38,759	$ 849,620	$ 1,072,083	$ 951,557	$ 1,048,692
Central Services	29,274	34,256	37,271	37,061	48,152	38,109	659,788	755,866	678,110	733,291
City Clerk	106,051	76,918	80,892	96,564	105,075	103,961	243,852	301,129	333,612	236,271
City Manager	84,224	89,555	117,662	111,332	91,399	101,439	310,272	358,401	563,970	629,503
Community Services - Admin.	491	-	-	-	-	-	-	-	-	-
Construction	106,651	90,587	112,622	138,867	78,830	85,304	-	-	-	-
Engineering	40,446	45,023	44,359	48,286	47,030	56,703	225,658	253,299	289,208	314,729
Facilities Management	244,256	232,706	249,224	251,784	338,644	388,957	871,691	958,764	824,260	1,330,499
Finance	137,125	147,273	140,523	181,055	157,672	172,862	526,973	598,639	649,802	654,883
Fire	575,037	579,802	631,868	765,747	582,435	775,129	858,193	911,534	948,785	1,188,173
Grounds Maintenance	197,941	196,315	229,654	246,111	267,376	295,385	952,009	989,042	1,054,767	1,105,432
Human Resources	60,879	61,903	67,628	68,297	88,830	102,472	236,467	271,823	306,782	349,509
Information Technology	194,556	146,747	128,127	132,062	135,569	180,100	675,002	741,812	859,120	892,449
Insurance	116,043	83,535	123,649	113,220	105,400	128,127	523,069	431,871	429,139	452,414
Library	698,001	765,926	742,208	779,665	759,169	791,726	908,656	909,005	953,761	1,005,737
Mayor & Council	36,327	72,738	69,261	79,580	87,893	111,910	223,890	221,958	225,071	217,312
Parks and Recreation	389,207	365,043	380,175	394,915	413,409	482,936	486,789	617,624	705,241	1,452,987
Planning Commission	70,305	82,768	105,011	123,374	96,863	123,716	196,907	202,516	201,563	295,426
Police	7,111,440	7,084,608	7,504,239	8,082,681	8,646,777	9,016,043	9,952,938	10,472,023	11,205,497	11,695,791
Public Inspections	506,594	528,968	562,472	752,168	729,450	769,831	811,805	898,687	957,385	1,167,072
Public Works - Admin.	65,086	68,108	71,091	74,125	81,657	78,312	273,982	306,773	318,900	235,183
Sanitation	1,580,601	1,419,315	1,602,953	1,807,335	1,657,753	2,025,888	2,202,051	1,940,866	2,257,821	2,163,486
Streets	585,706	1,035,061	983,226	1,293,463	1,020,123	1,046,294	1,122,311	1,237,428	1,081,869	868,910
Tax Assessor	107,321	109,297	161,067	114,360	164,012	120,745	154,792	301,445	195,383	224,895
Vehicle Maintenance	506,702	552,450	492,592	667,421	449,159	502,044	533,699	581,689	672,608	649,012
Other Charges:										
Other Appropriations	56,500	56,500	75,013	126,282	79,352	183,831	1,456	-	500,000	668,120
Park Construction	57,006	54,822	73,895	-	-	-	-	-	1,193,323	361,375
Approp. to Street Lights	-	-	-	-	-	-	470,110	534,682	545,426	624,242
Approp. to Capital Outlays	40,000	20,000	60,000	60,000	20,000	-	-	-	150,000	159,810
Internet Service	-	-	-	10,493	7,622	-	-	-	-	-
Copier Expense	-	-	-	-	-	-	-	4,863	-	-
N. Dover Athletic Complex	-	-	-	40,000	-	-	-	-	-	-
Transfer to Contingency Fund	50,000	50,000	50,000	50,000	-	250,000	-	-	-	-
Transfers to Reserves	-	-	-	-	105,410	796,372	634,774	974,970	-	-
Transfer to Grant Funds	-	-	-	-	-	-	867	-	-	-
Appropriations to Other Funds	400,000	269,331	243,810	329,234	-	6,515	-	-	-	-
Environmental Related Expense	14,196	3,494	35,568	61,227	30,000	-	-	-	-	-
I/T Emergency Preparedness Plan	-	-	-	-	-	-	-	-	-	87,351
Accounts Receivable Uncollectibles	-	-	-	-	-	-	-	10,000	10,000	10,000
Inventory Write Offs	-	-	-	-	-	-	14,636	7,114	12,176	13,010
Retiree Benefits	198,607	218,417	243,187	306,106	375,173	456,025	541,715	590,587	645,457	736,286
Employee Pension	-	-	-	-	-	-	-	-	-	402,204
Police Pension	-	-	-	226,863	-	-	-	-	-	-
Workers Compensation Fund	-	-	-	-	616,449	296,914	-	16,000	-	-
Library Escrow	-	-	-	-	-	-	-	-	-	2,226,932
DSWA Recycling Program	-	-	-	-	-	-	-	-	9,894	9,622
Trash Container Expense	43,360	47,246	-	-	-	-	-	-	-	-
Consulting	68,627	11,099	51,561	150,000	-	-	-	-	-	-
Debt Service: Principal	375,000	390,000	405,000	425,000	445,000	465,000	485,000	330,000	335,000	345,000
Debt Service: Interest	322,100	304,514	282,905	301,625	244,813	223,543	198,509	110,372	103,719	96,232
Debt. Service: Bond Issue Costs	-	-	-	-	-	-	122,387	-	-	-
Debt Service: Bond Proceeds	-	-	-	-	-	-	(3,430,000)	-	-	-
Debt Service: Payment to Bond Agent	-	-	-	-	-	-	3,244,281	-	-	-
TOTAL EXPENDITURES	**$ 15,212,677**	**$ 15,334,104**	**$ 16,198,852**	**$ 18,486,047**	**$ 18,117,823**	**$ 20,214,952**	**$ 26,084,149**	**$ 27,912,865**	**$ 30,169,206**	**$ 34,651,840**

Source: City of Dover Financial Reports.

General Fund Revenues, Expenditures & Other Financing Trends
Last Ten Fiscal Years

Table 6a – continued

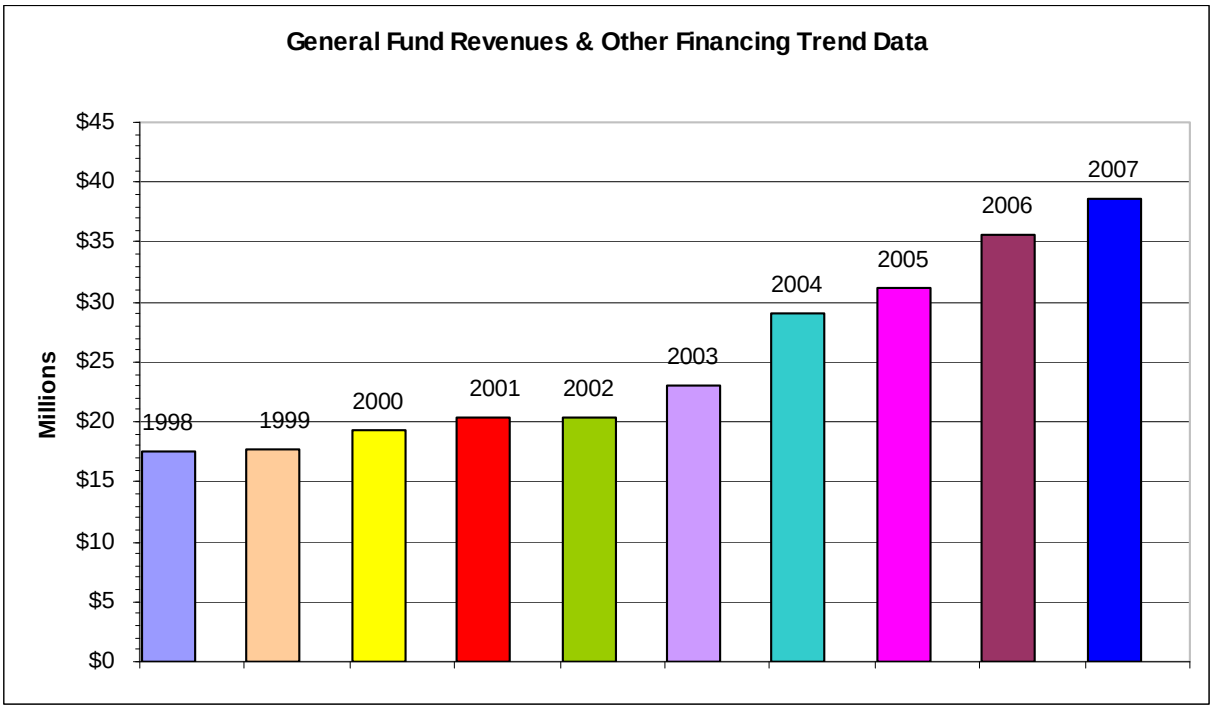


Table 6b - continued

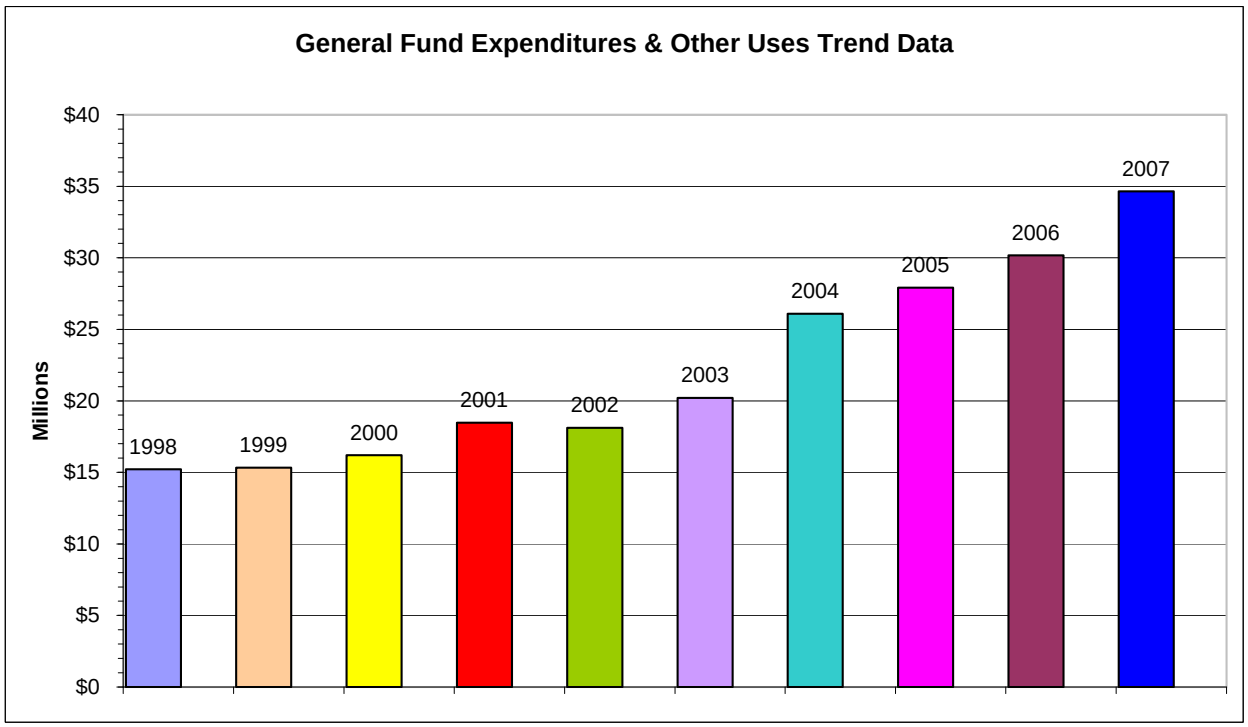


Table 7

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
1998	$ 1,225,566,600	$ 415,424,700	$ 810,141,900	$ 2,042,611,000	39.66%	0.685
1999	1,254,742,300	419,460,500	835,281,800	2,091,237,167	39.94%	0.685
2000	1,583,051,400	723,466,300	859,585,100	2,638,419,000	32.58%	0.685
2001	1,342,023,600	465,530,500	876,493,100	2,236,706,000	39.19%	0.685
2002	1,687,672,100	784,466,500	903,205,600	2,812,786,833	32.11%	0.685
2003	2,209,978,500	504,226,700	1,705,751,800	2,209,978,500	77.18%	0.411
2004	2,576,251,900	841,436,800	1,734,815,100	2,576,251,900	67.34%	0.411
2005	2,605,638,000	841,290,300	1,764,347,700	2,605,638,000	67.71%	0.411
2006	3,146,043,800	618,735,300	2,527,308,500	3,146,043,800	80.33%	0.330
2007	3,516,580,775	618,433,400	2,898,147,375	3,516,580,775	82.41%	0.330

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 $.4110 to stay revenue neutral.
3. In 2005, the City property values were reassessed, effective for tax year 2006. The tax rate was lowered from $.411 to $.330.

Table 8

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

NOTES

1. Dover charter provides that the amount 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 changed from 60% of assessed value to 100% and accordingly lowered the tax rate in 2003.

Fiscal Year	City of Dover General Fund	Kent County	Capital School District	Vo-Tech School District	Total
1998	0.685	0.260	0.871	0.107	1.923
1999	0.685	0.250	0.879	0.105	1.919
2000	0.685	0.250	0.936	0.073	1.944
2001	0.685	0.250	0.936	0.073	1.944
2002	0.685	0.250	1.022	0.095	2.052
2003	0.411	0.250	1.120	0.087	1.868
2004	0.411	0.250	1.173	0.087	1.921
2005	0.411	0.250	1.173	0.087	1.921
2006	0.330	0.250	1.075	0.118	1.773
2007	0.330	0.250	1.459	0.118	2.157

Sources: Tax Assessor's Office - City

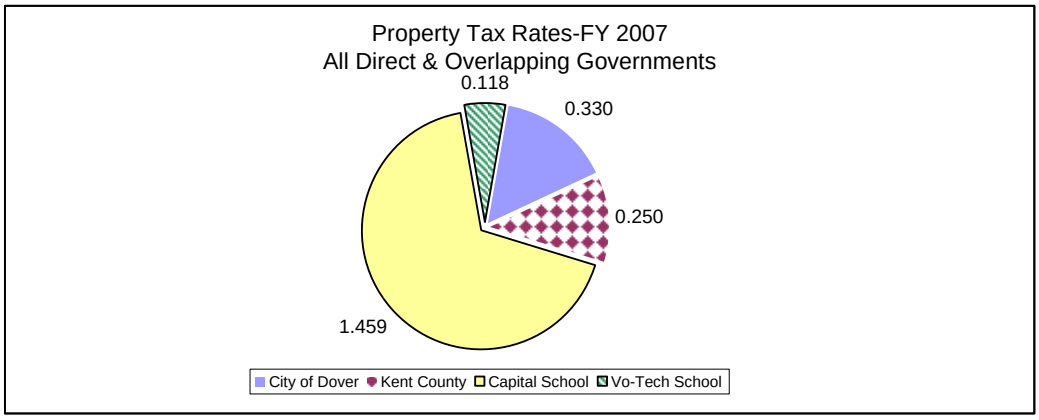


TABLE 9

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 changed from 60% of assessed value to 100% and accordingly lowered the tax rate in 2003.
4. The City of Dover reassessed property values and "rolled back" the tax rate in 2006.

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

Fiscal Year	City of Dover General Fund	Kent County	Caesar Rodney School District	Vo-Tech School District	Total
1998	0.685	0.260	0.860	0.107	1.912
1999	0.685	0.250	0.860	0.105	1.900
2000	0.685	0.250	0.884	0.073	1.892
2001	0.685	0.250	0.986	0.073	1.994
2002	0.685	0.250	1.030	0.095	2.060
2003	0.411	0.250	1.030	0.087	1.778
2004	0.411	0.250	1.161	0.087	1.909
2005	0.411	0.250	1.161	0.087	1.909
2006	0.330	0.250	1.459	0.087	2.126
2007	0.330	0.250	1.480	0.118	2.178

Sources: Tax Assessor's Office - City

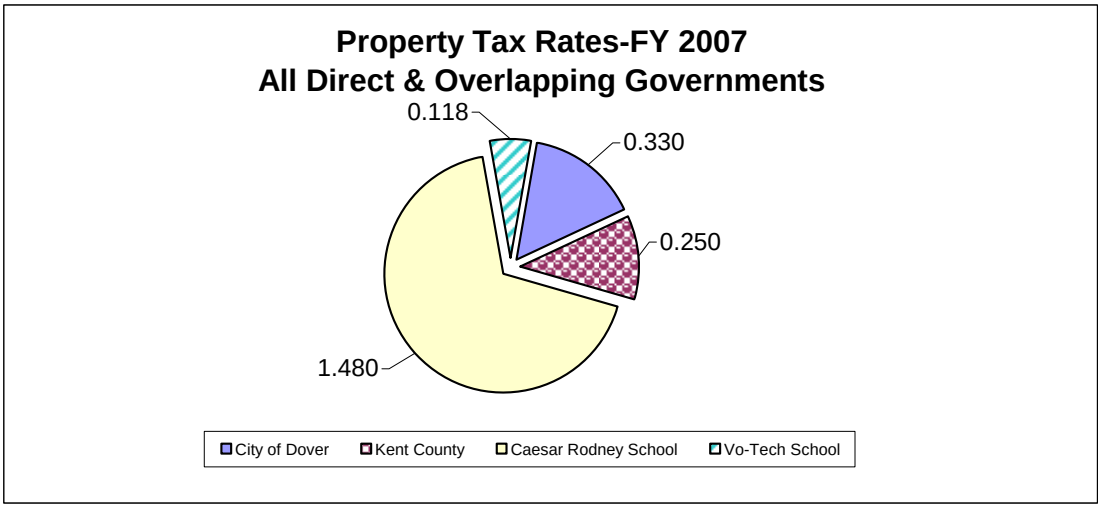


Table 10

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

TAX PAYERS	TYPE OF BUSINESS	2007 ASSESSED VALUATION	RANK	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUATION	1998 ASSESSED VALUATION	RANK	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUATION
Dover Downs Prop, Inc.	Race Track/Video Lottery/Hotel	$ 98,824,600	1	3.41%	$ 17,314,000	3	2.14%
Dover Mall LP	Dover Commons/Dover Mall Shopping Ctr	68,301,000	2	2.36%	23,671,400	1	2.92%
Kraft-General Foods Corp.	Food Manufacturer	20,624,800	3	0.71%	13,920,000	2	1.72%
Robino Bay Court Plaza	Shopping Center	19,087,300	4	0.66%	2,587,200	-	0.32%
Berks City Real Estate Assoc	Boscov's	18,034,400	5	0.62%	5,004,400	-	0.62%
Country Village Association	Apartments	15,691,800	6	0.54%	3,086,600	-	0.38%
Millers Dover Downs	Shopping Center	14,528,900	7	0.50%	1,951,200	-	0.24%
Dover South Coast Partnership	North Dover Shopping Center	14,470,300	8	0.50%	5,626,300	10	0.69%
Dover East Estates LP	Mobile Home Park	11,647,200	9	0.40%	599,600	-	0.07%
K.W. Lands GP	Hotels	11,382,100	10	0.39%	4,959,500	11	0.61%
	TOTAL	$ 292,592,400		10.10%	$ 78,720,200		9.72%

Source: Tax Assessor's Office, City of Dover

NOTE

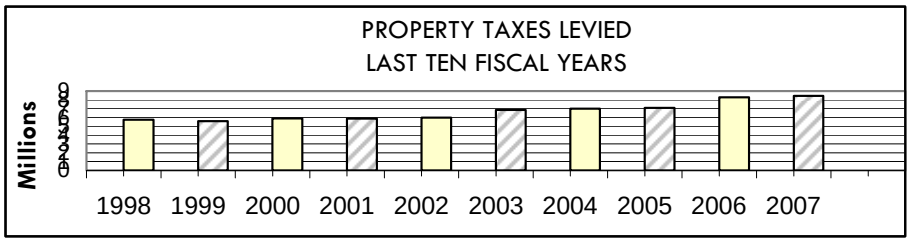
Total taxable assessed valuation for current year is	$ 2,898,147,375
Total taxable assessed valuation for 1998 was	$ 810,141,900

Table 11

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	Collected in Subsequent Years	Total Collections to Date	Collection as Percentage of Levy
1998	$ 5,738,198	$ 5,586,429	$ 149,442	$ 5,735,871	99.96%
1999	5,578,321	5,494,225	81,470	5,575,695	99.95%
2000	5,894,545	5,734,142	157,776	5,891,917	99.96%
2001	5,866,188	5,747,774	115,764	5,863,538	99.95%
2002	5,974,417	5,828,062	143,705	5,971,767	99.96%
2003	6,842,874	6,724,009	115,699	6,839,708	99.95%
2004	7,011,906	6,941,843	60,044	7,001,887	99.86%
2005	7,109,977	6,941,217	94,993	7,036,210	98.96%
2006	8,287,536	8,081,411	177,050	8,258,461	99.65%
2007	8,448,462	8,274,237	Not Available	8,274,237	97.94%

Source: City of Dover Financial Reports.



NOTES

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

2. The table above includes receipt of property taxes and penalties. It excludes payments in lieu of taxes and farm land roll back taxes.

Table 12

City of Dover, Delaware
Special Assessment Collections
Last Ten Fiscal Years

Fiscal Year	Assessment Billings	Assessments Collected
1998	$4,060	$23,038
1999	-0-	16,885
2000	2,300	12,527
2001	8,675	11,965
2002	4,240	5,611
2003	2,925	4,066
2004	2,241	3,398
2005	1,960	2,358
2006	1,252	929
2007	1,562	1,280

Source: City of Dover Financial Records.

NOTE

1. Interest billed in 2007 was $1,222. This is not included in the $1,562 figure.

Table 13

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(1)	Total General Expenditures(2)	Ratio of Debt Service to Total General Expenditures
1998	$ 375,000	$ 322,100	$ 697,100	$ 15,212,677	4.58%
1999	390,000	304,514	694,514	15,334,104	4.53%
2000	405,000	282,904	687,904	16,196,852	4.25%
2001	425,000	301,625	726,625	18,486,047	3.93%
2002	445,000	244,813	689,813	18,117,823	3.81%
2003	465,000	223,543	688,543	20,214,952	3.41%
2004	485,000	200,740	685,740	26,085,239	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%

Source: City of Dover Financial Records.

NOTES

1. The debt service figures include the General Obligation Bonds payable from the General Fund only.

2. The General Expenditures include all operating items, capital items and debt service. (See Table 6b)

Table 14

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	General Obligation Bonds Water/Sewer	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita	Population
1998	$ 6,230,000	$ -	$ 12,740,000	$ 29,235,000	$ 750,000	$ -	$ 48,955,000	12.6%	$ 1,772	27,630
1999	5,840,000	-	11,920,000	28,335,000	600,000	-	46,695,000	12.0%	$ 1,690	27,630
2000	5,435,000	-	11,805,000	27,375,000	450,000	-	45,065,000	7.2%	$ 1,631	27,630
2001	5,010,000	-	10,863,838	26,350,000	300,000	-	42,523,838	6.7%	$ 1,318	32,271
2002	4,565,000	90,143	9,861,726	26,164,844	150,000	399,613	41,231,326	6.5%	$ 1,266	32,562
2003	4,100,000	554,217	8,803,629	24,085,000	-	393,030	37,935,876	5.9%	$ 1,154	32,860
2004	3,805,000	313,035	9,759,511	22,830,000	-	309,915	37,017,461	5.7%	$ 1,116	33,179
2005	3,475,000	152,864	8,429,336	22,535,000	-	161,836	34,754,036	5.3%	$ 1,037	33,511
2006	3,140,000	-	7,053,065	20,680,000	-	68,892	30,941,957	4.7%	$ 914	33,858
2007	2,795,000	-	5,660,657	18,950,000	-	-	27,405,657	4.1%	$ 807	33,962

Source: City of Dover Financial Records
Population Source 1997-1999: U. S. Census
Population Source 2003-2006: Delaware Population Consortium

Table 15

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	Debt Payable From Enterprise Revenues	Net Bonded Debt	Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita
1998	27,630	$ 810,141,900	$ 6,980,000	$ 750,000	$ 6,230,000	0.77%	$ 225.48
1999	27,630	835,281,800	6,440,000	600,000	5,840,000	0.70%	211.36
2000	27,630	859,585,100	5,885,000	450,000	5,435,000	0.63%	196.71
2001	32,135	876,493,100	5,310,000	300,000	5,010,000	0.57%	155.90
2002	32,135	903,205,600	4,715,000	150,000	4,565,000	0.51%	142.06
2003 (2)	32,043	1,705,751,800	4,100,000	-	4,100,000	0.24%	138.95
2004 (2)	32,043	1,734,815,100	3,805,000	-	3,805,000	0.22%	118.75
2005 (2)	32,043 (3)	1,764,347,700	3,475,000	-	3,475,000	0.20%	108.45
2006 (2)	32,043 (3)	2,527,308,500	3,140,000	-	3,140,000	0.12%	97.99
2007 (2)	32,043 (3)	3,516,580,775	2,795,000	-	2,795,000	0.08%	87.23

Source: City of Dover Financial Records and Tax Assessor's Office.

NOTES

1. This table includes all long-term general obligation bonded debt only.
2. As a result of Count Question Resolution Process, the Census Bureau revised the 2000 population for the City of Dover to 32,043 people.
3. Assessed value reflects the net billable tax base and does not include the exempt value of $599,135,900 and exemption for Senior Citizens of $19,297,500.
4. 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 to stay revenue neutral.
5. In 2005 the City property values were reassessed, effective for tax year 2006. The tax rate was lowered from $.411 to $.330.

Table 16

City of Dover, Delaware
Computation of Direct and Overlapping Debt
with the Capital School District
June 30, 2007

Jurisdiction	Net Debt Outstanding	Percentage Applicable to City of Dover	Amount Applicable to City of Dover
City of Dover	$ 2,703,457	100%	$ 2,703,457
Kent County [1]	5,930,468	35%	2,075,664
Capital School District [2]	17,571,220		-
TOTAL	$ 26,205,145		$ 4,779,121

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 $22,894,771 at June 30, 2007. Although, Kent County's bonds are general obligation bonds, $16,964,303 is payable from the Kent County Sewer Fund(s) or other committed sources.

2. Capital School District: As of June 30, 2007 the net outstanding debt was $17,571,220.

Table 17

City of Dover, Delaware
Computation of Direct and Overlapping Debt
with the Caesar Rodney School District
June 30, 2007

Jurisdiction	Net Debt Outstanding	Percentage Applicable to City of Dover	Amount Applicable to City of Dover
City of Dover	$ 2,703,457	100%	$ 2,703,457
Kent County [1]	5,930,468	35%	2,075,664
Caesar Rodney School District [2]	$ 9,934,690		-
TOTAL	$ 18,568,615		$ 4,779,121

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

NOTES

1. Kent County: Total debt for Kent County is $22,894,771 at June 30, 2007. Although, Kent County's bonds are general obligation bonds, $16,964,303 is payable from the Kent County Sewer Fund (s), or other committed sources.

2. Caesar Rodney School District: As of June 30, 2007 the net outstanding debt was $9,934,690.

Table 18

City of Dover, Delaware
Computation of Legal Debt Margin
Last Ten Fiscal Years

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt Limit	$ 202,535,475	$ 207,732,675	$ 214,896,275	$ 219,123,275	$ 225,801,400	$ 426,473,950	$ 433,703,775	$ 441,086,925	$ 632,988,025	$ 724,536,844
Total Net Debt applicable to limit	2,980,000	6,440,000	5,885,000	5,310,000	4,715,000	4,100,000	3,805,000	3,475,000	3,140,000	2,795,000
Legal debt margin	$ 199,555,475	$ 201,292,675	$ 209,011,275	$ 213,813,275	$ 221,086,400	$ 422,373,950	$ 429,898,775	$ 437,611,925	$ 629,848,025	$ 721,741,844
Total Net Debt applicable to limit as a percentage of debt limit	1.49%	3.20%	2.82%	2.48%	2.13%	0.97%	0.89%	0.79%	0.50%	0.39%

Legal Debt Margin Calculation for Fiscal Year 2007

Net (Taxable) Assessed Value on Books	$ 2,898,147,375
Debt Limit - 25 Percent of Total Assessed Value	$ 724,536,844
DEBT (For which the City's full faith and credit has been pledged)	
Gross Bonded Debt	2,795,000
LEGAL DEBT MARGIN	$ 721,741,844

Source: City of Dover Financial Reports, City of Dover Charter, Section 50(b), and Tax Assessor's Office

Table 19

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
1998	$ 46,834,241	$ 34,918,906	$ 11,915,335	$ 845,000	$ 1,815,765	$ 2,660,765	4.48%
1999	49,354,963	37,160,994	12,193,969	900,000	1,755,363	2,655,363	4.59%
2000	52,264,065	40,153,523	12,110,542	960,000	1,690,922	2,650,922	4.57%
2001	51,765,524	41,007,889	10,757,635	1,025,000	1,620,938	2,645,938	4.07%
2002	54,903,340	44,315,614	10,587,726	1,095,000	1,549,344	2,644,344	4.00%
2003	59,737,571	46,611,778	13,125,793	1,170,000	1,480,203	2,650,203	4.95%
2004	59,611,552	47,393,103	12,218,449	1,255,000	1,380,002	2,635,002	5.01%
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%

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 2007 is as follows:

Gross Revenue:	
Operating Revenues	$ 87,014,071
Interest Earned-Operating Funds	592,787
Total Gross Revenue	$ 87,606,858

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 June 1990, the City issued Electric Revenue Bonds in the amount of $29,830,000 for partial defeasance of 1985 Electric Revenue Refunding Bonds and for financing the Combustion Turbine Project. The debt service for fiscal year 1991 reflects only the actual debt service on 1985 Electric Revenue Refunding Bonds as no amount was paid on the 1990 issue. The debt service for the fiscal year 1991-92 includes the debt service on unrefunded 1985 Series and full year debt service on 1990 Series.

6. In January 1993, the City issued Electric Revenue Refunding Bonds in the amount of $20,985,000 to partially refund the 1990 Series.

7. Up to the fiscal year 1996, the total debt service includes payments on the Series 1985, 1990 and 1993 bonds. The debt service for the fiscal years 1996, 1997 and 1998 includes the City's payments on unrefunded series 1990 bonds and Series 1993 bonds.

8. 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.

Table 20

City of Dover, Delaware
Water/Wastewater Bond Coverage
Revenue 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	Coverage Required
1998	$ 7,554,016	$ 6,059,855	$ 1,494,161	$ 1,484,797	1.01%	1.20%
1999	7,772,228	5,124,037	2,648,191	1,484,797	1.78%	1.20%
2000	8,236,506	5,777,844	2,458,662	1,484,310	1.66%	1.20%
2001	8,932,763	6,620,732	2,312,031	1,524,280	1.52%	1.20%
2002	9,639,256	6,185,232	3,454,024	1,524,380	2.27%	1.20%
2003	10,604,052	7,180,175	3,423,877	1,472,412	2.33%	1.20%
2004	10,101,660	7,608,196	2,493,464	1,553,713	1.60%	1.20%
2005	10,619,688	7,223,283	3,396,405	1,553,713	2.19%	1.20%
2006	12,372,563	7,805,396	4,567,167	1,551,228	2.94%	1.20%
2007	12,294,847	8,242,898	4,051,949	797,748	5.08%	1.20%

Source: City of Dover Financial Records.

NOTES

1. In January 1993 the City issued Water and Wastewater Revenue Refunding Bonds in the amount of $7,745,000. These bonds were issued to partially defease Water and Wastewater Revenue Bonds 1986 Series A, 1986 Series B, and fully defease all outstanding bonds of Series 1989.

2. In September 1993, the City issued Water and Sewer Revenue bonds in the amount of $4,595,000 through 1993 Series A.

3. The maximum debt service requirement presented above includes all outstanding revenue bonds including non-refunded Series 1993 ,1993 A and 2003.

4. Direct operating expenses do not include depreciation expense for coverage purposes as per the bond indenture.

5. The operating expenses for fiscal year 1997 include 18 months of Kent County Sewer fees. This was due to a change in the County's billing system. This extraordinary item is for this one year only.

6. 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.

Table 21

City of Dover
Demographic and Economic Statistics
Last Ten Years

Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
1997	27,630	$ 389,721,150	$ 14,105	29.6	6,382	4.3%
1998	27,630	$ 389,721,150	$ 14,105	29.6	6,315	3.9%
1999	27,630	$ 389,721,150	$ 14,105	29.6	6,293	3.6%
2000	32,271	$ 627,509,595	$ 19,445	32.9	6,204	3.9%
2001	32,562	$ 633,168,090	$ 19,445	32.9	6,185	4.0%
2002	32,860	$ 638,962,700	$ 19,445	32.9	6,255	4.0%
2003	33,179	$ 645,165,655	$ 19,445	32.9	6,091	4.3%
2004	33,511	$ 651,621,395	$ 19,445	32.9	6,439	3.9%
2005	33,858	$ 658,368,810	$ 19,445	32.9	6,315	3.2%
2006	33,962	$ 660,391,090	$ 19,445	32.9	6,432	2.9%

Population Source 1997-2000: U. S. Census

Population Source 2003-2006: Delaware Population Consortium

Per Capital Personal Income and Median Age Sources: 1990 and 2000 U. S. Census

Personal Income Source: Estimation based on Population times Per Capita Personal Income

School Enrollment Source: School Districts' Administrations based on census at start of school year

Unemployment Rate Source: Delaware Department of Labor Statistics adjusted yearly average

Table 22

City of Dover, Delaware
Major Employers
Current Year and Nine Years Ago

NAME	ACTIVITY	NUMBER OF EMPLOYEES 6/30/2007		NUMBER OF EMPLOYEES 06/30/1997
Dover Air Force Base	Government	8,000	(1)	8,610
State of Delaware	Government	4,819	(3) (4)	3,577
Dover Mall LP	Shopping Center	3,200	(2)	1,500
Bayhealth Medical Center	Health Care	2,008	(5)	1,246
Dover Downs Co., Inc.	Race Track, Video Lottery & Hotel	1,061		410
Delaware State University	Education	600		727
Capital School District	Education	898		805
Playtex Products, Inc.	Personal Care	720		972
Kraft Foods Inc.	Food Manufacturer	520		924
City of Dover	Government	391		352

Source: City of Dover Finance Department

NOTES

1. Dover Air Force Base total includes active duty, reservists and civilian employees.
2. Figures from 2006 Central Delaware Economic Development Council report.
3. Some figures were estimated.
4. Number of employees in Kent County
5. Bayhealth Medical Center was previously listed as Kent General Hospital.

Table 23

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

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007*
Customer Services	16.5	16.5	16.0	16.0	16.0	16.0	16.0	16.0	14.0	16.0
Community Services	-	-	-	-	-	-	-	-	-	-
Central Services	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	8.0	8.0
Facilities Management	8.0	9.0	9.0	11.0	11.0	12.0	13.0	13.0	12.0	12.0
Fleet Maintenance	-	4.0	4.0	5.0	5.0	5.0	5.0	6.0	6.0	6.0
City Clerk	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0
Mayor	1.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
City Manager	2.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0	5.0	5.0
Finance	7.0	6.5	6.5	6.5	7.0	7.0	7.0	8.0	8.0	8.0
Fire	5.0	6.0	5.5	5.5	5.5	5.5	5.5	5.5	6.0	6.0
Human Resources	3.0	3.0	3.0	3.0	3.0	3.0	3.5	3.5	3.5	4.0
Information Technology	7.0	7.0	7.0	7.0	6.0	7.0	7.0	8.0	8.0	8.0
Parks and Recreation	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Library	17.5	17.5	18.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0
Delaware Prevention Network	1.0	1.0	1.0	1.0	2.0	2.0	2.0	1.0	-	-
Public Services, Weed and Seed	-	-	-	-	1.0	1.0	1.0	1.0	1.0	-
Public Services, Planning	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	4.0	5.0
Public Services, Inspections	11.0	11.0	11.0	11.0	14.0	14.0	14.5	14.5	15.0	15.0
Pub. Serv., Community Development	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Police Civilian	25.0	26.0	31.0	31.0	31.0	30.0	29.0	29.0	29.0	29.0
Police Law Enforcement	81.0	81.0	81.0	81.0	81.0	81.0	85.0	87.0	90.0	91.0
Public Services, Administration	3.0	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0
Public Works E & I	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	-	-
Public Services, Grounds Maintenance	11.0	12.0	14.0	14.0	15.0	15.0	15.0	15.0	16.0	16.0
Public Services, Sanitation	12.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Public Services, Streets	12.0	12.0	11.0	11.0	13.0	13.0	11.0	11.0	11.0	11.0
Tax Assessor	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0
General Fund Total	245.5	253.5	259.0	262.0	269.5	271.5	277.5	281.5	283.5	288.0
Public Utilities, Electric Administration	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Public Utilities, Electric Engineering	20.0	21.0	19.0	19.5	20.5	21.5	18.5	19.5	20.5	20.5
Public Utilities, Transmission and Distribution	31.0	27.0	31.0	31.0	31.0	31.0	29.0	29.0	29.0	27.0
Public Utilities, Electric Meter Reading	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Emergency Preparedness	4.0	4.0	1.0	1.0	1.0	1.0	-	-	-	-
Electric Tree Trimmers	5.0	5.0	5.0	5.0	5.0	5.0	-	-	-	-
Electric Fund Total	68.0	65.0	64.0	64.5	65.5	66.5	55.5	56.5	57.5	55.5
Public Utilities, Construction	12.0	12.0	14.5	18.0	12.0	10.0	8.0	8.0	8.0	8.0
Public Utilities, Wastewater Engineering	-	-	-	-	-	-	-	-	3.0	3.0
Public Utilities, Wastewater T & D	10.0	8.5	9.0	9.0	9.5	9.5	9.5	9.5	11.0	11.0
Public Utilities, Water T & D	10.0	8.5	9.0	9.0	9.5	9.5	4.5	4.5	5.0	5.0
Public Utilities, Water Treatment Plant	4.0	4.0	4.0	5.0	5.0	8.0	8.0	8.0	8.0	9.0
Water Meter Reading	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Water/Wastewater Fund Total	38.0	35.0	37.5	42.0	37.0	38.0	31.0	31.0	36.0	37.0
Total Full-Time Equivalents	351.5	353.5	360.5	368.5	372.0	376.0	364.0	369.0	377.0	380.5

Source: City of Dover Budget

* Per Revised Budget

Table 24

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

	June 30, 1998	June 30, 1999	June 30, 2000	June 30, 2001	June 30, 2002	June 30, 2003	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007
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	14,344.30	14,355.30	14,379.04	14,382.79	14,382.79	14,406.68	14,571.35	14,714.60	14,674.58	14,914.27
Land area - Square Miles	22.413	22.430	22.467	22.473	22.473	22.5104	22.7677	22.991	22.929	23.303
Total Miles of Street	147.21	147.75	147.79	148.81	148.81	149.1	150.69	152.96	153.76	155.62
City Maintained Miles of Streets	87.86	88.4	88.44	89.46	89.46	89.75	91.34	93.61	94.41	96.27
State Maintained Miles of Streets	59.35	59.35	59.35	59.35	59.35	59.35	59.35	59.35	59.35	59.35
Population-U. S. Census data	27,630	27,630	27,630	32,135	32,135	32,043	32,043	32,043	32,043	32,043
Population-City Count	33,881	34,120	34,120	34,120	33,169	33,829	33,829	33,829	34,288	35,197
Registered Voters	18,516	18,637	22,076	20,387	20,381	19,850	18,259	18,714	19,502	19,084
Electric Utility:										
Generating Units	4	4	4	4	4	4	4	4	4	4
Co-Generating Unit	1	1	1	1	1	0	0			1
	5	5	5	5	5	4	4	4	4	5
Generating Capacity	175 mw	175 mw	175 mw	175 mw	175 mw	175 mw	175 mw	175 mw	175 mw	176 mw
Co-Generating Capactiy	16 mw	16 mw	16 mw	16 mw	16 mw	0 mw	0 mw			16mw
	191 mw	191 mw	191 mw	191 mw	191 mw	175 mw	175 mw	175 mw	175 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	18	18	14	14	14	16	16	16	16	15
High Peak Load	149 mw	150 mw	157 mw	158 mw	171 mw	165 mw	163 mw	160	160	176 mw
Customers:										
Residential	16,597	16,640	16,797	16,819	17,246	17,636	17,757	17,867	18,297	18,807
Commercial	2,452	2,499	2,468	2,488	2,626	2,836	2,915	2,813	3,280	3,535
Primary	41	39	32	32	32	30	33	32	32	38
Vapor Lights Only	821	854	853	858	865	874	874	867	867	872
69 KV Industrial	3	3	3	3	3	4	4	4	4	3
Municipal- Total number of meters	138	145	147	213	149	149	148	149	149	0
Total Customers Sales $	$45,270,583	$47,461,261	$50,028,090	$49,408,410	$52,555,412	$56,599,722	$57,151,810	$60,170,424	$63,844,353	$83,109,810
Total Customers Sales kWh	643,784,000	672,283,973	714,629,252	711,570,587	722,908,715	748,260,252	741,523,091	731,635,019	736,810,231	734,072,008
Purchased Power:										
From Duke Louis Dreyfus $	$26,999,365	$28,834,983	$31,664,769	$32,455,247	$34,377,595	$36,222,102	$37,675,178	$39,628,388	$41,871,486	$0
From Duke Louis Dreyfus kWh	641,917,409	708,299,000	758,626,663	744,657,254	774,177,780	778,715,700	780,677,900	767,750,050	781,466,220	0
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 (Volunteer	80	80	80	80	80	100	100	100	100	100
Equipment	16	16	16	16	13	15	15	11	14	14

(Continued)

Table 24
(Continued)

	June 30, 1998	June 30, 1999	June 30, 2000	June 30, 2001	June 30, 2002	June 30, 2003	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007
Parks and Recreation:										
Major Parks	3	3	3	3	2	3	3	3	3	3
Small Parks	18	18	22	23	23	23	23	22	22	22
Police Department:										
Station	1	1	1	1	1	1	1	1	1	1
Substation	1	1	1	1	1	1	0	0	0	0
Uniformed Personnel	81	78	81	81	81	81	85	87	88	90
Automobiles	62	58	65	69	65	60	74	79	71	66
Motorcycles	5	5	5	5	5	5	5	5	5	5
Motor Boats	1	1	1	1	1	1	1	1	1	1
Bicycles	5	5	5	5	5	5	5	4	4	4
Specialty Vehicles	10	7	7	7	7	7	5	5	6	6
Trailers	5	5	5	5	4	3	3	3	4	4
Public Library:										
Books	84,541	90,673	96,017	101,609	85,594	93,340	97,820	101,631	111,496	120,203
Audiovisual Materials (VCRs, DVI	4,380	5,280	6,116	8,751	12,578	6,725	9,823	10,138	7,171	11,507
CDs, Cassettes, Recorded Books)										
Members	25,347	28,680	33,511	35,824	38,898	43,185	46,318	48,626	39,202	37,036
Magazines Subscriptions	310	306	285	285	285	289	359	359	359	359
Newspapers	24	24	12	12	12	10	12	12	12	15
Circulation of Books	308,639	307,412	295,298	305,809	307,533	327,310	348,269	398,842	398,666	400,336
Water Utility:										
Supply - Wells	21	21	21	13	15	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)	156	156	157	160	162	165	175	185 miles	176 miles	176 miles
Average Daily Gallons Pumped	5,144,000	5,300,000	5,130,000	5,133,000	5,260,000	5,168,536	5,149,613	4,898,000	5,218,000	4,721,174
Peak Daily Gallons	8,191,000	8,456,000	8,645,000	7,847,000	8,770,000	8,194,800	7,400,000	8,421,000	8,358,000	8,672,000
Water Gallons - Pumped	1,877,000,000	1,935,000,000	1,847,000,000	1,816,000,000	1,898,129,650	1,890,466,700	1,879,000,000	1,788,000,000	1,904,666,300	1,869,585,000
Number of Metered Customers	10,818	11,004	11,126	11,407	11,670	10,999	11,150	11,625	11,764	11,962
Number of New Connections					263	173	298	475	139	198
Wastewater Utility:										
Pumping Stations	34	32	33	33	34	34	34	34	38	42
Wastewater Mains	140 miles	140 miles	140 miles	150 miles	150 miles	152 miles	155 miles	160 miles	185 miles	185 miles
Average Daily Gallons	4,344,000	3,800,000	4,134,000	4,283,000	4,190,000	5,131,076	5,708,000	5,127,000	4,241,798	4,631,172
Peak Daily Gallons	5,238,000	4,600,000	5,228,000	5,170,000	4,530,000	7,000,000	7,000,000	5,983,000	Not Measured	Not Measured
Total Annual Gallons	1,585,000,000	1,387,000,000	1,509,000,000	1,564,000,000	1,530,000,000	1,872,843,000	2,083,000,000	1,871,000,000	1,548,256,115	1,722,795,930
Number of New Connections	-	-	-	-	236	133	250	350	Not Available	Not Available
Water Treatment Plant:										
Capacity	5.0 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	$3,103,642	$3,079,779	$3,070,128	$3,033,403	$3,145,235	$3,803,967	$3,769,635	$3,791,254	$4,289,413	$4,250,634
Wastewater Fees	$1,935,520	$1,956,149	$2,224,211	$2,345,141	$2,227,758	$2,532,802	$2,521,499	$2,719,577	$2,605,428	$2,619,013
Wastewater Adjustment	$2,436,182	$2,452,087	$2,512,562	$2,686,790	$2,814,587	$2,778,521	$2,743,359	$2,611,290	$3,865,683	$3,854,100

Sources: Various City departments

Table 25

City of Dover, Delaware
Population and Housing Summary Statistics
For 2000

	Dover City	Dover Division
Population	32,043	126,697 MSA
Land area	22.4 Sq. Mi.	154.5 Sq. Mi.
Median age	32.9 Yrs.	34.4 Yrs.
Male	15,122	61,070
Female	17,013	65,627
White	17,655	93,106
Black	11,961	26,180
Native American	146	806
Asian	1,016	2,137
Other race	1,357	1,611
Hispanic origin	1,327	4,069
Family households	7,500	33,615
Non-family households	4,840	13,609
Married couple households	4,983	24,994
Female householders, no husband	2,061	6,530
Persons per household	2	3
Number of dwelling units	13,195	50,481
Single family dwelling units	5,982	12,029
Semi-detached dwelling units	1,960	2,389
Mobile homes	770	3,166
Owner occupied dwelling units	6,454	33,040
Median unit value	$111,300	$114,100
Renter occupied dwelling units	5,886	14,184
Median contract rent	$599	$375

Source: As a result of Count Question Resolution Process, the Census Bureau revised the 2000 population count for the City of Dover to 32,043 people.

Table 26

City of Dover, Delaware
Property Value and Construction
Last Ten Fiscal Years

Fiscal Year			Fiscal Year		
	Number of	Value of	Assessed Property Value		
Year	Building Permits	Building Permits	Taxable	Non-taxable	
1998	1,011	52,313,548	810,141,900	415,424,700	
1999	1,100	69,820,835	835,281,800	415,109,400	
2000	1,128	71,171,067	859,585,100	429,870,200	
2001	1,239	106,469,263	876,493,100	465,530,500	
2002	1,089	55,718,018	903,205,600	470,679,900	
2003	1,021	65,556,895	1,705,751,800	504,226,700	(2)
2004	912	96,736,792	1,734,815,100	841,436,800	
2005	2,760	69,102,159	1,764,347,700	841,290,300	
2006	2,653	91,769,464	2,527,308,500	618,435,300	(1) (3)
2007	2,647	109,287,040	3,516,580,775	618,433,400	

Sources: Permit Data - Inspection Department, City of Dover & Property Value - Tax Assessor, City of Dover

NOTE

1. Total non-taxable of $618,433,400 for the fiscal year 2007, includes assessed value of $19,297,500 Senior Citizen exempt and $599,135,900 exempt properties.

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 to stay revenue neutral.

3. In 2005, the City property values were reassessed, effective for tax year 2006. The tax rate was lowered from $.411 to $.330.

Table 27

City of Dover, Delaware
Number of Various Businesses Licensed
Ten Calendar Years

BUSINESS	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Attorneys	91	57	63	66	65	65	67	70	77	85
Barber Shops	7	1	5	5	4	4	4	5	5	6
Beauty Shops	46	47	53	37	37	40	41	43	46	49
Certified Public Accountants & Accountants	19	6	8	9	11	14	15	16	18	19
Contractors	777	475	483	589	604	670	673	795	903	833
Dentists	28	12	20	20	23	23	25	25	24	28
Eating Establishments	181	33	71	79	83	93	99	111	134	156
Merchants	506	203	215	236	237	257	279	301	325	361
Physicians & Surgeons	87	37	63	68	75	85	90	96	99	122
Real Estate Broker of Record	31	7	7	8	8	8	9	9	9	9
Other Categories	1,190	1,365	1,332	1,453	1,563	2,535	2,778	3,004	3,288	3,760
Totals	2,963	2,243	2,320	2,570	2,710	3,794	4,080	4,475	4,928	5,428

Source: City of Dover, Department of Inspections.

"Other" category includes: Consulting and Customary Home Occupations

Table 28

City of Dover, Delaware
Analysis of Development Projects, Permits, and Inspections
Last Ten Fiscal Years

The following types of units were approved:

Type	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Apartments	215	101	---	204	77	240	492	72	288	168
Single Family	207	106	7	89	113	250	271	439	453	335
Single Family Duplexes	190	---	---	---	---	74	68	72	190	---
Town Homes	323	---	20	4	---	256	169	227	160	---
Mobile Homes	---	---	5	12	---	---	---	---	---	---
Total	935	207	32	309	190	820	1000	810	1091	503

(1)

The Planning Commission approved the following estimated square footage of projects:

Type	Sq. Feet FY 1998 (1)	Sq. Feet FY 1999	Sq. Feet FY 2000	Sq. Feet FY 2001	Sq. Feet FY 2002	Sq. Feet FY 2003	Sq. Feet FY 2004	Sq. Feet FY 2005	Sq. Feet FY 2006	Sq. Feet FY 2007
Office	---	44,985	50,022	101,719	35,983	77,641	147,484	133,936	69,395	139,378
Retail	302,460	23,773	141,644	275,131	26,195	89507	---	3,420	127,018	206,589
Industrial	31,600	407,760	356,260	18,054	---	17,771	161,800	13,176	---	158,876
Institutional	167,740	322,004	279,314	192,260	188,835	149,463	508,729	55,309	52,854	478,124
Total	560,540	798,522	827,240	1,073,164	286,753	340,382	818,013	283,589	345,361	1,189,556

Source: City of Dover, Department of Inspections.

Table 29

City of Dover, Delaware
Crime Clearance Comparison
National Average vs Dover Police Department
Last Ten Calendar Years

Cities with Population 25,000 to 49,999

	% Dover 1997	% National 1997	Dover Actual Incidences 1997	% Dover 1998	% National 1998	Dover Actual Incidences 1998	% Dover 1999	% National 1999	Dover Actual Incidences 1999	% Dover 2000	% National 2000	Dover Actual Incidences 2000	% Dover 2001	% National 2001	Dover Actual Incidences 2001
Violent crime (total)	62.7%	49.8%	244	60.0%	50.0%	314	68.4%	49.2%	285	62.3%	48.7%	223	65.4%	51.0%	208
Murder	None	69.8%	-	None	70.9%	-	100.0%	72.8%	1	None	62.5%	None	100.0%	77.9%	1
Aggravated Assault	74.7%	58.2%	158	74.9%	57.7%	187	82.0%	57.4%	150	73.6%	56.8%	140	76.6%	60.4%	128
Forcible Rape	62.5%	44.6%	16	80.0%	45.0%	29	73.7%	42.2%	40	81.3%	41.7%	16	62.5%	41.2%	16
Robbery	35.7%	29.5%	70	35.7%	30.4%	98	45.7%	29.8%	94	34.3%	30.0%	67	42.9%	31.3%	63
Property crime (total)	28.8%	19.8%	2,523	30.1%	19.1%	2,748	31.1%	19.3%	2,383	28.7%	18.6%	2,118	33.5%	18.6%	1,891
Burglary	28.6%	13.5%	224	29.4%	13.3%	218	32.6%	13.3%	227	23.9%	12.8%	176	40.5%	13.4%	153
Theft	30.8%	22.1%	2,097	31.4%	21.2%	2,299	32.7%	21.4%	1,979	29.8%	20.4%	1,750	34.1%	20.2%	1,621
Motor Vehicle Theft	8.2%	15.2%	170	16.7%	15.1%	209	7.9%	14.8%	152	15.6%	15.2%	160	11.0%	15.8%	100
Arson	6.3%	18.5%	32	27.3%	19.1%	22	36.0%	20.3%	25	56.3%	19.5%	32	41.2%	19.1%	17

	% Dover 2002	% National 2002	Dover Actual Incidences 2002	% Dover 2003	% National 2003	Dover Actual Incidences 2003	% Dover 2004	% National 2004	Dover Actual Incidences 2004	% Dover 2005	% National 2005	Dover Actual Incidences 2005	% Dover 2006	Dover Actual Incidences 2006
Violent crime (total)	63.8%	49.8%	229	70.6%	49.0%	278	62.0%	49.0%	273	71.0%	49.7%	226	77.2%	300
Murder	0.0%	72.3%	1	0.0%	66.4%	1	100.0%	69.3%	3	100.0%	69.2%	4	50.0%	2
Aggravated Assault	68.7%	58.7%	134	73.8%	57.8%	187	66.7%	57.9%	186	68.6%	59.0%	156	78.6%	229
Forcible Rape	58.3%	40.4%	24	76.7%	40.2%	29	80.0%	38.6%	17	86.3%	38.9%	22	90.9%	17
Robbery	57.1%	30.9%	70	59.0%	30.7%	61	41.8%	31.1%	67	59.1%	31.2%	44	63.5%	52
Property crime (total)	31.2%	18.8%	1,886	33.5%	18.7%	2,052	34.3%	19.8%	1,892	37.1%	18.7%	1,684	42.1%	1,764
Burglary	39.7%	12.8%	121	46.5%	12.7%	185	45.6%	12.8%	136	54.4%	12.7%	103	68.5%	149
Theft	32.0%	20.8%	1,643	33.0%	20.8%	1,751	34.6%	20.8%	1,628	37.0%	20.6%	1,460	41.3%	1,477
Motor Vehicle Theft	12.0%	15.4%	108	20.2%	14.7%	109	15.5%	15.3%	116	19.5%	15.5%	113	21.4%	126
Arson	21.4%	19.1%	14	21.4%	19.3%	7	41.7%	22.2%	12	87.5%	20.0%	8	25.0%	12

Source: City of Dover Police Department Annual Reports
In 2004 Dover switched from the Uniform Crime Reporting (UCF) Program to the National Incident Based Reporting System (NIBRS)

Table 30

City of Dover, Delaware
Number of Service Requests - Dover Police Department
Last Ten Calendar Years

SERVICE REQUESTS										
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Alarms	2,390	2,559	2,749	2,490	2,345	2,632	2,394	2,299	2,253	2,359
Animal	-	-	793	961	1,081	1,026	952	1,254	1,213	1,034
Assist Other Agencies	230	235	370	357	413	468	502	555	537	454
Causalities	24	29	-	-	-	-	-	-	-	-
City Ordinance Violation Complaints	-	-	-	-	-	33	43	121	77	120
Community Service Requests	249	672	462	164	774	1,104	1,140	695	418	213
Drug Overdose	-	-	15	15	30	33	23	26	24	36
Escorts, including City Hall- 2003 forward	34	11	11	-	-	-	422	419	441	384
Fire/Rescue Assists	434	459	-	-	-	-	-	-	-	-
Lock Jocks	2,392	2,282	2,400	2,293	2,157	2,241	2,435	2,480	2,467	1,964
Lost and Found Property	203	239	263	239	254	297	326	418	447	460
Loud Music	-	-	-	-	-	-	825	867	895	411
Megan's Law (sex offender registration)	-	-	5	18	39	34	60	94	157	401
Mental Patients	141	178	175	148	122	221	263	261	198	221
Missing Persons	180	206	-	-	-	-	470	303	330	343
Noise	-	-	827	237	410	433	461	440	435	973
No Parking Signs/Barricades	84	66	-	-	-	-	-	-	-	-
Property Check	142	141	172	112	564	417	365	163	115	128
Property Retrieval	-	-	113	72	160	157	175	181	223	177
Protection from Abuse Order Violations	-	-	-	-	-	-	46	58	70	60
Public Assistance	-	-	29	104	104	199	338	375	258	223
Sudden Death	22	25	39	17	19	36	27	23	28	19
Suicide (and attempts)	29	33	58	67	55	58	52	54	60	82
Traffic Request	-	-	229	207	177	123	130	133	226	244
Unsecured Buildings	76	81	71	68	74	53	92	81	63	102

Source: City of Dover Police Department Annual Reports

Table 31

City of Dover, Delaware
Schedule of Insurance
as of June 30, 2007

	TYPE OF COVERAGE	PROTECTION LIMIT IN DOLLARS
1.	Property-	
	Blanket coverage based on replacement cost of	
	Real and Personal Property (all risks of physical loss or damage)	
	including property of other City Departments.	$81,550,327
	Only fire, extended coverage, vandalism, and malicious mischief applicable	
	to storage building on South State Street. $10,000 Deductible	
	each loss applicable to all Real and Personal Property.	
	Flood (all scheduled locations except if located in Flood Zones: A, B/shaded X, V & D)	$2,000,000
	$50,000 Deductible	
2.	Inland Marine-	
	Miscellaneous Scheduled and Unscheduled Equipment	
	Computer Equipment - $1,000 Deductible	$500,000
	Police Equipment - $1,000 Deductible	$16,000
	Unscheduled Equipment - $1,000 Deductible (Maximum any one item $5,000)	$100,000
	Employee Tools - $250 Deductible	$62,500
3.	General Liability-	
	Each Event	$1,000,000
	General Total Limit	$3,000,000
	Personal Injury Each Person	$1,000,000
	Advertising Injury Each Person	$1,000,000
	Medical Expenses	$0
	Sexual Abuse Coverage	$incl
	Sewer Back-Up - $0 Deductible	$100,000
4.	Automobile-	
	Liability	$1,000,000
	Personal Injury Protection	$300,000
	Uninsured Motorist	$1,000,000
	Comprehensive - $500 Deductible-Specified Vehicles	
	Collision - $1,000 Deductible-Specified Vehicles	
	(Physical Damage Applies to Police & Specified Electric & Sanitation Trucks)	
	Non-owned Liability	$1,000,000
	Hired Auto Liability	$1,000,000
5.	Employee Benefit Plans Administration Liability - Claims Made	
	Retroactive Date: 7/1/1996	
	Total Limit	$3,000,000
	Each Wrongful Act Limit	$1,000,000
	Deductible	$1,000
6.	Law Enforcement Liability - Occurrence	
	Total Limit	$3,000,000
	Each Wrongful Act	$1,000,000
	Deductible	$5,000
7.	Public Entity Management Liability - Claims Made	
	Retroactive Date: 7/1/96	
	Total Limit	$3,000,000
	Each Wrongful Act Limit	$1,000,000
	Deductible	$25,000
8.	Employment Practices Liability - Claims Made	
	Retroactive Date: 7/1/96	
	Total Limit	$3,000,000
	Each Wrongful Employment Practice Offense Limit	$1,000,000
	Deductible	$25,000

(Continued)

Table 31
(Continued)

	TYPE OF COVERAGE	PROTECTION LIMIT IN DOLLARS
9.	Crime	
	Employee Theft Per Loss ($500 Deductible)	$1,000,000
	Forgery or Alteration ($1,000 Deductible)	$100,000
	Inside the Premises-	
	Theft of Money & Securities ($500 Deductible)	$25,000
	Outside the Premises ($500 Deductible)	$25,000
	Computer Fraud ($1,000 Deductible)	$100,000
	Money Orders and Counterfeit Paper Currency	$100,000
10.	Boiler and Machinery Insurance (Excluding Power Plants)	
	Coverage Limit	Property Limit
	Deductible	$10,000
	Expediting Expenses	$250,000
	Pollution Cleanup & Removal	$250,000
	Spoilage	$250,000
11.	Umbrella	
	General Total Limit	$2,000,000
	Products & Completed Work:	
	Total Limit	$2,000,000
	Personal Injury	$2,000,000
	Advertising Injury	$2,000,000
	Law Enforcement Liability	$2,000,000
	Each Event Limit	$2,000,000
	Deductible Per Event	$10,000
a.	Umbrella Underlying Policies:	
	General Liability	$1,000,000/$3,000,000
	Auto Liability	$1,000,000
	Law Enforcement Liability	$1,000,000/$3,000,000
12.	Excess Errors & Omissions Liability Protection - Claims Made	
	Total Limit	$2,000,000
	Underlying Policies:	
	Employee Benefit Plans Administration Liability:	
	Each Wrongful Act Limit	$1,000,000
	Total Limit	$3,000,000
	Public Entity Management Liability:	
	Each Wrongful Act Limit	$1,000,000
	Total Limit	$3,000,000
13.	POLLUTION LIABILITY:	
	Includes: 2 underground storage tanks-710 Williams Street, Dover DE	
	Claims Made	
	Retroactive Date: 4/1/97	
	Limit-Each Claim	$5,000,000
	Limit -Aggregate	$5,000,000
	Deductible on underground storae tanks	$5,000
	Deductible on McKee Run & Van Sant Power Plants	$25,000
14.	EXCESS WORKER'S COMPENSATION	
	Employers Liability Limit	$1,000,000
	Specific Limit: ($500,000 Retention)	Statutory
	Aggregate Limit:	$1,000,000
15.	WORKER'S COMPENSATION - TPA SERVICES	N/A
16.	TRAVEL ACCIDENT POLICY	
	Principal Sum	$100,000
	Deductible	$0
17.	BOND-SELF INSURED WORKER'S COMPENSATION	
	STATE OF DELAWARE	
	LIMIT	$750,000
18.	BOND PUBLIC OFFICIALS BOND	
	City Clerk-Assistant Treasurer - Limit	$100,000
	Treasurer - Limit	$100,000
	Assistant City Clerk - Limit	N/A

ACTION FORM

PROCEEDING: Legislative, Finance, & Administration Committee **AGENDA ITEM NO.:** 12/10/2007
DEPARTMENT OF ORIGIN: Fire **DATE SUBMITTED**: 11/27/2007
PREPARED BY: Carter Knotts
SUBJECT: Evaluation of Bids – Red Alert Computer Aided Fire Dispatching System Upgrade
REFERENCE: N/A
RELATED PROJECT: Alarm Room Renovation Project
APPROVALS: City Manager and Finance Director
EXHIBITS: N/A
EXPENDITURE REQUIRED: $29,800 **AMOUNT BUDGETED**: $30,000.00 **FUNDING SOURCE (Dept./Page in CIP & Budget)**: General Fund – Fire – Page 83 CIP
TIMETABLE: N/A
RECOMMENDED ACTION: Approve the contract with Alpine Software for Red Alert Computer Aided Fire Dispatching System Upgrade and GIS mapping module in the amount of $29,800.

BACKGROUND AND ANALYSIS

During the Emergency Communication Center upgrade, it was identified that the RedAlert Computer Aided Fire Dispatching System was in need of a system upgrade. This was budgeted during the Emergency Communications Center upgrade in FY 06/07; however, after the City Manager and Fire Chief met, it was decided that this project could be done in FY 07/08.

The current software is outdated and does not comply with current NFPA requirements. The Fire Chief solicited a contract proposal from the current vendor. Alpine Software is the developer and exclusive vendor for Red Alert Software. Alpine quoted $25,605 for Red Alert upgrade and $4195 for GIS Module. Because this is an exclusive vendor no bids or proposals were solicited in accordance with Purchasing Policy. All sole vender contracts must be approved by City Council.

The upgrade will provide the following:

1) Upgrading the current system to the newest system, which will be NFPA compliant.
2) A GIS mapping system to be utilized in the fire station and on the fire apparatus. Licenses
3) Custom Reporting
4) Training for the Fire Dispatchers
5) Complete data conversion

This project is essential for dispatching during emergency calls.

ACTION FORM

PROCEEDING: Legislative, Finance, & Administration Committee	**AGENDA ITEM NO.:** 12/10/2007
DEPARTMENT OF ORIGIN: Fire	**DATE SUBMITTED**: 11/28/2007
PREPARED BY: Carter Knotts, Fire Department	
SUBJECT: Evaluation of Bids - Firefighting Turnout Gear	
REFERENCE: N/A	
RELATED PROJECT:	
APPROVALS: City Manager/Finance Director	
EXHIBITS: N/A	
EXPENDITURE REQUIRED: $16,650	**AMOUNT BUDGETED**: $18,000
FUNDING SOURCE (Dept./Page in CIP & Budget): Fire – 110-1400-514.20-29 General page 306	
TIMETABLE: N/A	
RECOMMENDED ACTION: Award Firefighting Turnout Gear purchase to Maryland Fire Equipment at $33,000, one-half of which will be paid by the City of Dover.	

BACKGROUND AND ANALYSIS

The Fire Department requested bids under Bid #08-0044FD for the purchase of 20 sets of turnout gear (20 coats and 20 pants) for structural fire fighting through Central Services. The specification was provided by Chief Osika. It was the same specification used last year with some minor modifications due to new NFPA requirements.

Three vendors submitted bids. Two vendors qualified, a third vendor was disqualified after consultations with the Assistant City Solicitor. The low bidder was Maryland Fire Equipment at $33,300.00; DP Fire & Safety's bid was $35,820.00. The Fire Chief is satisfied with the low bidder. The City and the fire company split these cost with each paying half. The City budget will be charged $16,650 when payment is made to the vendor.

ACTION FORM

PROCEEDING: Legislative, Finance, & Administration	**AGENDA ITEM NO.:** 12/10/2007
DEPARTMENT OF ORIGIN: Public Services / Public Works	**DATE SUBMITTED**: 11/27/2007
PREPARED BY: Scott D. Koenig, P.E., Public Services Manager	
SUBJECT: Evaluation of Bids – 70 Foot Aerial Truck – Bid Number 08-0045DPS	
REFERENCE: N/A	
RELATED PROJECT: N/A	
APPROVALS: City Manager, Finance Director	
EXHIBITS: N/A	
EXPENDITURE REQUIRED: $129,992.00 **AMOUNT BUDGETED**: $129,913.00 **FUNDING SOURCE (Dept./Page of the Budget)**: Public Services Grounds Division / Page 252 .	
TIMETABLE: Issue award letter on Tuesday, December 11, 2007, pending Council approval. Delivery expected no later than 240 days from receipt of the purchase order by the vendor. Target delivery is July 2008.	
RECOMMENDED ACTION: Award a purchase order to Altec Industries, Inc. in the amount of $129,992.00 for the purchase of a 70 Foot Aerial Truck. Staff will prepare a budget adjustment to cover the $79.00 shortfall.	

BACKGROUND AND ANALYSIS

Staff from the Public Services Group prepared a bid package and solicited sealed bids through the City's Purchasing Agent to replace the aerial truck (Vehicle # 556) in the City Grounds Division fleet. Vehicle #556 is a 1992 International Aerial Truck which failed the last safety inspection because of cracks in the boom assembly and the truck has been removed from the fleet due to safety issues.

Bids were opened on Tuesday, October 23, 2007, at 2:00 p.m. The following vendors submitted bids:

Company	Location	Model	Bid Amount	Trade-In	Net Price
Altec Industries, Inc.	Creedmoor, NC	Altec LRV60-E70	$137,992.00	$8,000.00	$129,992.00
Morse Mfg. Inc.	Sterling, MA	Lift All LSS60-70-S	$152,258.00	$13,500.00	$138,758.00
Dueco	Waukesha, WI	XT60/70	$156,092.00	none	$156,092.00

The budgeted amount did not contemplate using a trade in, nor did the revenue budget include any revenue from the sale of the 1992 truck. The 1992 truck is fully depreciated. Using the trade in value will bring the truck very close to the budgeted amount. If the truck is sold at auction it may or may not yield $8000.00. Public Services staff recommends the low bidder Altec with trade-in of the old unit in the amount of $8,000.00.

CIP October 2007 Highlights

General Fund

All but two projects have started. The Pitts Center is moving along nicely; although we did experience some rain delays this past month. Carpeting in the Police Department has started. After many years of delays and patchwork the Police Department steps have been demolished and new steps are under construction.

Water/Wastewater Fund

All but three projects have started. Most are in some phase of design work or ordering material. I continue to list the Dover East Force Main as being "on hold." We believe the necessity of this project has been satisfied through county and private improvements. We are progressing on installations of contact chambers; we are currently working on the well at the Dover Police Station.

Electric Fund

All but one project has started. The McKee Run Oil Tank was inspected and serious problems were detected. After many years of delay, serious work has started at the Mayfair Substation. The station has been taken out of service, and demolition work has begun in preparation of the Spring construction schedule. The College Road transformer has been ordered, but we are concerned that long lead times for delivery will delay completion of this project this fiscal year.

City of Dover
General Fund - Major CIP Projects
Oct-07

		TOTAL PROJECT - PAST, CURRENT & FUTURE BUDGETS					CURRENT FISCAL YEAR					
Type	Description	Original Project Budget	Revised Project Budget	Project To Date Expenses	Project Budget Balance	% Budget Spent	Current Fiscal Yr. Budget	Fiscal YTD Expenses	Budget Balance	% Budget Spent	Status	Comments
	FY 2004											
M	Pitts Recreation Center	$ 3,000,000	$ 3,000,000	$ 1,775,047	$ 1,224,953	59.2%	$ 1,987,200	$ 849,005	$ 1,138,195	42.7%	Started	Exterior finish, interior walls under construction
	Totals	$ 3,000,000	$ 3,000,000	$ 1,775,047	$ 1,224,953	59.2%	$ 1,987,200	$ 849,005	$ 1,138,195	42.7%		
	FY 2005											
	Dover Park Enhancements	$ 60,000	$ 60,000	$ 13,330	$ 46,670	22.2%	$ 46,670	$ -	$ 46,670	0.0%	Started	First coat of paving done; finish in spring.
	Totals	$ 60,000	$ 60,000	$ 13,330	$ 46,670	22.2%	$ 46,670	$ -	$ 46,670	0.0%		
	FY 2008											
	CAMA (Orion) System Upgrade	$ 45,000	$ 45,000	$ 5,254	$ 39,746	11.7%	$ 45,000	$ 5,254	$ 39,746	11.7%	Started	Software being scheduled for installation
	Phone System Upgrade Fire	55,000	55,000	-	55,000	0.0%	55,000	-	55,000	0.0%	Started	December\January installation
	Red Alert Dispatching System Upgrade	30,000	30,000	-	30,000	0.0%	30,000	-	30,000	0.0%	Started	Contract going to Council in December
	JWP Center office equipment & furniture	78,500	78,500	-	78,500	0.0%	78,500	-	78,500	0.0%	Not Started	
	Millcreek\Schutte Playgrounds	40,000	40,000	-	40,000	0.0%	40,000	-	40,000	0.0%	Started	$20,000 grant approved
	New Street & Kirkwood Park Improvements	30,000	30,000	-	30,000	0.0%	30,000	-	30,000	0.0%	Started	Spring paving of BB courts
	6 wheel box truck fire investigation unit	70,000	70,000	-	70,000	0.0%	70,000	-	70,000	0.0%	Started	Truck ordered
	Concrete Construction & Replacement	65,000	65,000	53,129	11,871	81.7%	65,000	53,129	11,871	81.7%	Started	Contracted work is done.
	Carpet Replacement	15,300	15,300	-	15,300	0.0%	15,300	-	15,300	0.0%	Completed	Done
	Police Front Steps	30,000	65,000	-	65,000	0.0%	65,000		65,000	0.0%	Started	Construction started
	Internet/Intranet expansion of online services	70,000	70,000	-	70,000	0.0%	70,000	-	70,000	0.0%	Started	Server installed; staff trainng on-going
	Citywide document imaging system	80,000	80,000	-	80,000	0.0%	80,000	-	80,000	0.0%	Started	Negotiating with vendor
	Citywide fleet management system	41,400	41,400	-	41,400	0.0%	41,400	-	41,400	0.0%	Started	Meeting with staff; designing RFP
	Replace ISeries system	40,000	40,000	22,877	17,123	57.2%	40,000	22,877	17,123	57.2%	Completed	Done
	Upgrade/replacement of inner city fiber optic loc	122,000	122,000	-	122,000	0.0%	122,000	-	122,000	0.0%	Started	Construction started
	Fire Suppression System in IT	27,000	27,000	-	27,000	0.0%	27,000	-	27,000	0.0%	Started	Vendor selected
	Space needs study Implementation	32,800	32,800	11,104	21,696	33.9%	32,800	11,104	21,696	33.9%	Started	Finance done; conference room started
	Exhaust extraction system	25,000	25,000	-	25,000	0.0%	25,000	-	25,000	0.0%	Not Started	Seeking vendors
	Totals	$ 897,000	$ 932,000	$ 92,364	$ 839,636	9.9%	$ 932,000	$ 92,364	$ 839,636	9.9%		
	Grand Totals	$ 3,957,000	$ 3,992,000	$ 1,880,741	$ 2,111,259	47.1%	$ 2,965,870	$ 941,369	$ 2,024,501	31.7%		

Legend

M = Multi-year project - a project with a specific schedule to occur over multiple years.
R = Recurring project - a project that begins and ends each fiscal year and is rebudgeted to start over each fiscal year.

City of Dover
Streets Funds - Major CIP Projects
October 2007

		TOTAL PROJECT - PAST, CURRENT & FUTURE BUDGETS					CURRENT FISCAL YEAR						
Type	Description	Original Project Budget	Revised Project Budget	Project To Date Expenses	Project Budget Balance	% Budget Spent	Current Fiscal Yr. Budget	Revised Fiscal Yr. Budget	Fiscal YTD Expenses	Budget Balance	% Budget Spent	Status	Comments
	FY 2002												
	North Street Sidewalk	$ 654,629	$ 819,120	$ 738,704	$ 80,416	90.2%	$ 80,416	$ 80,416	$ -	$ 80,416	0.0%	Not started	Work on hold pending Collegiate decision
	Clara Street turn lane	170,916	187,949	134,997	52,952	71.8%	52,952	52,952	-	52,952	0.0%	Not started	(1) See below.
	Totals	$ 825,545	$ 1,007,069	$ 873,701	$ 133,368	86.8%	$ 133,368	$ 133,368	$ -	$ 133,368	0.0%		
	FY 2005												
	Dover Little League Parking Lot Phase II	$ 134,000	$ 134,000	$ 123,215	$ 10,785	92.0%	$ 10,785	$ 10,785	$ -	$ 10,785	0.0%	Done	Awaiting staff decision on re-appropriation of available funds
	Fox Hall signs/Lincoln Park sign	20,340	20,340	10,340	10,000	50.8%	10,000	10,000	-	10,000	0.0%	Done	The signs for Fox Hall & Woodlands of Fox Hall are complete. Work not started for Lincoln Park.
	Totals	$ 154,340	$ 154,340	$ 133,555	$ 20,785	86.5%	$ 20,785	$ 20,785	$ -	$ 20,785	0.0%	-	
	FY 2006												
	Silver Lake Park Sign	$ 16,400	$ 16,400	$ -	$ 16,400	0.0%	$ 16,400	$ 16,400	$ -	$ 16,400	0.0%	Not started	10% received from State. Work not started.
	Capitol Park/ Rodney Village Signs	20,000	19,205	19,206	(1)	100.0%	8,244	8,244	8,245	(1)	100.0%	Done	Done
	Heatherfield Sign./ Voshells	20,000	20,000	7,611	12,389	38.1%	15,380	15,380	2,991	12,389	19.4%	Done	Done
	Cowgill St.	25,000	25,000	-	25,000	0.0%	25,000	25,000	-	25,000	0.0%	Not started	10% received from State. Work not started.
	Morris Dr.	79,000	79,000	-	79,000	0.0%	79,000	79,000	-	79,000	0.0%	Not started	10% received from State. Work not started.
M	Lincoln Park Center (317)	400,000	400,000	238,358	161,642	59.6%	161,642	161,642	-	161,642	0.0%		
	Totals	$ 560,400	$ 559,605	$ 265,175	$ 294,430	47.4%	$ 305,666	$ 305,666	$ 11,235	$ 294,431	3.7%	-	-
	FY 2007												
	E. Water St. brick sidewalk	$ 65,000	$ 65,000	$ -	$ 65,000	0.0%	$ 65,000	$ 65,000	$ -	$ 65,000	0.0%	Not started	10% received from State. Work not started.
	Dover Fire Company parking lot	80,000	100,000	-	100,000	0.0%	100,000	100,000	-	100,000	0.0%	Not started	Received 10% on orig. agreement; awaiting decision on funding reallocation.
	Andrew Dr./ G. Washington Dr./ Maple Dale Ave.	200,600	200,600	-	200,600	0.0%	200,600	200,600	-	200,600	0.0%	Started	10% received from State. Work not started.
	Penn. Ave./ West St. Alleys	36,900	36,900	-	36,900	0.0%	36,900	36,900	-	36,900	0.0%	Not started	10% received from State. Work not started.
	Maryland Ave.	25,000	25,000	-	25,000	0.0%	25,000	25,000	-	25,000	0.0%	Not started	10% received from State. Work not started.
	Bedford Drive	1,580	1,580	-	1,580	0.0%	1,580	1,580	-	1,580	0.0%	Not started	
		$ 409,080	$ 429,080	$ -	$ 429,080	0.0%	$ 429,080	$ 429,080	$ -	$ 429,080	0.0%		
	FY 2008												
	Wesley College Parking lot improvements	$ 169,424	$ 169,424	$ 152,677	$ 16,747	90.1%	$ 169,424	$ 169,424	$ 152,677	$ 16,747	90.1%	Done	Done
	Totals	$ 169,424	$ 169,424	$ 152,677	$ 16,747	90.1%	$ 169,424	$ 169,424	$ 152,677	$ 16,747	90.1%		
	Grand Totals	$ 2,118,789	$ 2,319,518	$ 1,425,108	$ 894,410	61.4%	$ 1,058,323	$ 1,058,323	$ 163,913	$ 894,410	15.5%		

Legend

M = Multi-year project - a project with a specific schedule to occur over multiple years.
R = Recurring project - a project that begins and ends each fiscal year and is rebudgeted to start over each fiscal year.
CC = Construction complete.

(1) Improvements complete except for Clara Street. This agreement was revised to $187,949 from 170,916 with the General Fund covering overage on Oakmont Drive for $16,915 and $118 for Dover Little League Parking lot. Since the other 2 streets came in under, suggest redistribution of funds to reduce General Fund appropriation from $17,033 to $4,081. That will leave $52,951.70 for Clara Street turn lane. PW staff is considering options for FY 08 street program.

City of Dover
Water/Wastewater Improvement & Extension Fund - Major CIP Projects
October 2007

		TOTAL PROJECT - PAST, CURRENT & FUTURE BUDGETS					CURRENT FISCAL YEAR				
Type	Description	Original Project Budget	Revised Project Budget	Project To Date Expenses	Project Budget Balance	% Budget Spent	Current Fiscal Yr. Budget	Fiscal YTD Expenses	% Budget Spent	Status	Comments
	FY 2005										
M	Inflow/Infiltration Removal Investigation	$ 375,000	$ 650,000	$ 120,049	$ 529,951	18.5%	$ -	$ -	0.0%	Started	Study done; project design
	Totals	$ 375,000	$ 650,000	$ 120,049	$ 529,951	18.5%	$ -	$ -	0.0%		
	FY 2006										
M	Scarborough Road Interconnection Ph II	$ 120,000	$ 122,500	$ 51,159	$ 71,341	41.8%	$ 72,500	$ -	0.0%	Started	Phase I done; Phase II in design.
	Totals	$ 120,000	$ 122,500	$ 51,159	$ 71,341	41.8%	$ 72,500	$ -	0.0%		
	FY 2007										
M	Cheswold Well (#8) Replacement	$ 175,000	$ 175,000	$ 17,085	$ 157,915	9.8%	$ -	$ 11,802	0.0%	Started	Awaiting permits
	Bayard Avenue Contact Chamber	-	76,044	79,843	(3,799)	105.0%	9,800	8,799	89.8%	Done	Done
	Totals	$ 175,000	$ 251,044	$ 96,928	$ 154,116	38.6%	$ 9,800	$ 20,601	210.2%		
	FY 2008										
	Wellhead Redevelopment	$ 45,000	$ 45,000	$ -	$ 45,000	0.0%	$ 45,000	$ -	0.0%	Started	Proceeding to RFP
	Remote Control & Monitor Wells	139,700	139,700	2,428	137,272	1.7%	139,700	2,428	1.7%	Started	One of seven wells done
	Emergency Generators (Wells)	140,000	140,000	-	140,000	0.0%	140,000	-	0.0%	Not Started	
	1.0 MG Elevated Water Storage Tower	55,000	55,000	450	54,550	0.8%	55,000	450	0.8%	Not Started	
	Piney Point Well	10,000	10,000	-	10,000	0.0%	10,000	-	0.0%	Not Started	
	Misc. Distribution System Improvements	55,000	55,000	19,412	35,588	35.3%	55,000	19,412	35.3%	Started	On-going improvements
	South Gov. Ave Water Main Upgrade	200,000	200,000	-	200,000	0.0%	200,000	-	0.0%	Started	In Office of Drinking Water review
	Wellhead VFD Upgrades	126,000	126,000	-	126,000	0.0%	122,000	-	0.0%	Started	Going out to bid in November
	Meter Reading Tech Upgrade	366,300	366,300	83,028	283,272	22.7%	366,300	83,028	22.7%	Started	On-going replacement
	Inflow/Infiltration Removal	100,000	100,000	-	100,000	0.0%	100,000	-	0.0%	Started	In design
	Scada System Tech Upgrade	74,000	74,000	-	74,000	0.0%	74,000	-	0.0%	Started	Equipment ordered
	Lafferty Lane Package P/S Replacement	230,000	230,000	3,052	226,948	1.3%	230,000	3,052	1.3%	Started	In design with KSI
	White Oak Farms PS VFD's	66,000	66,000	-	66,000	0.0%	66,000	-	0.0%	Started	Design spec's to purchasing
	Dover East P/S & Force Main Replace	335,000	335,000	-	335,000	0.0%	335,000	-	0.0%	On Hold	May be dropped; no longer necessary.
	Misc. Sewer System Improvements	30,000	30,000	-	30,000	0.0%	30,000	-	0.0%	Started	On-going improvements
	South Governors Ave Sewer Main	300,000	300,000	825	299,175	0.3%	300,000	825	0.3%	Started	In DNREC review
	US 13 East Sanitary Sewer Interceptor	85,000	85,000	2,389	82,611	2.8%	85,000	2,389	2.8%	Started	Working with Mall on easements.
	Water Quality Improve FY 08	915,000	910,000	18,032	891,968	2.0%	905,200	18,032	2.0%	Started	Working on third contact chamber
	Totals	$ 3,272,000	$ 3,267,000	$ 129,616	$ 3,137,384	4.0%	$ 3,258,200	$ 129,616	4.0%		
				-	-						
	Grand Totals	$ 3,942,000	$ 4,290,544	$ 397,750	$ 3,892,794	9.3%	$ 3,340,500	$ 150,217	4.5%		

Legend
M = Multi-year project - a project with a specific schedule to occur over multiple years.
R = Recurring project - a project that begins and ends each fiscal year and is rebudgeted to start over each fiscal year.

City of Dover
Electric Improvement & Extension Fund - Major CIP Projects
October 2007

		TOTAL PROJECT - PAST, CURRENT & FUTURE BUDGETS					CURRENT FISCAL YEAR				
Type	Description	Original Project Budget	Revised Project Budget	Project To Date Expenses	Project Budget Balance	% Budget Spent	Current Fiscal Yr. Budget	Fiscal YTD Expenses	% Budget Spent	Status	Comments
	FY 2003										
M	Mayfair 69kv/12kv SS Upgrade	$ 555,000	$ 617,965	$ 562,178	$ 55,787	91.0%	$ 65,000	$ 196,655	302.5%	Started	Material ordered; demoliton started; project end first quarter 08
	Totals	$ 555,000	$ 617,965	$ 562,178	$ 55,787	91.0%	$ 65,000	$ 196,655	302.5%		
	FY 2005										
M	Radio Read Meter replacement Prog.	$ 1,830,000	$ 1,830,000	$ 1,782,004	$ 47,996	97.4%	$ 545,000	$ 498,342	91.4%	Started	All materials purchased; ongoing installation.
	Mayfair to Mid-City 69 kv	650,000	723,200	443,323	279,877	61.3%	-	-	0.0%	Started	Construction on-going; completion end of fiscal year.
	Totals	$ 2,480,000	$ 2,553,200	$ 2,225,327	$ 327,873	87.2%	$ 545,000	$ 498,342	91.4%		
	FY 2006										
M	69 KV feeders 3 and 4	$ 11,060,000	$ 14,747,500	$ 707,794	$ 14,039,706	4.8%	$ 9,077,500	$ 510,462	5.6%	Started	Material ordered; preparing labor spec's.
	Governor's Avenue Rebuild	1,268,450	2,068,260	52,866	2,015,394	2.6%	2,068,260	52,866	2.6%	Started	Material being drawn by contractor
	College Road Capacitor	155,000	119,995	5	119,990	0.0%	-	-	0.0%	Dropped	Changed to Distribution Capacitors
M	Replacement of 69 KV line breakers - North Street	150,000	230,000	188,003	41,997	81.7%	-	39,343	0.0%	Started	3 of 4 done
	Totals	$ 12,633,450	$ 17,165,755	$ 948,667	$ 16,217,088	5.5%	$ 11,145,760	$ 602,670	5.4%		
	FY 2007										
M	Lebanon Transformer	$ 620,000	$ 851,850	$ 217,170	$ 634,680	25.5%	$ 637,950	$ 3,270	0.5%	Started	In design; secondary material ordered.
R	Lighting Project & Rehab (Gov Ave)	50,000	50,000	6,361	43,639	12.7%	-	-	0.0%	Done	Lights done at Wesley
	Blue Light Security System Call box	25,000	25,000	22,142	2,858	88.6%	-	13,755	0.0%	Started	2 of 3 installed
	McKee Run Transformer	350,000	350,000	301,011	48,989	86.0%	-	5,074	0.0%	Done	Completed
M	College Road Substation	2,960,000	2,960,000	90,979	2,869,021	3.1%	2,435,000	26,149	0.0%	Started	Bid awarded; may be longer delivery than planned.
M	Transmission Relaying Upgrades Ph I	100,000	100,000	66,964	33,036	67.0%	-	39,935	0.0%	Sarted	Installation started
	Totals	$ 4,105,000	$ 4,336,850	$ 704,628	$ 3,632,222	16.2%	$ 3,072,950	$ 88,184	2.9%		
	FY 2008										
	Unit 3 Turb Bearing Fire Protect Deluge	$ 50,000	$ 50,000	$ -	$ 50,000	0.0%	$ 50,000	$ -	0.0%	Not Started	
	Tank Inspections SPCC/AST	300,000	300,000	117,124	182,876	39.0%	300,000	117,124	39.0%	Started	Inspection done; repairs planned.
	VS COMS replacement	27,000	27,000	24,280	2,720	89.9%	27,000	24,280	89.9%	Started	Installation started
M	Horsepond Transformer	1,020,000	1,020,000	-	1,020,000	0.0%	325,000	-	0.0%	Started	Material ordered
R	Distribution Capacitors OH/UG	225,000	225,000	-	225,000	0.0%	225,000	-	0.0%	Started	Capacitors on order; design on-going.
M	Transmission Relay Upgrade FY 08	520,000	520,000	207,444	312,556	39.9%	520,000	207,444	39.9%	Started	Installation started
R	New Developments	1,015,000	1,015,000	173,746	841,254	17.1%	1,015,000	173,746	17.1%	Started	On-going
R	Replacement of 69 KV line breakers	183,000	183,000	-	183,000	0.0%	183,000	-	0.0%	Started	Material in; waiting to schedule work.
R	Lighting Project & Rehab	100,000	100,000	597	99,403	0.6%	100,000	597	0.6%	Started	Survey work complete; material to Council.
M	St Jones Substation Transformer	2,166,039	2,166,039	16,429	2,149,610	0.8%	-	16,429	0.0%	Started	
R	Distribution Upgrades FY 08	300,000	300,000	221,400	78,600	73.8%	300,000	221,400	73.8%	Started	Currently in Kent Acres; Woodmill complete.
		$ 5,906,039	$ 5,906,039	$ 761,020	$ 5,145,019	12.9%	$ 3,045,000	$ 761,020	25.0%		
	Grand Totals	$ 25,679,489	$ 30,579,809	$ 5,201,821	$ 25,377,988	17.0%	$ 17,873,710	$ 2,146,871	12.0%		

Legend
M = Multi-year project - a project with a specific schedule to occur over multiple years.
R = Recurring project - a project that begins and ends each fiscal year and is rebudgeted to start over each fiscal year.

ACTION FORM

PROCEEDING: City Council	**AGENDA ITEM NO.:** 12/10/2007
DEPARTMENT OF ORIGIN: Public Utilities – Electric Division	**DATE SUBMITTED**: 11/29/2007
PREPARED BY: Ronald H. Lunt, Public Utilities Director	
SUBJECT: Evaluation of Bids - Fiber Optic Splicing Contract	
REFERENCE: N/A	
RELATED PROJECT: N/A	
APPROVALS: City Manager, Finance Director	
EXHIBITS: N/A	
EXPENDITURE REQUIRED: As Needed	**AMOUNT BUDGETED**: N/A
FUNDING SOURCE (Dept./Page in CIP & Budget): Possibly both Electric Eng. and T&D Division "Contractual Services" operation budgets such as 480-8200-562-30-31 (Electric T&D); 480-8300-563-30-31 (Electric Eng.); or Capital project funding if applicable.	
TIMETABLE: Contract to be issued upon final approval.	
RECOMMENDED ACTION: Staff recommends awarding a one year blanket Fiber Optic contract, with a City option to extend it an additional two years (three years total), to Goldhorn Electrical Construction, Inc.	

BACKGROUND AND ANALYSIS

The Public Utilities Department maintains blanket contracts with potential contractors to ensure that the bidding rules are adhered to for any contractors that might be hired to perform work for the Utility Department. These contracts are priced as a "time and material" contract and may exceed $25,000 annually. This bid is for fiber optic splicing which includes splicing, terminating, and related equipment. Staff does not have the equipment to perform the splicing and because of the limited amount of splicing required it is not feasible to purchase the equipment.

Bids were solicited and advertised according to City Policy by the City's Contract and Procurement Manager under Bid #08-0040DPU and bids were received from three potential vendors. One vendor submitted an unacceptable bid form and was deemed nonresponsive. The two remaining vendors were evaluated assuming a two day splicing job to determine the low bidder; the specifics of this analysis are below. The duration of the bid is a one (1) year contract with the possibility of the City extending it for a second (2nd) and third (3rd) year.

	Henkles & McCoy, Inc.	Goldhorn Electrical Construction, Inc.
	$per Hr	$per Hr
Cable Splicer	$62.07	$73.50
Splicing Van/Trailer	$21.43	Included w/ Splicer
Splicing Equipment	$16.78	Included w/ Splicer
OTDR	$19.58	Included w/ Splicer
Power Meter	$19.58	Included w/ Splicer
Total cost per hour	**$139.44**	**$73.50**
Total project cost based on a 16 hour project	$2,231.04	$1,176.00

ACTION FORM

PROCEEDING: City Council	**AGENDA ITEM NO.:** 12/10/2007
DEPARTMENT OF ORIGIN: Public Utilities – Electric Eng.	**DATE SUBMITTED**: 10/26/2007
PREPARED BY: Ron Lunt, Public Utilities Director	
SUBJECT: Evaluation of Bids – Line Hardware - Feeders 3 & 4	
REFERENCE: N/A	
RELATED PROJECT: N/A	
APPROVALS: City Manager, Finance Director	
EXHIBITS: Bid Submission and Tracking Report	
EXPENDITURE REQUIRED: **$289,305.26**	**AMOUNT BUDGETED**: **$9,457,788**
FUNDING SOURCE (Dept./Page in CIP & Budget): Public Utilities – Electric Engineering, 69 Kv Feeders 3 and 4, CIP page 227R, Account 487-8300-563-90-26, Project EE0601.	
TIMETABLE: Materials to be ordered upon Council approval.	
RECOMMENDED ACTION: Staff recommends awarding the bid to National Electrical Systems, Inc., for the amount of $289,305.26.	

BACKGROUND AND ANALYSIS

The materials to be ordered are non-stock transmission and distribution materials for Phase I of the project. These materials will be installed on the overhead and underground line from Cartanza Substation to St. Jones Substation.

Bids were advertised according to City Policy by the City's Purchasing Agent under Bid # 08-0041DPU. The City received two (2) bid responses; however, one bid was received after the 2:00 p.m. deadline and could not be accepted. The one responsive bid was evaluated by staff and appeared to be fair and reasonable; therefore, staff recommends that the bid be awarded to the sole bidder, National Electrical Systems, Inc.

Furthermore, there were a few minor changes to the line design after the material list was issued for bid. This will result in an escalation of the quantities of a few of the bid items, which in compliance with the purchasing policy, can be accomplished after bid award with the approval of the City Manager. This adjustment would be approximately $7,500; this expense is not included in the bid award price.

NATIONAL ELECTRICAL SYSTEMS, INC.
13357 State Route 12 – Boonville, New York 13309
Phone 315/942-5151 Fax 315/942-6708
www.nesi-ny.com nesi@nesi-ny.com

GOD, Family
and
Country

November 13, 2007

City of Dover
Central Services Dept.
710 William Street
Dover, DE 19904

To Whom It May Concern:

Please accept the following as our bid for NON-STOCK TRANSMISSION AND DISTRIBUTION MATERIAL, BID NUMBER 08-0041DPU.

We can be reached any time between the hours of 8 am to 5 pm should you have any questions or concerns. Thank you.

Best regards,

Mary Huxley VP

Mary Huxley
Vice President ex 116

Item #	Description	Manufacturer & Part Number	Catalog #	QTY	Unit Price	Extended Price
1	10' Heavy Duty Tangent Fiberglass Crossarm	Shakespeare	HTB120N12402	64	$675.00	$43,200.00
2	12kV Dead-End Insulators	Ohio Brass	401015-6215	40	$14.10	$564.00
3	Neutral Spool	Joslyn	J151	106	$27.00	$2,862.00
4	Bracket for Neutral Spool	Joslyn	J093	106	$20.25	$2,146.50
5	12kV Post Insulator	Porcelain Products (PPC)	380S	302	$6.48	$1,956.96
6	Crossarm Pin for Post Insulator - Nylon Threads	Hubbell/Chance	883P	302	$5.78	$1,745.56
7	10' Heavy Duty DE Fiberglass Crossarm	Shakespeare	XDB120G12482	7	$1,080.00	$7,560.00
8	Clamp, Deadend, 336-556 ACSR	Anderson/Fargo	ADEZ-88-N	21	$15.34	$322.14
9	Clamp, Deadend, #4, 1/0 ACSR	Anderson/Fargo	ASOD-398-1	57	$7.08	$403.56
10	ZHP Arrester, 9KV, w/ Mounting Bracket	Joslyn/MacLean Power	ZHP009-0C00000- P	48	$40.34	$1,936.32
11	ties, wire 336, top	Hubbell/Chance	STT-110	156	$5.08	$792.48
12	ties, wire, 1/0	Hubbell/Chance	STT-60	138	$4.00	$552.00
13	14" Extension Link - DE	Hubbell/Chance	L14	10	$12.37	$123.70
14	Hot Line Clamp (run 2/0 to #8 & tap 2/0 to #8)	Maclean Power System (MPS)	C1520	89	$7.67	$682.63
15	Ampac connector 336 with stirrup	Ampact	600474	49	$36.13	$1,770.37
16	Wire, Cu, Bare #6 SD	Southwire	10-63-85	611	$0.54	$329.94
17	3" U-Guard 10' length	Electric Materials Co	3" U-Guard	36	$101.25	$3,645.00
18	5" U-Guard 10' length	Electric Materials Co	6" U-Guard	12	$205.20	$2,462.40

Item #	Description	Manufacturer & Part Number	Catalog #	QTY	Unit Price	Extended Price
19	Bracket for U-Guard 3"	Electric Materials Co	50-3USPHD	36	$6.75	$243.00
20	Bracket for U-Guard 5"	Electric Materials Co	50-6USPHD	12	$13.50	$162.00
21	Band, pole, U-Guard	Aluma-Form/Bolt-a-Band	3/4-201-SSB-100	48	$164.70	$7,905.60
22	Crossarm Braces 60"(span) X 30"(drop)	Aluma-Form	A6030	70	$36.02	$2,521.40
23	10' Wood Crossarm Dead End	Hughes Brothers	2892-B	2	$791.64	$1,583.28
24	Gang Switch - 900A - Type AR	Hubbell/Chance	AR114FS	3	$3,623.40	$10,870.20
25	Bracket, Tx, Cluster	Alumaform	3MW-24	1	$340.20	$340.20
26	Solid Blade, 300A	Hubbell/Chance	T710133T	6	$45.47	$272.82
27	12' Street Light Bracket	TBD	TBD	27	$337.50	$9,112.50
28	10' Tangent Wood Crossarm	Hughes Brothers	3 3/4" x 4 3/4 x 10' - REA Type 05	36	$100.98	$3,635.28
29	4/0 AL Triplex w/2/0 ACSR neutral	Southwire	Umpqua (PAC conductor)	4000	$3.35	$13,400.00
30	336 ACSR (for neutral)	Southwire	Merlin	4000	$0.92	$3,680.00
31	Clamp, Deadend, 336-556 ACSR	ANDERSON/FARGO	ADE-98-N	4	$41.85	$167.40
32	ADSS Formed wire Suspension Clamp for .535" dia cable up to 30 deg.	ALCOA	ASU 512/536	8	$93.53	$748.24
33	ADSS Mechanical Dead End bracket for .535" dia cable	ALCOA	ADEW10J1-AL535	6	$68.10	$408.60
34	FULL TENSION SPLICE- 795 KCM ACSR 26/7	ALCOA	33043	36	$115.94	$4,173.84
35	FULL TENSION SPLICE- 7#10 ALUMOWELD	ALCOA	4912.33	14	$26.46	$370.44
36	5/8" ANCHOR SHACKLE (30K)	ANDERSON/FARGO	AS-25-BNK	126	$8.59	$1,082.34

Item #	Description	Manufacturer & Part Number	Catalog #	QTY	Unit Price	Extended Price
37	ARMOR ROD - 795 ACSR (26/7) (Carton = QTY in SETS of 6)	PREFORMED LINE PRODUCTS	AR-0141	48 Cartons	$101.25	$4,860.00
38	GUY THIMBLE CLEVIS	MACLEAN PWR SYS/BETHEA	CT-88H	6	$12.26	$73.56
39	WIRE, COPPERWELD - 7 No.10 COPPERWELD 5/16" DIA	ALCOA	CCS07104D	4300 Ft.	$1.14	$7,275.48
40	SQUARE WASHER 4" X 4" (FLAT) w/ 13/16" HOLE	HUGHES BROTHERS	SW4-70	1056	$2.87	$3,030.72
41	2" ROUND WASHER W/ 13/16" HOLE	HUGHES BROTHERS	RW2-70	1408	$1.25	$1,760.00
42	3/4" LOCKNUT	HUGHES BROTHERS	MF70	1232	$0.44	$542.08
43	GROUND CLAMP, BRONZE, 25M AW TO 5/16 CW	ANDERSON/FARGO	GC-143A-02	2	$7.73	$15.46
44	GROUND CLAMP, BRONZE, 1/2" flat pl to 5/16 CW	ANDERSON/FARGO	GC-141-01-1/2	48	$7.19	$345.12
45	GROUND CLAMP, BRONZE, 5/16 CW To Weld Nut	ANDERSON/FARGO	GTCS-41	88	$10.21	$898.48
46	LOOP SLEEVE - 795 ACSR (26/7)	ALCOA	5030.116	36	$40.40	$1,454.40
47	LOOP SLEEVE - 7#10 AW	ALCOA	5009.344	14	$29.65	$415.10
48	SUSPENSION CLAMP - FOR 795 ACSR (26/7)	ANDERSON/FARGO	HAS-182-N	528	$30.30	$15,998.40
49	SUSPENSION CLAMP W/ SOCKET EYE - FOR 795 ACSR (26/7) W/	ANDERSON/FARGO	HAS-182-S	24	$36.72	$881.28
50	SUSPENSION CLAMP - 7#10 AW	ANDERSON/FARGO	HAS-62-N	185	$13.40	$2,479.00
51	SINGLE HOLE COMPRESSION LUG	ANDERSON/FARGO	VACL- 1/0- 12	202	$2.49	$502.98
52	STRAIN CLAMP W/SOCKET EYE - 795 ACSR (26/7)	ANDERSON/FARGO	SD-112-S	102	$89.43	$9,121.86
53	STRAIN CLAMP - 7#10 AW	ANDERSON/FARGO	PG-57-N	34	$9.94	$337.96
54	STATIC WIRE ARM, Hughes Bros 2.5' lg davit arm	HUGHES BROTHERS	C4484-C-30	176	$222.00	$39,072.00

Item #	Description	Manufacturer & Part Number	Catalog #	QTY	Unit Price	Extended Price
55	Y-CLEVIS EYE - 90 DEG - 30,000 LBS.	ANDERSON/FARGO	YCS-16-90	528	$22.04	$11,637.12
56	Y-CLEVIS EYE - 25,000 LBS.	ANDERSON/FARGO	YCS-06	4	$20.79	$83.16
57	Y-CLEVIS EYE - 20,000 LBS.	ANDERSON/FARGO	YCS-05	214	$22.52	$4,819.28
58	Y-CLEVIS EYE 90 DEG - 25,000 LBS.	ANDERSON/FARGO	YCS-06-90	13	$23.82	$309.66
59	Joint Filler Compound (10, 1-lb. Tubes/ctn)	Alcoa	AFC	2 cartons	$68.21	$136.42
60	Ground Rod, Copperbonded Sectional 5/8" X 10'	Joslyn	J9160	70	$20.25	$1,417.50
61	Ground Rod Coupling, Bronze 5/8"	Joslyn	J9182	35	$4.70	$164.50
62	Ground Rod Driving Stud, Steel 5/8"	Joslyn	J9186	35	$2.70	$94.50
63	Ground Rod Clamp, Bronze 5/8"	Joslyn	J8492	35	$4.70	$164.50
64	ARRESTER, 72kV CLASS, POLYMER, 57kv MCOV w/4 hole pedistal base	Tyco/ BowThorpe	2HSREP72L5E2M5	12	$675.00	$8,100.00
65	TERMINATOR 72kV, 2000 kcmil AL, 650mil insulation cable	Raychem	GHVT-693-SG	12	$2,607.12	$31,285.44
66	Terminal Lug (2000 kcmil)	ANDERSON/FARGO	ACF-11-C	12	$28.68	$344.16
67	69kV Cable termination brkt	Raychem	EHVT-BRKT-4 & EHVT-BP	12	$447.12	$5,365.44
68	Closed side cable grip with single eye (4/0 awg)	Hubbell	2201017	12	$33.75	$405.00
69	Bolted Tap Lug Terminal Connector	ANDERSON/FARGO	ATCF-1330-1	12	$48.77	$585.24
70	Closed side cable grip with single eye (2000 kcmil)	Hubbell	2201024	6	$67.50	$405.00
71	Anchor Shackle, 7/8" opening, 5/8" Pin	ANDERSON/FARGO	AS-25	46	$6.97	$320.62
72	Line Splice, Overhead, Compression 4/0 - 4/0 awg - use versa crimp die	ANDERSON/FARGO	VACS-4/0	6	$2.43	$14.58

Item #	Description	Manufacturer & Part Number	Catalog #	QTY	Unit Price	Extended Price
73	Heat shrink tubing, 0.65" to 1.70" dia, coated, 600V	Raychem (MEASURED BY	MWTM-50/16-1200-S	12	$24.30	$291.60
74	Ground Clamp	ANDERSON/FARGO	GC-141-01	24	$5.30	$127.20
75	Rod closing cable grip w/ single eye (1750kcmil)	Hubbell	2203023	6	$60.75	$364.50
76	Anchor Shackle, 1 1/16 opening, 3/4 " pin	ANDERSON/FARGO	AS-35	6	$12.21	$73.26
					Total Bid	**$289,305.26**

*Recommended catalog number per manufacturer or equivalent may be used as long as specifications and cut-sheets are provided based on the client's perference to a particualr manufacturer to time schedule to part delivery, etc.

TRACKING REPORT

PROJECT: 69 FEEDERS 3 & 4
Account Number - 487-8300-563.90-26
Project Number - EE0601

Budgeted Amount for FY 07/08 $9,457,788
2008-2012 Capital Investment Plan Page 227R

Date Approved	Council/Committee	Name of Action Form/ Vendor	Expenditure Amount
06/11/07	Approved by Council	**Authorization to Purchase Cartanza Right-of-Way -** Includes $17,649.28 for the easement and $32,350.72 for the woodland clearance and all future spraying. Remainder of $32,350.72 will be when the woodland area is cleared.	$17,649
08/13/07	Approved by Council	**Eval.of Bid - 69KV Underground Cable -** Purchased 3,732' of 69KV underground cable and 2,940' of 5KV underground cable. Awarded to HD Supply.	$240,950
		Engineering Service Fees Incurred To Date	$245,040
10/22/07	Approved by Council	**Eval. of Bid - Tapered Steel Structures** - To purchase poles and caisson bases in order to construct the transmission lines for Feeders 3 & 4. Staffs estimated cost for this item was $1,051,000. Bid awared to low bidder, Pelco Structual.	$1,078,747
10/22/07	Approved by Council	**Eval. of Bid - Cartanza Relay Panels** - To purchase (2) relay panels, misc. connecting materials, and freight expense. Relay cables have not yet been purchased which are estmated to be less than $10,000. Staffs estimated cost for these items was $65,000. Bid awarded to low bidder, Schweitzer Engineering Laboratories, Inc.	$33,654
11/13/07	Approved by Council	**Eval. Of Bid** - **795 ACSR** - The purchase of 207,396' of aerial conductors for Phase I (Cartanza Sub. To St. Jones Sub.) Staff estimated the total cost of wire to be $607,000. An additional $12,358 was incurred via a purchase order. Recommendation is to award to low bidder, American Wire Group.	$310,679
11/13/07	Approved by Council	**Eval. Of Bid - Laminated Wood Poles** - Puchase thirty-three (33) wooden poles (N. Little Creek Rd. to St. Jones Substation) for Phase I. Staff estimated this cost at $272,000. Recommendation is to award to low bidder, Laminated Wood Systems.	$260,297
11/13/07	Approved by Council	**Eval. Of Bid - Insulators** - 126 Suspension Insulators and 528 Horizontal Post Insulators for Phase I. Recommendation is to award to low bidder, Paresuorces, Inc.	$98,880
	Pending Council Approval	**Eval. Of Bid - Substation Structures -** Materials needed to modify the substation; structural steel, switches, breaker, buswork, and related ground materials.	$99,957
	Pending Council Approval	**Eval. Of Bid - Line Hardware** - These are non-stock materials for Phase I and will be installed on the overhead & underground line from Cartanza Sub. to St. Jones Sub.	$289,305

AMOUNT APPROVED FOR EXPENDITURE FOR 07/08 **$2,675,159**

ACTION FORM

PROCEEDING: City Council	**AGENDA ITEM NO.:** 12/10/2007
DEPARTMENT OF ORIGIN: Public Utilities – Electric Division	**DATE SUBMITTED**: 11/30/2007
PREPARED BY: Ronald H. Lunt, Public Utilities Director	
SUBJECT: Evaluation of Bid – Cartanza Substation Structures	
REFERENCE: NA	
RELATED PROJECT: 69 KV Feeders 3 & 4	
APPROVALS: City Manager, Finance Director	
EXHIBITS: Tracking Report	
EXPENDITURE REQUIRED: **$99,956.76** **AMOUNT BUDGETED**: $9,457,788 **FUNDING SOURCE (Dept./Page in CIP & Budget)**: Public Utilities – Electric Engineering, 69 Kv Feeders 3 and 4, CIP page 227 R, Account 487-8300-563-90-26, Project EE0601	
TIMETABLE: Material to be ordered upon Council approval.	
RECOMMENDED ACTION: Staff recommends awarding the bid to the low bidder, HD Supply Utilities, for the amount of $99,956.76.	

BACKGROUND AND ANALYSIS

These materials were originally bid under Bid #08-0023DPU and approved by Council on 10-22-07; however, prior to the bid award it was discovered that one bid submission originally declared nonresponsive did meet the bid specifications and should have been evaluated. Due to an oversight it was not considered or evaluated. In fairness to the bidders it was decided to reject all bids, which is allowed under the bid documents, and rebid the materials.

The materials to be ordered are the structural steel, switches, breaker, buswork, and related grounding materials needed to modify Cartanza Substation for the operation of Feeders 3 & 4. This equipment will be installed as part of the 69 Kv Feeders 3 & 4 project.

Bids were advertised according to City Policy by the City's Purchasing Agent under Bid # 08-0051DPU. The City received three (3) bid responses that were evaluated by staff and Shaw Engineering.

Below is the summary of the three (3) bids.

Bidder	**Price**
HD Supply Utilities	$99,956.76
Associated Substation Engineering	$102,750.00
V&S Clark Substations	$110,185.00

TRACKING REPORT

PROJECT: 69 FEEDERS 3 & 4
Account Number - 487-8300-563.90-26
Project Number - EE0601

Budgeted Amount for FY 07/08 $9,457,788
2008-2012 Capital Investment Plan Page 227R

Date Approved	Council/Committee	Name of Action Form/ Vendor	Expenditure Amount
06/11/07	Approved by Council	**Authorization to Purchase Cartanza Right-of-Way -** Includes $17,649.28 for the easement and $32,350.72 for the woodland clearance and all future spraying. Remainder of $32,350.72 will be when the woodland area is cleared.	$17,649
08/13/07	Approved by Council	**Eval.of Bid - 69KV Underground Cable -** Purchased 3,732' of 69KV underground cable and 2,940' of 5KV underground cable. Awarded to HD Supply.	$240,950
		Engineering Service Fees Incurred To Date	$245,040
10/22/07	Approved by Council	**Eval. of Bid - Tapered Steel Structures** - To purchase poles and caisson bases in order to construct the transmission lines for Feeders 3 & 4. Staffs estimated cost for this item was $1,051,000. Bid awared to low bidder, Pelco Structual.	$1,078,747
10/22/07	Approved by Council	**Eval. of Bid - Cartanza Relay Panels** - To purchase (2) relay panels, misc. connecting materials, and freight expense. Relay cables have not yet been purchased which are estmated to be less than $10,000. Staffs estimated cost for these items was $65,000. Bid awarded to low bidder, Schweitzer Engineering Laboratories, Inc.	$33,654
11/13/07	Approved by Council	**Eval. Of Bid** - **795 ACSR** - The purchase of 207,396' of aerial conductors for Phase I (Cartanza Sub. To St. Jones Sub.) Staff estimated the total cost of wire to be $607,000. An additional $12,358 was incurred via a purchase order. Recommendation is to award to low bidder, American Wire Group.	$310,679
11/13/07	Approved by Council	**Eval. Of Bid - Laminated Wood Poles** - Puchase thirty-three (33) wooden poles (N. Little Creek Rd. to St. Jones Substation) for Phase I. Staff estimated this cost at $272,000. Recommendation is to award to low bidder, Laminated Wood Systems.	$260,297
11/13/07	Approved by Council	**Eval. Of Bid - Insulators** - 126 Suspension Insulators and 528 Horizontal Post Insulators for Phase I. Recommendation is to award to low bidder, Paresuorces, Inc.	$98,880
	Pending Council Approval	**Eval. Of Bid - Substation Structures -** Materials needed to modify the substation; structural steel, switches, breaker, buswork, and related ground materials.	$99,957
	Pending Council Approval	**Eval. Of Bid - Line Hardware** - These are non-stock materials for Phase I and will be installed on the overhead & underground line from Cartanza Sub. to St. Jones Sub.	$289,305

AMOUNT APPROVED FOR EXPENDITURE FOR 07/08 **$2,675,159**

ACTION FORM

PROCEEDING: City Council	**AGENDA ITEM NO.:** 12/10/2007
DEPARTMENT OF ORIGIN: Public Utilities – Electric T&D	**DATE SUBMITTED**: 11/29/2007
PREPARED BY: Ronald H. Lunt, Public Utilities Director	
SUBJECT: Request for Proposals - Flame Resistant Clothing Rental Contract	
REFERENCE: N/A	
RELATED PROJECT: N/A	
APPROVALS: City Manager, Finance Director	
EXHIBITS: N/A	
EXPENDITURE REQUIRED: $18,465 **AMOUNT BUDGETED**: $34,658 **FUNDING SOURCE:** FY 08 Operation Budgets - Uniforms: (480-8200-562-20-29) (480-8300-563-20-29) (480-8500-565-20-29)	
TIMETABLE: Contract to be executed upon Council approval.	
RECOMMENDED ACTION: Staff recommends awarding a 4 year contract with option to extend 2 additional years to Uni-First for $18.21 per eligible employee.	

BACKGROUND AND ANALYSIS

The Electric Division operates and maintains the substations, transmission and distribution electrical system. In doing such, management is responsible for the safety of the workers and is required to provide proper Personal Protection Equipment (PPE). The APPA Safety Manual mandates that employers ensure that employees wear clothing that does not increase the extent of injury during an electric arc or flash. The only way to comply with this is to provide Fire Resistant (FR) clothing, which has been an industry standard for many years. Additionally, the National Fire Protection Association has passed new regulations (NEC 70 E) that will result in citations for companies that do not provide proper FR clothing.

The Request for Proposals for vendors that provide FR clothing was solicited and advertised according to City Policy by the City's Contract and Procurement Manager under Bid #08-0009DPU. Four vendors responded to this request; two were either incomplete or in noncompliance to the required specifications or bid instructions and not considered. An employee/management committee was formed and interviewed the two remaining companies. Both were considered responsive and could provide quality, conforming products. They were asked to provide their best and final offer. Staff recommends that the contract be awarded to Uni-First as they had the lowest cost offer.

The vendor will supply 11 shirts and pants, 2 unlined jackets, 2 lined jackets and 2 pairs of bibs overalls and cleaning service. All electric employees that could be exposed to an electrical arc will be required to wear these uniforms. This includes the Line Crew, Meter Technicians, Meter Readers, and Substation Technicians which will typically include 39 employees.

Vendor	Unit Price/Weekly
Uni-First Corporation	$18.21
Clean Rental Services'	$20.00

FIRST READING

AN ORDINANCE AMENDING THE ZONING ORDINANCE AND ZONING MAP OF THE CITY OF DOVER BY CHANGING THE ZONING DESIGNATION OF PROPERTY LOCATED AT 988-990 FOREST STREET

WHEREAS, the City of Dover has enacted a zoning ordinance regulating the use of property within the limits of the City of Dover; and

WHEREAS, it is deemed in the best interest of zoning and planning to change the permitted use of property described below from C-3 (Service Commercial Zone) and CPO (Commercial Professional Office Zone), subject to COZ-1 (Corridor Overlay Zone) to C-2A (Limited Central Commercial Zone) subject to COZ-1 (Corridor Overlay Zone).

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

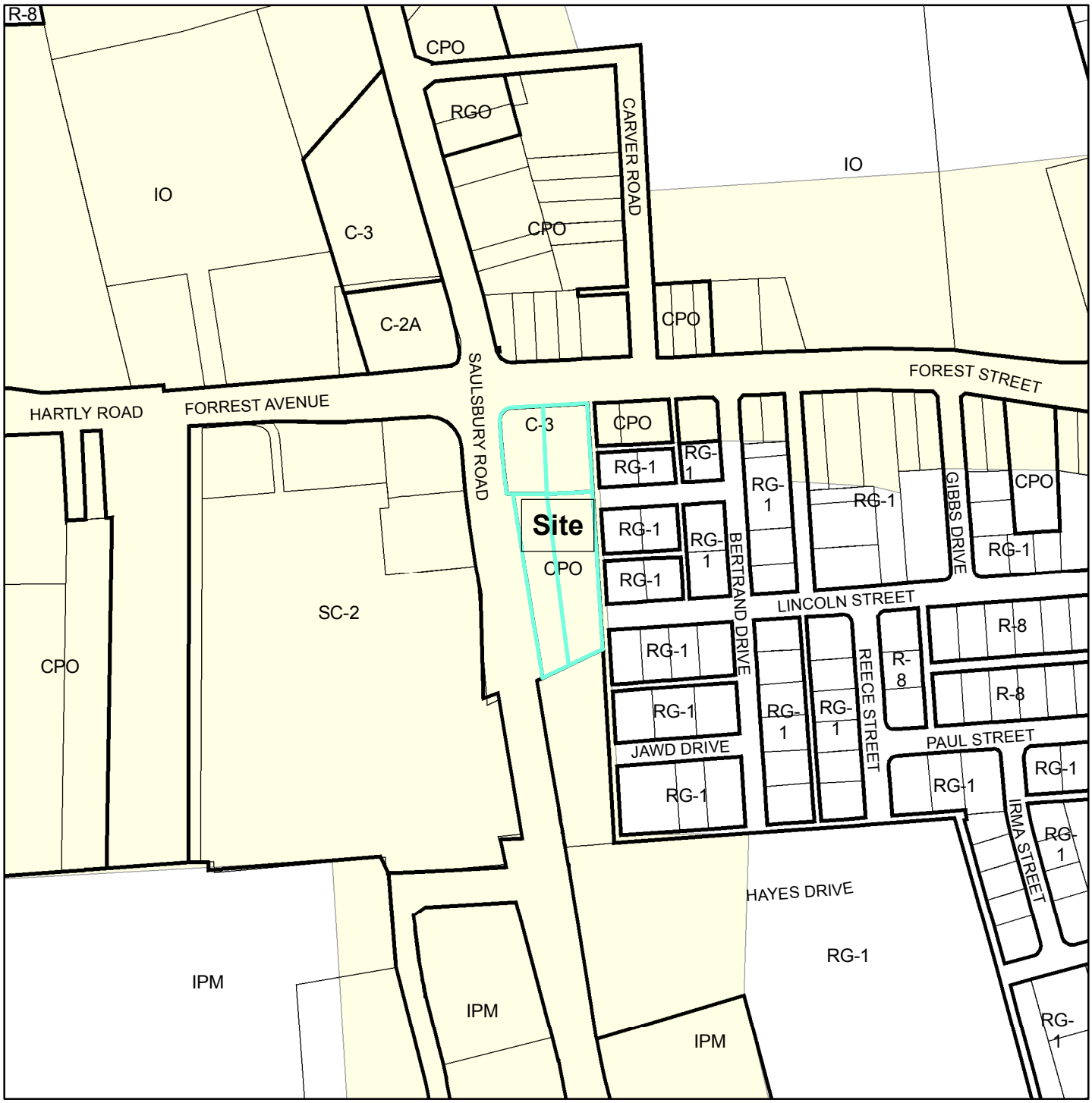
1. That from and after the passage and approval of this ordinance the Zoning Map and Zoning Ordinance of the City of Dover have been amended by changing the zoning designation of two (2) parcels consisting of 0.95 $^{+/-}$ acres from C-3 (Service Commercial Zone) to C-2A (Limited Central Commercial Zone), subject to COZ-1 (Corridor Overlay Zone) and the northern portion of two parcels (0.38 acres) from CPO (Commercial Professional Office) subject to COZ-1 (Corridor Overlay Zone). The residual portion of two parcels will remain zoned as CPO (Commercial Professional Office) and subject to COZ-1 (Corridor Overlay Zone).

ADOPTED: *

City of Dover

Department of Planning & Inspections

Application No.: Z-08-01



Plan Title: Lands of Cypress Development Co, LLC
Location: Southeast corner of Forest Street and Saulsbury Rd.
Plan Type: Rezoning
Current Zoning: C-3 and CPO
Proposed Zoning: C-2A
Owner: Cypress Development Co, LLC
Date: 12-6-07

Legend

- Dover Parcels
- Zoning
- Corridor Overlay Zone

0 200 400 800 Feet