

CITY OF DOVER
STATEMENT OF NET ASSETS
September 30, 2006

	Government Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash & Investments	\$ 248,544	468,041	716,585
Employee Advances	1,450	-	1,450
Receivables:			
Property Taxes	4,172	-	4,172
Other Governments	16,124	-	16,124
Other	-	9,085	9,085
Interfund Balances	38,534	(38,534)	-
Total Current Assets	308,824	438,592	747,416
Land	-	174,141	174,141
Capital Assets	42,580	4,215,170	4,257,750
Accumulated Depreciation	(25,745)	(796,524)	(822,269)
Total Capital Assets	16,835	3,592,787	3,609,622
Total Assets	\$ 325,659	4,031,379	4,357,038
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 36,495	11,252	47,747
Payroll, Benefits, and Taxes Payable	2,247	5,483	7,730
Interest Payable	-	2,172	2,172
Customer Deposits	-	600	600
Current Portion Long Term Debt	-	30,061	30,061
Total Current Liabilities	38,742	49,568	88,310
Long-Term Liabilities	-	604,316	604,316
Total Liabilities	38,742	653,884	692,626
NET ASSETS			
Invested in Capital Assets, net of related debt	16,835	2,958,410	2,975,245
Unrestricted	270,082	357,305	627,387
Restricted	-	61,780	61,780
Total Net Assets	\$ 286,917	3,377,495	3,664,412

See accompanying notes to financial statements.

CITY OF DOVER
Statement of Activities
Year Ended September 30, 2006

	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets		
	Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities						
General Government - General	205,470	-	-	(205,470)	-	(205,470)
Highways and Streets	250,427	-	-	(250,427)	-	(250,427)
Depreciation	3,162	-	-	(3,162)	-	(3,162)
Total Governmental Activities	459,059	-	-	(459,059)	-	(459,059)
Business-type Activities						
Water Service	88,480	-	-	-	(38,822)	(38,822)
Sewer Service	189,810	-	-	-	(54,665)	(54,665)
Total Business-Type Activities	278,290	-	-	-	(93,487)	(93,487)
Total Activities	\$ 737,349	-	-	(459,059)	(93,487)	(552,546)
General Revenues:						
Property Taxes				39,387	-	39,387
Other Governmental				286,203	-	286,203
Interest Earnings				7,540	57,626	65,166
Franchise Fees				10,659	-	10,659
Building Permits				70,835	-	70,835
Other Revenues				50,391	-	50,391
Total general revenues and transfers				465,015	57,626	522,641
Change in Net Assets				5,956	(35,861)	(29,905)
Net assets-beginning				280,961	3,413,356	3,694,317
Net assets-ending				\$ 286,917	3,377,495	3,664,412

See accompanying notes to financial statements.

**CITY OF DOVER
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2006**

	General Fund	Street Fund	Total
ASSETS			
Cash & Investments	\$ 217,700	30,844	248,544
Employee Advances	1,450	-	1,450
Receivables:			
Property Taxes	4,172	-	4,172
Other Governments	11,523	4,601	16,124
Interfund Balances	11,287	27,247	38,534
Total Assets	<u>\$ 246,132</u>	<u>62,692</u>	<u>308,824</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 14,147	22,348	36,495
Payroll, Benefits and Taxes Payable	2,247	-	2,247
Deferred Revenue	8,056	-	8,056
Total Liabilities	<u>24,450</u>	<u>22,348</u>	<u>46,798</u>
FUND EQUITY			
Unreserved	221,682	40,344	262,026
Total Fund Equity	<u>221,682</u>	<u>40,344</u>	<u>262,026</u>
Total Liabilities and Fund Equity	<u>\$ 246,132</u>	<u>62,692</u>	<u>308,824</u>
RECONCILIATION TO THE STATEMENT OF NET ASSETS:			
Total fund equity reported above			\$ 262,026
Add capital assets not reported above		42,580	
Less accumulated depreciation		<u>(25,745)</u>	
Net Capital Assets			16,835
Less liabilities not reported above:			
Total liabilities not reported above			<u>-</u>
Deferred revenues for property taxes and franchise fees receivable			8,056
Net Assets			<u>\$ 286,917</u>

See accompanying notes to financial statements.

CITY OF DOVER
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
 YEAR ENDED SEPTEMBER 30, 2006

	General Fund	Street Fund	Total
Revenues:			
Property Taxes	\$ 37,480	-	37,480
Other Governmental	46,318	239,885	286,203
Interest	7,540	-	7,540
Other Income	114,943	13,000	127,943
Total Revenues	206,281	252,885	459,166
Expenditures:			
General Government	205,470	-	205,470
Highways and Streets	-	250,427	250,427
Capital Expenditures	3,872	-	3,872
Total Expenditures	209,342	250,427	459,769
Excess of Revenues Over Expenditures	(3,061)	2,458	(603)
Other Sources (Uses):			
Transfers from Other Funds	-	-	-
Total Other Sources (Uses)	-	-	-
Net Change in Fund Balance	(3,061)	2,458	(603)
Fund Balance - October 1,	224,743	37,886	262,629
Fund Balance - September 30,	\$ 221,682	40,344	262,026

See accompanying notes to financial statements.

CITY OF DOVER

Reconciliation of the
Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities

Year Ended September 30, 2006

Changes in fund balances as reported on the governmental funds statements	\$ (603)
Increase in current property taxes not reflected in revenue on the governmental funds statements	1,907
Amounts reported as expenditures on the governmental funds statements not included as expenses on the government-wide statements:	
Capital Expenses	3,872
Total expenses on the governmental fund statement not included on the government-wide statement	3,872
Income on the government-wide statement of activity not included on the governmental funds statements:	
Unearned revenue	3,942
Total expenses on the governmental fund statement not included on the government-wide statement	3,942
Expenses on the government-wide statement of activity not included on the governmental funds statements:	
Depreciation	(3,162)
Total expenses on the government-wide statement of activity not included on the governmental funds statements:	(3,162)
Change in net assets on the government-wide statements	<u>\$ 5,956</u>

See accompanying notes to financial statements.

CITY OF DOVER
STATEMENT OF NET ASSETS
ALL PROPRIETARY FUNDS
SEPTEMBER 30, 2006

	Water Fund	Sewer Fund	Total
ASSETS			
CURRENT ASSETS:			
Cash & Investments	\$ 168,945	299,096	468,041
Accounts Receivable (net)	2,725	6,360	9,085
Total Current Assets	171,670	305,456	477,126
Land	5,600	168,541	174,141
Capital Assets	1,124,134	3,091,036	4,215,170
Accumulated Depreciation	(294,920)	(501,604)	(796,524)
Total Capital Assets	834,814	2,757,973	3,592,787
TOTAL ASSETS	\$ 1,006,484	3,063,429	4,069,913
LIABILITIES			
CURRENT LIABILITIES:			
Accounts Payable	\$ 3,805	7,447	11,252
Payroll, Benefits, & Taxes Payable	2,170	3,313	5,483
Interfund Balances	2,987	35,547	38,534
Accrued Interest Payable	594	1,578	2,172
Customer Deposits	-	600	600
Current Portion of Long Term Debt	8,221	21,840	30,061
Total Current Liabilities	17,777	70,325	88,102
LONG TERM LIABILITIES:			
Notes Payable, net of current portion	165,280	439,036	604,316
Total Long Term Liabilities	165,280	439,036	604,316
TOTAL LIABILITIES	183,057	509,361	692,418
NET ASSETS			
Invested in Capital Assets	661,313	2,297,097	2,958,410
Unrestricted	145,218	212,087	357,305
Restricted	16,896	44,884	61,780
Total Net Assets	\$ 823,427	2,554,068	3,377,495

See accompanying notes to financial statements.

CITY OF DOVER
 STATEMENT OF INCOME AND CHANGES IN NET ASSETS
 ALL PROPRIETARY FUND TYPES
 YEAR ENDED SEPTEMBER 30, 2006

	Water Fund	Sewer Fund	Total
Operating Revenues:			
Charges for Services	\$ 45,491	108,392	153,883
Hookups & Other	4,167	26,753	30,920
Total Operating Revenues	49,658	135,145	184,803
Operating Expenses:			
Administrative	34,536	55,074	89,610
Maintenance & Operations	17,061	59,563	76,624
Depreciation	28,163	52,785	80,948
Total Operating Expenses	79,760	167,422	247,182
Operating Income (Loss)	(30,102)	(32,277)	(62,379)
Non-Operating Revenues (Expenses):			
Interest Income	19,832	37,794	57,626
Interest Expense	(8,720)	(22,368)	(31,108)
Total Non-Operating Revenue (Expenses)	11,112	15,406	26,518
Change in Net Assets	(18,990)	(16,871)	(35,861)
Net Assets - October 1,	842,417	2,570,939	3,413,356
Net Assets - September 30,	\$ 823,427	2,554,068	3,377,495

See accompanying notes to financial statements.

CITY OF DOVER
STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2006

	Proprietary Fund Types		
	Water	Sewer	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from Customers and Users	\$ 55,502	126,966	182,468
Payments to Employees	(32,281)	(49,207)	(81,488)
Payments to Suppliers	(23,747)	(90,282)	(114,029)
Net Cash Provided by Operating Activities	(526)	(12,523)	(13,049)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from Revenue Bonds & Notes Payable	177,500	471,500	649,000
Repayment on Revenue Bonds & Notes Payable	(181,475)	(491,520)	(672,995)
Payments for Capital Acquisitions	(104,803)	(87,477)	(192,280)
Interest Paid on Long Term Liabilities	(8,859)	(35,626)	(44,495)
Net Cash Used by Capital and Related Financing Activities	(117,647)	(143,123)	(260,770)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest on Bank Balances	19,832	37,794	57,626
Net Cash Provided by Investing Activities	19,832	37,794	57,626
Net Increase in Cash and Cash Equivalents	(98,341)	(117,852)	(216,193)
Cash and Cash Equivalents, October 1,	267,286	416,948	684,234
Cash and Cash Equivalents, September 30,	\$ 168,945	299,096	468,041
RECONCILIATION OF OPERATING INCOME(LOSS) TO NET CASH PROVIDED BY OPERATIONS:			
Operating Income (Loss)	\$ (30,102)	(32,277)	(62,379)
Adjustments to Reconcile to Cash Flow:			
Depreciation	28,163	52,785	80,948
(Increase)/Decrease in Receivables	5,844	(8,179)	(2,335)
Increase/(Decrease) in Accounts Payable & Accrued Expenses	(4,431)	(24,852)	(29,283)
Total Adjustments	29,576	19,754	49,330
Net Cash Provided by Operating Activities	\$ (526)	(12,523)	(13,049)
SUPPLEMENTAL DISCLOSURES:			
Interest Paid	\$ 8,869	35,626	44,495

See accompanying notes to financial statements.