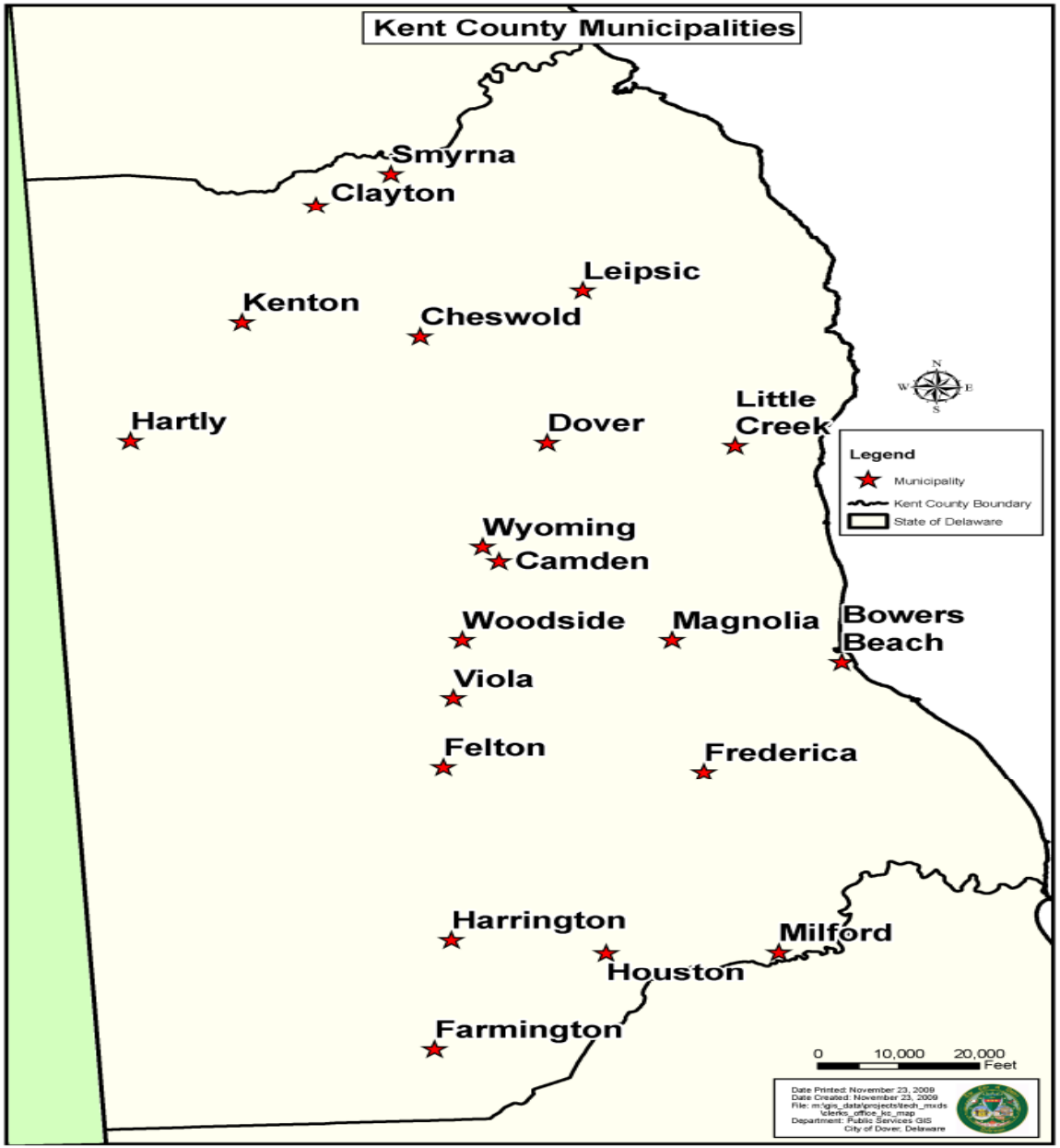
PROPERTY TAX RELIEF AND LOCAL SERVICE FUNCTION BUDGET

CITY OF DOVER – JANUARY 2010

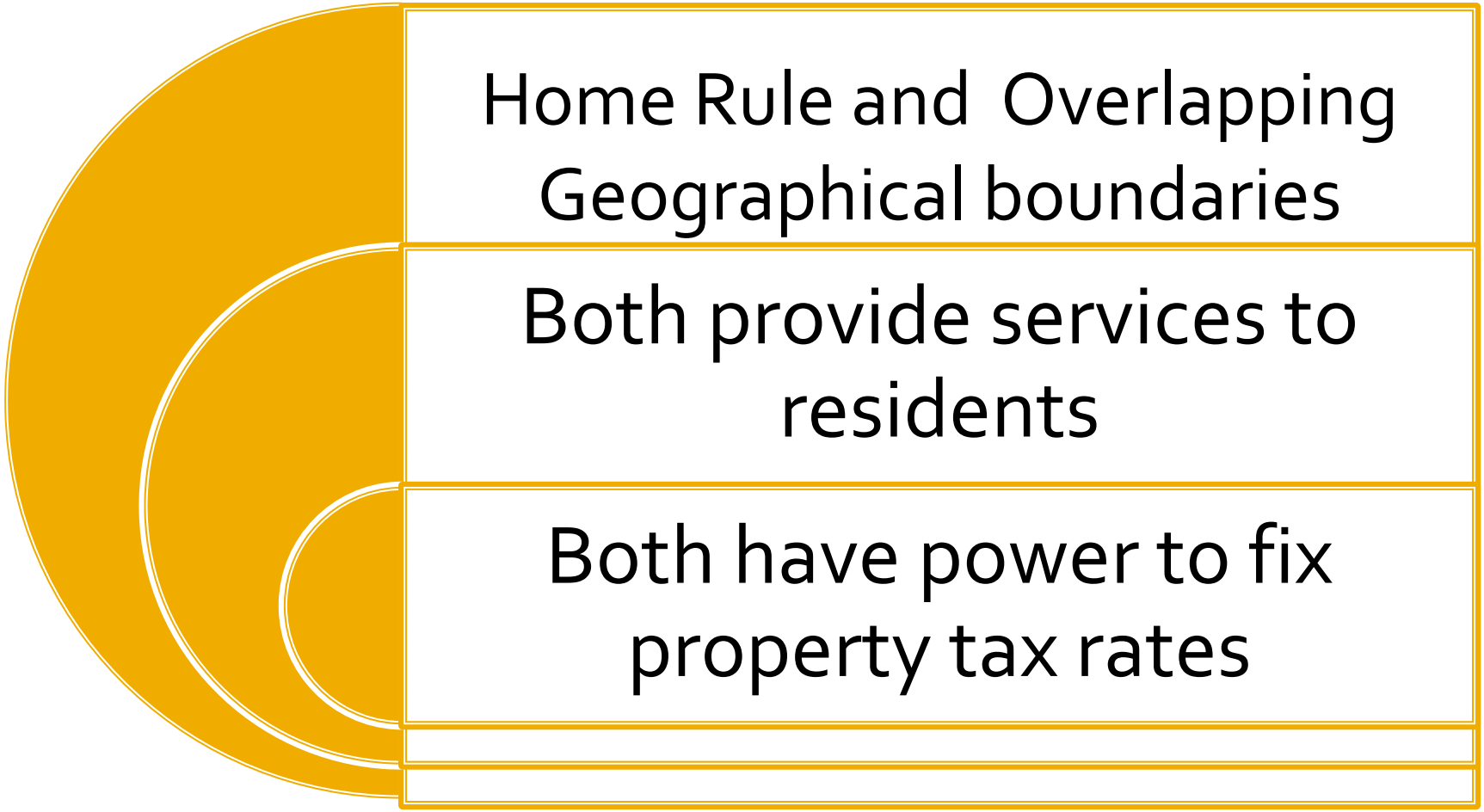
This slide presentation is a revision of a similar presentation made at a Council Workshop held on December 7, 2009

EXHIBIT #1
COUNCIL WORKSHOP OF 12/07/2009

Kent County Incorporated Municipalities



Kent County Incorporated Municipalities (Continued)



Kent County Real Property Taxes 2009-2010

(source: Delaware Property Tax Rates 2009-2010 Prepared by: Industry Research & Analysis Center, Delaware Economic Development Office)

KENT COUNTY REAL PROPERTY TAXES, 2009-2010

County:

Tax Rate/$100 Assessment	Assessment Ratio	County Capitation Tax	School Capitation Tax	Date of Last Assessment
$0.310	60%	NONE	See Footnotes	1987

Incorporated Areas:

School District/City	County Rate	School Rate	City Rate	Library Rate	Vo-Tech Rate	Total Tax Rate Per $100 Assessment
Caesar Rodney						
Camden*	$0.310	$1.1250	$1.2000	$0.0370	$0.1219	$2.794
Dover*	$0.310	$1.1250	$0.3300	$0.0000	$0.1219	$1.887
Magnolia	$0.310	$1.1250	$0.4000	$0.0370	$0.1219	$1.994
Woodside	$0.310	$1.1250	$0.2500	$0.0370	$0.1219	$1.844
Wyoming	$0.310	$1.1250	$1.1000	$0.0370	$0.1219	$2.694
Capital						
Cheswold	$0.310	$1.5435	$0.6000	$0.0370	$0.1219	$2.612
Dover*	$0.310	$1.5435	$0.3300	$0.0000	$0.1219	$2.305
Hartly	$0.310	$1.5435	$0.0200	$0.0370	$0.1219	$2.032
Leipsic	$0.310	$1.5435	$0.6500	$0.0370	$0.1219	$2.662
Little Creek*	$0.310	$1.5435	$0.3500	$0.0370	$0.1219	$2.362
Lake Forest						
Bowers Beach	$0.310	$1.1600	$0.3000	$0.0370	$0.1219	$1.829
Felton	$0.310	$1.1600	$0.6100	$0.0370	$0.1219	$2.239
Frederica	$0.310	$1.1600	$0.6500	$0.0370	$0.1219	$2.279
Harrington	$0.310	$1.1600	$0.7100	$0.0000	$0.1219	$2.302
Viola	$0.310	$1.1600	$0.2000	$0.0370	$0.1219	$1.829
Milford						
Houston	$0.310	$1.2422	$0.1200	$0.0000	$0.1219	$1.794
Milford*	$0.310	$1.2422	$0.4600	$0.0000	$0.1219	$2.134
Smyrna						
Clayton	$0.310	$1.2600	$0.6500	$0.0370	$0.1219	$2.379
Kenton	$0.310	$1.2600	$0.1200	$0.0370	$0.1219	$1.849
Smyrna*	$0.310	$1.2600	$0.2526	$0.0000	$0.1219	$1.945
Woodbridge						
Farmington	$0.310	$1.2130	$0.5500	$0.0370	$0.1219	$2.232

Unincorporated Areas:

School District	County Rate	School Rate	Library Rate	Vo-Tech Rate	Total Tax Rate Per $100 Assessment
Caesar Rodney	$0.310	$1.1250	$0.0370	$0.1219	$1.594
Capital	$0.310	$1.5435	$0.0370	$0.1219	$2.012
Lake Forest	$0.310	$1.1600	$0.0370	$0.1219	$1.629
Milford	$0.310	$1.2422	$0.0000	$0.1219	$1.674
Smyrna	$0.310	$1.2600	$0.0370	$0.1219	$1.729
Woodbridge	$0.310	$1.2130	$0.0370	$0.1219	$1.682

* **SEE FOOTNOTES AT END OF REPORT.**

All taxable parcels in Kent County are valued as of the date of the last reassessment, which is June 1, 1987, using building construction costs and land values prevailing as of that date. The taxable assessment is obtained by multiplying the 1987 market value by 60% (0.60). The ad valorem tax is calculated by multiplying the taxable assessment by the tax rate. To find out the assessed value of a particular property, please contact the Kent County Assessment Office at 302-744-2401 or visit their website at http://www.co.kent.de.us/Departments/Finance/assessment.htm

Kent County Real Property Taxes
2009-2010

- Kent County tax rate is the same for property tax payers in incorporated and unincorporated areas
- Non-municipal property tax payers pay ***only*** Kent County property taxes
- Municipal property tax payers pay ***both City and County property taxes***

Kent County Levy Court Property Taxes
Dover's Share of Revenue Collected by Kent County
FY 2009-2010

- Total Kent County Property Assessments - $3.193 Billion (1)
- Total Property Tax Collected by Kent County - $9.481 Million
- Kent County's Assessment of Dover Properties for Tax Levy - $832 Million
- Kent County's Taxes Collected on all Dover Properties - $2.579 Million
  - Residential - $1,274,497
  - Commercial /Condo - $1,304,265
- Dover City's Share of All Property Taxes Collected by Kent County – 27.20%

1. Kent County Assessment Office – Assessment as of July 1, 2009

Duplication of Local Service Functions in Kent County

Kent County uses property tax and other revenue to pay for similar or the same services provided by Dover and other incorporated municipalities

Expenditures for Local Service Functions
(City of Dover and Kent County Budgets – 2009-2010)

	Dover General Fund	Kent County General Fund
Public Safety	$ 12,352,139	$ 5,866,600
Life Safety	$ 422,029	$ 178,900
Library Services	$ 1,148,716	$ 1,321,400
Parks & Recreation	$ 1,877,078	$ 2,143,900
Building Inspection & Code Enforcement	$ 895,408	$ 1,848,800
Land Use Planning	$ 409,335	$ 1,806,900
Tax Assessment	$ 572,526	$ 1,345,300
Total	$ 17,677,231	$ 14,511,800

Sources: FY 2010 City of Dover Budget
FY 2010 Kent County Budget

Double Taxation

Municipal property tax payers pay for services once through their local property tax and a second time through Kent County Government but receive limited or no benefit from the second payment.

In other words they are paying for a service twice and only receiving it once.

Credit is not given for local service functions performed by incorporated municipalities.

Municipal property tax payers in Kent County are subsidizing non-municipal property tax payers.

The Delaware Solution: The Local Service Function Budget

- A Local Service Function Budget divides and segregates in a separate budget all expenditures for the performance of local service functions which are not performed by the County within the limits of any municipality.

Annual Revenue Ordinance of New Castle County

New Castle County Home Rule in 1967

Budgeting provisions in 55 Del. Laws, c.85 require an Annual Budget divided into : General Operating Budget and Local Service Function Budget*

Adjustments to New Castle County Tax Rates

*9 Del.Code, Chapter 11, Sections 1102 and 1131

Introduced by: Mr. Smiley, Mr. Tansey
Date of Introduction: April 14, 2009

ORDINANCE NO. 09-010

THE ANNUAL REVENUE ORDINANCE OF NEW CASTLE COUNTY FOR THE FISCAL YEAR BEGINNING JULY 1, 2009

WHEREAS, it has been certified to the County Council that the total value of all real property in the County which has been assessed and is subject to taxation is $17,864,227,198 net of tax abatements.

THE COUNTY OF NEW CASTLE HEREBY ORDAINS:

Section 1. A tax upon all of the real property in New Castle County is hereby established and levied at the rate of 24.36 cents for each one hundred dollars of assessed valuation (based on 100 percent of July 1, 1983 fair market value) for the fiscal year beginning July 1, 2009, and ending June 30, 2010, to pay the costs of the General Operating Budget.

Section 2. A tax upon the real property in the following listed areas of New Castle County at the following listed rates for each one hundred dollars of assessed valuation is hereby established and levied for the fiscal year beginning July 1, 2009, and ending June 30, 2010, to pay costs under the Local Service Function Budget.

Location	Tax Rate in Cents Per $100 of Assessed Valuation
Those portions of New Castle County not within any of the following incorporated municipalities	45.82
Arden	33.85
Ardencroft	33.85
Ardentown	33.85
Bellefonte	15.12
Delaware City	0.93
Elsmere	7.57
Middletown	0.93
Newark	0.00
New Castle	0.93
Newport	4.02
Odessa	12.04
Townsend	13.90
Wilmington	0.00

Section 3. A tax upon the real property in the light districts in New Castle County established pursuant to Chapter 21, Title 9, Delaware Code, is hereby established and levied for light districts at the following rates for each one hundred dollars of assessed valuation for the fiscal year beginning July 1, 2009, and ending June 30, 2010 to pay the cost of street and highway illumination:

Annual Revenue Ordinance of New Castle County

- Section 1 – General Operating Budget
  - Property tax rate for all County property owners to pay for the costs of the Operating Budget (at 24.32 cents per $100 of assessed value)
- Section 2 – Local Service Function Budget
  - Property tax rate for those portions of New Castle County outside of incorporated municipalities to pay the costs of the Local Service Function Budget (at 45.82 cents per $100 of assessed value)
  - Property tax rate for properties within incorporated municipalities (a differential rate based on local service function provides credit for services a municipality has performed and intends to continue to perform through June 30, 2010)

New Castle County Real Property Taxes – 2009-2010 (Source: DEDO Report)

NEW CASTLE COUNTY REAL PROPERTY TAXES, 2009-2010

County:

Tax Rate/$100 Assessment	Assessment Ratio	County Capitation Tax	Date of Last Assessment
$0.7018	100%	NONE	1983

Incorporated Areas:

School District/City	County Rate	School Rate	City Rate	Crossing Guard Rate	Vo-Tech Rate	Total Tax Rate Per $100 Assessment
Appoquinimink						
Middletown	$0.2529	$1.4720	$0.3000	$0.02257	$0.1370	$2.1845
Odessa						
Residential	$0.3640	$1.4720	$0.2000	$0.02257	$0.1370	$2.1956
Business	$0.3640	$1.4720	$0.7500	$0.02257	$0.1370	$2.7456
Townsend	$0.3826	$1.4720	$0.2500	$0.02257	$0.1370	$2.2742
Brandywine						
Arden**	$0.5821	$1.8216	$0.0000	$0.01836	$0.1370	$2.5590
Ardencroft	$0.5821	$1.8216	$0.0000	$0.01836	$0.1370	$2.5590
Ardentown	$0.5821	$1.8216	$0.0000	$0.01836	$0.1370	$2.5590
Bellefonte	$0.3648	$1.8216	$0.2500	$0.01836	$0.1370	$2.8217
Wilmington	$0.2436	$1.8216	$1.0064	$0.00000	$0.1370	$3.0085
Christina						
Newark	$0.2436	$1.5170	$0.5558	$0.02064	$0.1370	$2.4740
Wilmington	$0.2436	$1.5170	$1.6064	$0.00000	$0.1370	$3.5040
Colonial						
Delaware City	$0.2529	$1.4120	$1.0900	$0.00956	$0.1370	$2.9019
New Castle	$0.2529	$1.4120	$1.2000	$0.00956	$0.1370	$3.0119
Wilmington	$0.2436	$1.4120	$1.6064	$0.00000	$0.1370	$3.3990
Red Clay						
Elsmere**						
Residential	$0.3183	$1.6740	$0.0750	$0.02101	$0.1370	$3.0253
Business	$0.3183	$1.6740	$1.2000	$0.02101	$0.1370	$3.3513
Newport	$0.2939	$1.6740	$0.9315	$0.02101	$0.1370	$3.0474
Wilmington	$0.2436	$1.6740	$1.6064	$0.00000	$0.1370	$3.6610
Smyrna						
Smyrna	$0.7018	$1.0026	$0.2528	$0.0000	$0.1218	$2.0788

Unincorporated Areas:

School District	County Rate	School Rate	Crossing Guard Rate	Vo-Tech Rate	Total Tax Rate Per $100 Assessment
Appoquinimink	$0.7018	$1.4720	$0.02257	$0.1370	$2.3334
Brandywine	$0.7018	$1.8216	$0.01836	$0.1370	$2.6787
Christina	$0.7018	$1.5170	$0.02064	$0.1370	$2.3764
Colonial	$0.7018	$1.4120	$0.00956	$0.1370	$2.2907
Red Clay	$0.7018	$1.6740	$0.02101	$0.1370	$2.5339
Smyrna	$0.7018	$1.0026	$0.00000	$0.1218	$1.8262

** SEE FOOTNOTES AT END OF REPORT.

New Castle County assessed values are based on 100% of the July 1, 1983 fair market value. The last countywide revaluation was in 1983, with the changes effective July 1, 1985. These values are for tax purposes only. There is no ratio or percentage to equate the 1983 values to the current market values. The assessed value for a particular property may be found on the New Castle County Land Use Website at www.nccdelu.org and click on property information.

New Castle County Real Property Taxes – 2009-2010 (Source: DEDO Report)

- Tax Relief for Municipal Property Owners in New Castle County.
- The property tax millage rate in support of the L.S.F.B. is reduced for municipal property tax payers by a factor that accounts for the expenditures of municipal governments for the performance of local service functions.
- Individual tax payer equity is achieved on individual's property tax payment to New Castle County pegged at least proportionately to the benefits the tax payer receives from the County.

Town of Middletown's L.S.F. Application FY 2010

Middletown claimed credit for Local Service Functions that included:

- ❖ Police Operations
- ❖ Long Range Comprehensive Planning
- ❖Code Enforcement
- ❖Zoning & Subdivision Regulations & Enforcement
- ❖Building Inspections & Plan Review
- ❖Recreation Programs & Operation of Local Parks

NEW CASTLE COUNTY

Local Service Function Application – Fiscal Year 2010

Town of Middletown

FUNCTION	(1) Credit Claimed	Operating and Maintenance Expenses (2) Actual Expenditures	Operating and Maintenance Expenses (3) Current Budget	Capital and Construction Expenses (2) Actual Expenditures	Capital and Construction Expenses (3) Current Budget
POLICE:					
Police Operations	X	$1,979,881	$2,791,494	$1,389,228	$3,584,580
Municipally provided Fire, Ambulance (Basic Life), and Rescue					
911 Emergency Communications					
Dog Control Services					
LAND USE:					
Long-Range Comprehensive Planning	X	$8,183	$11,500		
Code Enforcement	X	$192,025	$170,375		
Zoning & Subdivision Regulations and Enforcement	X	$192,025	$170,375		
Building Inspections and Plan Review	X	$576,075	$511,124		
COMMUNITY SERVICES:					
Recreation Programs	X	$58,159	$72,122		
Municipality provided Low-Income Housing					
SPECIAL SERVICES					
Operation of Local Parks	X	$612,604	$728,661	$2,082,758	$3,190,805

(1) Check this column if local service function credit is claimed for this function during New Castle County's fiscal year 2010 (July 1, 2009 to June 30, 2010).

(2) Enter actual expenditures for this function for the last completed fiscal year (please attach a copy of audit if available).

(3) Enter budgeted expenditures for this function from the current year's budget (please attach a copy of the budget).

Certification:

- I certify that this municipality has performed the functions for which credit is claimed and intends to continue these functions through June 30, 2010.
- "Actual Expenditures" are for the municipal fiscal year ended 06/30/08 and are correct to the best of my knowledge.
- "Current Budget" figures are for the municipal fiscal year ended 06/30/09 and are correct to the best of my knowledge.

Signature | Finance Manager *Title* | 12/22/08 *Date*

Effect of Middletown's L.S.F.B

- Reduction of the rate for the L.S.F.B. from 45.82 cents to less than one (1) cent (.93 cents per $100 of assessed valuation)

- Comparing Middletown County property taxes to unincorporated areas, Middletown property tax payers pay 25 cents versus 70 cents per $100 of assessed value

Kent County Real Property Taxes 2009-2010

L.S.F.B. provisions were NOT included in The Kent County Home Rule legislation

All Kent County property tax payers pay the same rate

Credit is not given for local service functions performed by incorporated municipalities

KENT COUNTY REAL PROPERTY TAXES, 2009-2010

County:

Tax Rate/$100 Assessment	Assessment Ratio	County Capitation Tax	School Capitation Tax	Date of Last Assessment
$0.310	60%	NONE	See Footnotes	1987

Incorporated Areas:

School District/City	County Rate	School Rate	City Rate	Library Rate	Vo-Tech Rate	Total Tax Rate Per $100 Assessment
Caesar Rodney						
Camden*	$0.310	$1.1250	$1.2000	$0.0370	$0.1219	$2.794
Dover*	$0.310	$1.1250	$0.3300	$0.0000	$0.1219	$1.887
Magnolia	$0.310	$1.1250	$0.4000	$0.0370	$0.1219	$1.994
Woodside	$0.310	$1.1250	$0.2500	$0.0370	$0.1219	$1.844
Wyoming	$0.310	$1.1250	$1.1000	$0.0370	$0.1219	$2.694
Capital						
Cheswold	$0.310	$1.5435	$0.6000	$0.0370	$0.1219	$2.612
Dover*	$0.310	$1.5435	$0.3300	$0.0000	$0.1219	$2.305
Hartly	$0.310	$1.5435	$0.0200	$0.0370	$0.1219	$2.032
Leipsic	$0.310	$1.5435	$0.6500	$0.0370	$0.1219	$2.662
Little Creek*	$0.310	$1.5435	$0.3500	$0.0370	$0.1219	$2.362
Lake Forest						
Bowers Beach	$0.310	$1.1600	$0.3000	$0.0370	$0.1219	$1.929
Felton	$0.310	$1.1600	$0.6100	$0.0370	$0.1219	$2.239
Frederica	$0.310	$1.1600	$0.6500	$0.0370	$0.1219	$2.279
Harrington	$0.310	$1.1600	$0.7100	$0.0000	$0.1219	$2.302
Viola	$0.310	$1.1600	$0.2000	$0.0370	$0.1219	$1.829
Milford						
Houston	$0.310	$1.2422	$0.1200	$0.0000	$0.1219	$1.794
Milford*	$0.310	$1.2422	$0.4600	$0.0000	$0.1219	$2.134
Smyrna						
Clayton	$0.310	$1.2600	$0.6500	$0.0370	$0.1219	$2.379
Kenton	$0.310	$1.2600	$0.1200	$0.0370	$0.1219	$1.849
Smyrna*	$0.310	$1.2600	$0.2526	$0.0000	$0.1219	$1.945
Woodbridge						
Farmington	$0.310	$1.2130	$0.5500	$0.0370	$0.1219	$2.232

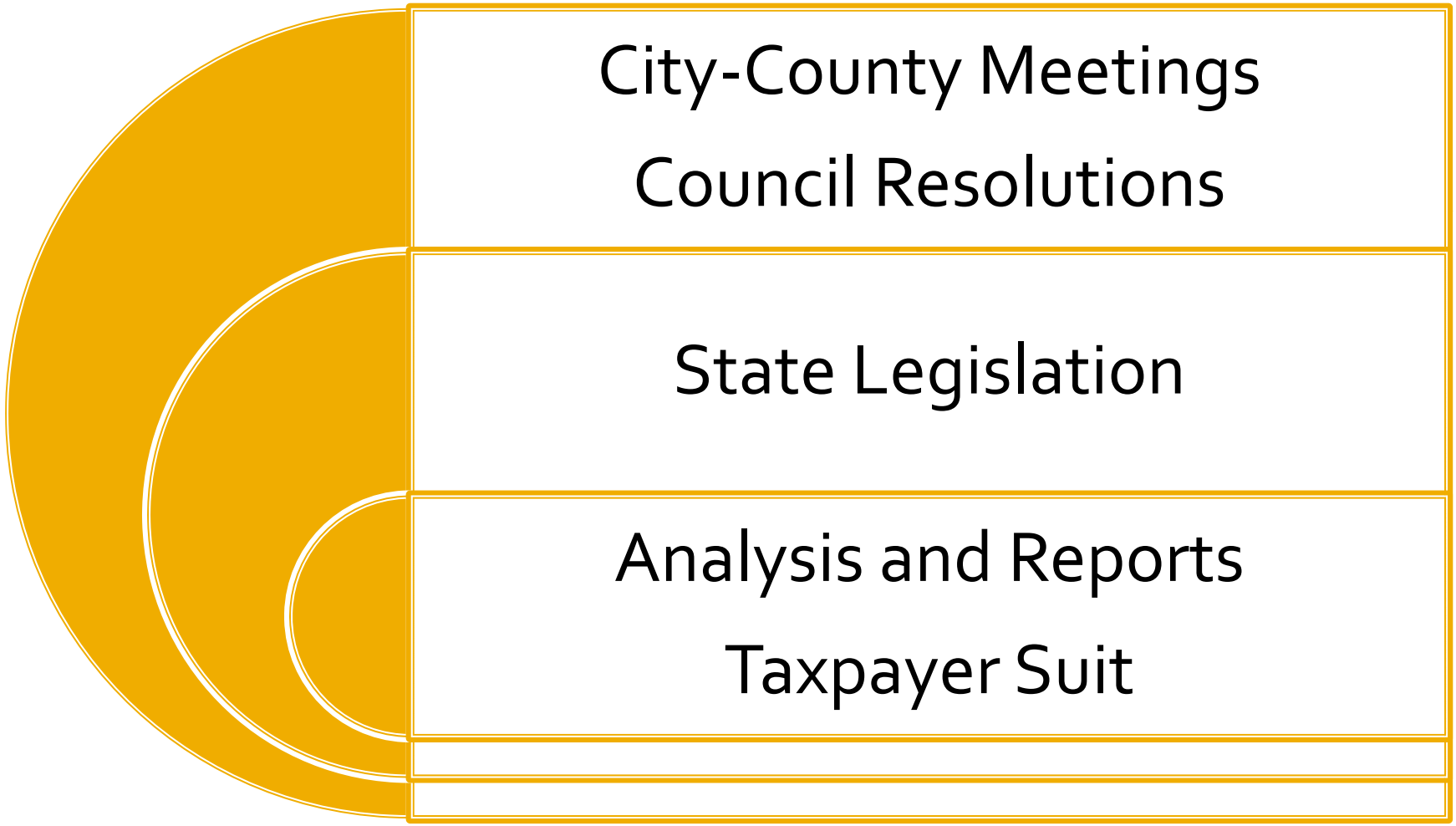
Unincorporated Areas:

School District	County Rate	School Rate	Library Rate	Vo-Tech Rate	Total Tax Rate Per $100 Assessment
Caesar Rodney	$0.310	$1.1250	$0.0370	$0.1219	$1.594
Capital	$0.310	$1.5435	$0.0370	$0.1219	$2.012
Lake Forest	$0.310	$1.1600	$0.0370	$0.1219	$1.629
Milford	$0.310	$1.2422	$0.0000	$0.1219	$1.674
Smyrna	$0.310	$1.2600	$0.0370	$0.1219	$1.729
Woodbridge	$0.310	$1.2130	$0.0370	$0.1219	$1.682

* **SEE FOOTNOTES AT END OF REPORT.**

All taxable parcels in Kent County are valued as of the date of the last reassessment, which is June 1, 1987, using building construction costs and land values prevailing as of that date. The taxable assessment is obtained by multiplying the 1987 market value by 60% (0.60). The ad valorem tax is calculated by multiplying the taxable assessment by the tax rate. To find out the assessed value of a particular property, please contact the Kent County Assessment Office at 302-744-2401 or visit their website at http://www.co.kent.de.us/Departments/Finance/assessment.htm

City of Dover's Efforts to Establish Local Service Function Budget in Kent County



How Much Tax Relief for Dover Property Tax Payers?

NEW CASTLE COUNTY REAL PROPERTY TAXES, 2009-2010

County:

Tax Rate/$100 Assessment	Assessment Ratio	County Capitation Tax	Date of Last Assessment
$0.7018	100%	NONE	1983

Incorporated Areas:

School District/City	County Rate	School Rate	City Rate	Crossing Guard Rate	Vo-Tech Rate	Total Tax Rate Per $100 Assessment
Appoquinimink						
Middletown	$0.2529	$1.4720	$0.3000	$0.02257	$0.1370	$2.1845
Odessa						
Residential	$0.3640	$1.4720	$0.2000	$0.02257	$0.1370	$2.1956
Business	$0.3640	$1.4720	$0.7500	$0.02257	$0.1370	$2.7456
Townsend	$0.3826	$1.4720	$0.2600	$0.02257	$0.1370	$2.2742
Brandywine						
Arden**	$0.5821	$1.8215	$0.0000	$0.01835	$0.1370	$2.5590
Ardencroft	$0.5821	$1.8215	$0.0000	$0.01835	$0.1370	$2.5590
Ardentown	$0.5821	$1.8215	$0.0000	$0.01835	$0.1370	$2.5590
Bellefonte	$0.3948	$1.8215	$0.4500	$0.01835	$0.1370	$2.8217
Wilmington	$0.2436	$1.8215	$1.6064	$0.00000	$0.1370	$3.8085
Christina						
Newark	$0.2436	$1.5170	$0.5558	$0.02064	$0.1370	$2.4740
Wilmington	$0.2436	$1.5170	$1.6064	$0.00000	$0.1370	$3.5040
Colonial						
Delaware City	$0.2529	$1.4120	$1.0900	$0.00986	$0.1370	$2.9018
New Castle	$0.2529	$1.4120	$1.2000	$0.00986	$0.1370	$3.0118
Wilmington	$0.2436	$1.4120	$1.6064	$0.00000	$0.1370	$3.3990
Red Clay						
Elsmere**						
Residential	$0.3193	$1.6740	$0.8750	$0.02101	$0.1370	$3.0263
Business	$0.3193	$1.6740	$1.2000	$0.02101	$0.1370	$3.3513
Newport	$0.2838	$1.6740	$0.9315	$0.02101	$0.1370	$3.0473
Wilmington	$0.2436	$1.6740	$1.6064	$0.00000	$0.1370	$3.6610
Smyrna						
Smyrna	$0.7018	$1.0026	$0.2526	$0.0000	$0.1218	$2.0788

Unincorporated Areas:

School District	County Rate	School Rate	Crossing Guard Rate	Vo-Tech Rate	Total Tax Rate Per $100 Assessment
Appoquinimink	$0.7018	$1.4720	$0.02257	$0.1370	$2.3334
Brandywine	$0.7018	$1.8215	$0.01835	$0.1370	$2.6787
Christina	$0.7018	$1.5170	$0.02064	$0.1370	$2.3764
Colonial	$0.7018	$1.4120	$0.00986	$0.1370	$2.2607
Red Clay	$0.7018	$1.6740	$0.02101	$0.1370	$2.5338
Smyrna	$0.7018	$1.0026	$0.00000	$0.1218	$1.8262

** SEE FOOTNOTES AT END OF REPORT.

New Castle County assessed values are based on 100% of the July 1, 1983 fair market value. The last countywide revaluation was in 1983, with the changes effective July 1, 1985. These values are for tax purposes only. There is no ratio or percentage to equate the 1983 values to the current market values. The assessed value for a particular property may be found on the New Castle County Land Use Website at www.nccdelu.org and click on property information.

Dover is a full-service community, like Newark and Wilmington – a similar tax rate adjustment could be suggested.

Newark and Wilmington FY 09-10 L.S.F.B. expenditures Have resulted in a 65% tax rate differential.

N.C. tax rate for unincorporated area - $0.7018 per $100 of assessed value.

N.C. tax rate for Wilmington/Newark - $0.2436 per $100 of assessed value.

ADJUSTMENT REPRESENTS A **65% DIFFERENCE** OR $0.4536 PER $100 OF ASSESSED VALUE.

With that level of adjustment, Dover property tax payers would pay 11 cents per $100 of assessed value to Kent County instead of 31 cents per $100 of assessed value.

What's Next?

- Focus on advocating adjustment to property tax rate (L.S.F.B.)
- Annual Lump sum compensation/reimbursement
- Service Consolidation
- Special Tax Districts
- Assess proposed solutions on a service-by-service basis
- L.S.F.B. plus service consolidation

City of Dover

MAYOR AND COUNCIL

COUNCIL RESOLUTION NO. 2009-23

A RESOLUTION PROPOSING ADOPTION OF A LOCAL SERVICE FUNCTION BUDGET FOR KENT COUNTY

WHEREAS, the City of Dover provides many local service functions to its residents that are duplicated by Kent County; such as, planning, zoning, engineering, assessments, mapping, code enforcement, parks and recreation, and library; and

WHEREAS, the City of Dover also provides many other local service functions to its residents not furnished by Kent County, such as police protection, fire protection, licensing, street maintenance, street cleaning, street lighting, snow removal, trash collection, and ambulance services; and

WHEREAS, these local service functions provided by the City of Dover are largely financed by taxation of real property within the corporate limits of the City of Dover and WHEREAS, Kent County also assesses and collects real property taxes from property owners of the City of Dover without offering relief from county taxation for local service functions provided by the City of Dover which are financed by the same taxpayers; and

WHEREAS, double taxation of property owners in the City of Dover for the same or similar functions is inequitable and unjust and the City of Dover has sought to have the Levy Court of Kent County give recognition to the local services concept and give tax relief to residents of Dover and other incorporated municipalities that provide local services; and

WHEREAS, the General Assembly of the State of Delaware has granted New Castle County local service function legislation that provides relief to taxpayers of municipalities where local service functions are furnished; and

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

1. That a bill be prepared for introduction in the State Legislature authorizing and directing Kent County to prepare its annual budgets in accordance with the Local Services Function Concept.

2. That our State Senators and Representatives be requested to sponsor and support the passage of such legislation.

3. That the Levy Court of Kent County and all incorporated municipalities in the county be furnished a copy of this Resolution.

4. That the Levy Court of Kent County and all incorporated municipalities in the county be requested to support the passage and approval of such legislation.

ADOPTED: DECEMBER 14, 2009

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CARLETON E. CAREY, SR.
MAYOR

BEVERLY C. WILLIAMS
COUNCIL PRESIDENT