CITY OF DOVER PROPOSED ORDINANCE #2009-17

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

That Chapter 2 – Administration, Article IV - Officers and Employees, Division I - Generally - Section 2-201 - Compensation and Expenses for Mayor, Council, Employees and Other Elected or Appointed Officials be amended by inserting the text indicated in bold, blue, italics and deleting the text indicated in red strikeout as follows:

Sec. 2-201. Compensation and expenses for mayor, council, employees and other elected or appointed officials.

In accordance with section 12 of the Charter, authorizing the council to establish compensation and expenses for the mayor and councilmembers, city employees and other elected or appointed officials, the following fees are hereby established:

(1) *Mayor.* The mayor shall receive an annual salary of $45,000.00. For the period beginning July 27, 2009 and ending July 26, 2010, the mayor shall receive an annual salary of $44,100. In addition, the mayor shall receive an expense allotment of up to $5,000.00, to be included in the city's annual budget, for miscellaneous expenses, to be reimbursed upon submission of receipts or proper documentation. Expenses in excess of this amount shall only be permitted by council approval. The mayor shall be entitled to all benefits customary to an employee of the city, except pension benefits, and sick and vacation leave.

(2) *Councilmembers generally.* Each councilmember shall receive an annual salary of $7,416, to be paid monthly. For the period beginning July 27, 2009 and ending July 26, 2010,each councilmember shall receive an annual salary of $6,674.40, to be paid monthly. The council president shall receive an annual salary of $8,652, to be paid monthly. For the period beginning July 27, 2009 and ending July 26, 2010, the council president shall receive an annual salary of $7,786.80, to be paid monthly. Councilmembers shall receive reimbursement for actual and necessary expenses incurred when on official business as prescribed by ordinance or policy.

(3) ~~***Councilmembers hearing appeals***~~ ***Board of Assessment Appeals***. ~~Members of the council~~ ***Each appointed member of the board*** sitting to hear appeals from the municipal assessment shall receive ~~**$50.00**~~ ***$75.00*** ~~**for**~~ per diem reimbursement for expenses for the preparation and attendance ~~**of**~~ ***at*** each meeting of the **board of** assessment appeals. ~~**committee**~~.

Line #28 - Amendment Requires Council Action

Line #26, 27, and 29 - Amendments Adopted by Resolution No. 2009-02 on 01/26/2009 - Recommendation of IAAO - Assessment Change #14

(4) *Nonemployee election officers*. Each person not a city employee appointed to serve as an election judge for any municipal election shall receive $200.00 for per diem reimbursement for each election attended. Each person chosen to serve as a clerical assistant for any municipal election shall receive $150.00 for per diem reimbursement for each election attended.

Draft

(5) *Employee election officers*. Employees of the city appointed to serve as election judges or officials for any municipal election shall receive $150.00 for per diem reimbursement for expenses for each municipal election attended in addition to their regular salary.

(6) *Appointee to council committee.* Each appointed member to any city council committee, not serving an elected term to any city office, shall receive $75.00 for preparation and attendance at each committee meeting to which the member is appointed.

(7) *Employee on council committee*. For any city employee appointed to a council committee shall receive $25.00 for reimbursement for expenses per diem for each meeting attended which is held after 5:00 p.m. on a scheduled workday or at any time on a weekend or city-approved holiday.

(8) *Planning commission*. Each appointed member of the planning commission shall receive $100.00 per diem reimbursement for expenses to be paid monthly for preparation and attendance at each meeting of the planning commission.

(9) *Board of adjustment.* Each appointed member of the board of adjustments shall receive $75.00 per diem reimbursement for expenses to be paid monthly for preparation and attendance at each meeting of the board of adjustment, to become effective July 1, 2007.

BE IT FURTHER ORDAINED THAT:

Chapter 102 – Taxation, Article I - In General, Section 102-1 - Annual Valuation and Assessment, be amended by inserting the text indicated in bold, blue, italics and deleting the text indicated in red strikeout as follows:

Sec. 102-1. ~~Annual~~ ~~v~~Valuation and assessment.

Section 47 of the Charter provides that an ~~annual~~ impartial valuation and assessment of all real property within the city shall be conducted ***by the city assessor*** every third year. ~~**The annual valuation and assessment is to be done by the city assessor.**~~ The council may also direct that in lieu of the reassessment and valuation by the city assessor, such reassessment and valuation may be done by ~~**a certified independent**~~ ***an*** outside appraiser chosen by the council. Pursuant to section 47 of the Charter, commencing with the year 2010 and every ninth year thereafter, the ~~**annual reassessment**~~ ***valuation and assessment of all real property*** shall be conducted by ~~**a certified independent**~~ ***an*** outside appraiser chosen by the council. ~~**In all other years and in accordance with section 47 of the Charter, the annual valuation and assessment shall be conducted by the city assessor.**~~ ***All property shall be valued as to its status; as of its ownership; and as of its current market value as of the January 1st assessment date.***

Staff amendments to lines #57-#60, #63-#66

Amendments Adopted by Resolution No. 2009-02 on 01/26/2009 - Recommendation by the IAAO in June 2008 - Assessment Change #1, 2, and 9)

Draft

BE IT FURTHER ORDAINED THAT

Chapter 102 – Taxation, Article VI - Exemptions; Tax Appeals Committee, be amended by inserting the text indicated in bold, blue, italics and deleting the text indicated in red strikeout as follows:

ARTICLE VI. EXEMPTIONS; ~~TAX APPEALS COMMITTEE~~*BOARD OF ASSESSMENT APPEALS**

Sec. 102-181. ~~Tax appeals committee.~~ *Board of Assessment Appeals.*

There shall be a ~~**tax appeals committee**~~ ***board of assessment appeals***, which shall be designated by the city council, to be composed of not less than three ~~**council**~~ ***civilian*** members, ~~**but who are appointed by the council president,**~~ and such ~~committee~~ ***board*** shall hear appeals from any general property assessments. ***The members of the board shall serve four (4) year staggered terms. Members shall be qualified voters of the City of Dover and have experience in the State of Delaware in one of the following fields:***

(1) Real Estate brokerage of sales;
(2) Property Appraisal/Assessments;
(3) Real Property Law;
(4) Accounting;

Line #76-80 - Amendments Adopted by Resolution No. 2009-02 on 01/26/2009 - Recommendation by the IAAO in June 2008 - Assessment Change #14)

Lines #81 - #87 - Amendments Require Council Action - Recommendation by the IAAO

Sec. 102-182. Authority to exempt real property from taxation.

The city council shall ~~**be the sole, and final authority, and shall**~~ have the power to exempt real property located within the city from municipal property taxes when, in the opinion of ***the board*** ~~**council**~~, the same will best promote the public welfare. The city assessor shall be empowered to grant tax exemptions to senior citizens where the requested income verification is completed and meets the requirements of section 102-183. ***Pursuant to Delaware Code, Title 9, §8105 and §8110, the city assessor shall be empowered to grant tax exemptions to property owned by governmental, religious, educational, charitable agency or civic associations owning parkland, upon receipt of an application filed by the organization establishing its entitlement to such exemptions.***

Amendment Requires Council Action - Recommendation by the IAAO in June 2008 - Assessment Change #15)

Draft

Sec. 102-183. Tax exemption for senior citizens.

(a) Authority. This section is adopted to implement 22 Del. C. § 1001 et seq., granting exemptions from municipal taxation on real property for persons 65 years of age or over. Compliance must be made with such chapter 10 and this section in order to qualify for such exemption.

(b) Qualifications. The exemption shall be for real property owners 60 years of age or over. If qualified, their real property shall be exempt from municipal taxation to the extent of the first $50,000.00 of assessed valuation. This exemption shall be subject to the following:

(1) Owner resides alone. If the income of a property owner who resides alone exceeds the sum of $15,851.00 (2008) for the income tax year immediately preceding the date of making an application for the exemption, then the exemption shall not be granted. The maximum income limit stated in the preceding sentence shall increase each year by the same percentage as the cost of living adjustment granted to recipients of Social Security retirement benefits.

(2) Spouses reside together. If the income of a property owner and spouse who reside together exceeds the sum of $22,192.00 (2008) for the income tax year immediately preceding the date of making an application for the exemption, then the exemption shall not be granted. The maximum income limit stated in the preceding sentence shall increase each year by the same percentage as the cost of living adjustment granted to recipients of Social Security retirement benefits.

(3) Exclusions from income. In computing income of the property owner in order to determine entitlement for the deduction, Social Security benefits; railroad pensions and federal civil service retirement shall not be considered as income.

(4) Location, use of property. The real property must be located within the limits of the city and must be used exclusively for residential purposes.

(5) Residence. The real property must be the legal residence of, and be occupied in whole or in part by, the property owner.

(6) Owner of record. The property owner must be the owner of record of said real property as of December 31 of the calendar year immediately preceding the date of making application for the exemption.

(7) Time when age attained. The property owner must have attained the age of 60 years by March 1 of the year in which the exemption application is filed.

(8) Filing applications. Applications for exemption shall be filed in accordance with regulations adopted by the city council and for cause shown. The city assessor may accept and act upon applications received after any established application filing date.

Draft

(9) Refund. The city assessor is empowered to refund taxes paid by a qualified applicant who is entitled to an exemption and successfully files for the same.

(10) Evidence. The city assessor's office shall be authorized to require any applicant to submit evidence substantiating income reported for receipt of the exemption. The city assessor may deny applications where requested income verification is not submitted by the applicant.

(11) Denial; appeals. Appeals from denial of exemptions by the city assessor and any other complaints regarding the exemption process may be appealed by the taxpayer directly to the ~~**tax appeals committee**~~ ***board of assessment appeals*** ~~**established annually in April to hear taxpayer appeals.**~~ The ~~**tax appeals committee**~~ ***board of assessment appeals*** shall have the power to affirm, overrule or remand the decision of the city assessor.

(12) Interest; retroactive exemptions. Qualified senior citizens who fail to exercise their property tax exemption shall not be entitled to any interest payments on said exemption amount; nor shall unexercised property tax exemptions be retroactive beyond the current tax year.

(13) Penalties. Penalties assessed to delinquent property tax accounts that are eligible for a senior citizen exemption that has not been exercised shall not be excused.

(14) Council review. City council will review these numbers at the conclusion of each reassessment.

Sec. 102-184. Tax exemption for disabled citizens.

Individuals who are determined to be disabled under the law applicable to the Social Security Administration are qualified to apply for the property tax exemption.

Sec. 102-185. Appeals.

(1) Appeal Date Deadlines (unless otherwise stated on official documentation):

Appeal filing deadline (Annual Appeals) . . . . . April 30
Appeal filing deadline (October 3/4 Supplemental Bills) . . . . . October 30
Appeal filing deadline (January 1/2 Supplemental Bills) . . . . . January 30
Appeal filing deadline (April 1/4 Supplemental Bills) . . . . . April 30

If a USPAP summary appraisal report is deemed required, an additional thirty (30) day extension, from the original deadline date will be granted, in accordance with **the** city assessment appeal policy ~~**#3**~~.

(2) Right to Appeal is lost if appellant has missed the designated appeal date. The appellant may appeal the following April for the next billing cycle.

(3) Appeals/refunds, for errors or opinions of value from appellants, will not be heard for prior years.

Draft

(4) The assessment as revised and adjusted by the board of assessment appeals shall be the listed value for the year under appeal and shall be the basis for the levy and collection of taxes for the city.

Amendment Requires Council Action - Recommendation of the City Assessor

ADOPTED: *

SYNOPSIS

The proposed ordinance would include the recommendations of the IAAO audit and the Charter Amendments by modifying the title of the Assessment Appeals Committee to the Board of Assessment Appeals**,** establishing qualifications for Board Members, by including an annual assessment date, including language that property shall be valued as to its status; as of its ownership; and as of its current market value, by removing the certified independent appraiser language, stating that the sole and final authority for exemption of real property lie with the Board of Assessment Appeals or Superior Court, allowing the Assessor the authority to exempt common tax exempt entities without approval from the Board of Assessment Appeals; however, notification shall be conveyed to City Council when approvals are granted, and by allowing Civilian members to hear appeals**.**

Actions History

10/12/2009 - Reconsidered at Legislative, Finance, and Administration Committee

08/24/2009 - Introduced at Legislative, Finance, and Administration Committee, Referred Back to Staff

Draft

CITY OF DOVER PROPOSED ORDINANCE #2009-24

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

That Chapter 82 - Planning, Section 82-2 - City Planner, of the Dover Code be amended by deleting the text indicated in red strikeout as follows:

Sec. 82-2. City Planner.

There is hereby established the office of City Planner who shall be selected by the City Council at its annual meeting and employed at the pleasure of Mayor and Council. The City Planner shall be directly responsible to the Mayor and Council ~~**and shall function under the administration of the City Manager**~~.

ADOPTED: *

SYNOPSIS

Ordinance amendment reverts the oversight of the planning department back to City Council

(SPONSORS: MCGLUMPHY, RUANE, AND WILLIAMS)

Actions History

October 12, 2009 - Considered by LF&A Committee

CITY OF DOVER PROPOSED ORDINANCE #2009-25

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

That Chapter 102 - Taxation, Article I - In general, Section 102-3 - Administrative reporting, of the Dover Code be amended by deleting the text indicated in red strikeout as follows:

Section 102-3. Administrative reporting.

The city assessor shall be selected in accordance with the City Charter, and shall be directly responsible to the mayor and council. ~~The city assessor shall function under the administration of the city manager.~~

ADOPTED: *

SYNOPSIS

Ordinance amendment reverts the oversight of the tax assessor's office back to City Council

(SPONSORS: MCGLUMPHY, RUANE, AND WILLIAMS)

Actions History

October 12, 2009 - Considered by the Legislative, Finance, and Administration Committee

From: Mitchell, Donna
Sent: Tuesday, August 18, 2009 8:16 AM
To: City Council
Cc: City Clerks Office; DePrima, Tony
Subject: RE: Memorandum - Preliminary June 2009 Ending Budget Balances -UPDATED 8/18/09

Members of City Council,

Upon further review we found a receipt that had not yet been recorded in the General Fund and the Impact Fees ($126,000) in the Water Fund were closed to the Budget Balance and should have been credited to the Impact Fee Reserve. My apologies for the change already, however this is what we go through during the audit when analyzing accounts. If something like this is missed during the fiscal year, we just pick it up in the next month's budget report.

In the future, I will only report any new found changes that reduce the Budget Balances by a significant amount.

The revised balances are as indicated below –

Fund	Revised Budget	Unaudited Actual	Over/(Under)
General Fund	$2,816,763	$3,621,626 ~~$3,590,160~~	$804,863 ~~$773,397~~
Water Utility	$662,079	$658,670 ~~$784,670~~	($3,409) ~~$122,591~~
Wastewater Utility	$307,112	$326,701	$19,589
Kent County Sewer Adj (1)	$100,194	($397,473)	($497,667)
Electric Utility (2)	$8,219,350	$10,871,289	$2,651,939

(This email is a follow up to the Interoffice Memorandum sent 8/14/09, 3:28 p.m. – Preliminary Ending Budget Balances for FY09)

From: Mitchell, Donna
Sent: Friday, August 14, 2009 3:28 PM
To: City Council
Cc: City Clerks Office; DePrima, Tony
Subject: Memorandum - Preliminary June 2009 Ending Budget Balances
Importance: High

Members of City Council,

Please see the attached Memorandum.

Have a great weekend.

Regards,

Donna S. Mitchell, CPA
Controller/Treasurer
City of Dover
5 E. Reed Street
Weyandt Hall, Suite 300
Dover, DE 19901
Office (302) 736-7018
Fax (302) 760-4930

INTEROFFICE MEMORANDUM

To: Members of City Council

From: Donna Mitchell, Controller/Treasurer

Copy: City Clerk, Mayor, & City Manager

Date: August 14, 2009

Subject: Preliminary Ending Budget Balances for FY09

Now that we have accounted for all of our FY09 receipts/revenues in the major operating funds, we are providing you with the ***Preliminary*** Ending Budget Balances for the General, Water, Wastewater, and Electric Revenue Funds.

Fund	Revised Budget	Unaudited Actual	Over/(Under)
General Fund	$2,816,763	$3,590,160	$773,397
Water Utility	$662,079	$784,670	$122,591
Wastewater Utility	$307,112	$326,701	$19,589
Kent County Sewer Adj (1)	$100,194	($397,473)	($497,667)
Electric Utility (2)	$8,219,350	$10,871,289	$2,651,939

(1) The Kent County Sewer Adjustment has been carrying a deficit balance for some time due to the inflow and infiltration of our system. The FY09 projected revenues and expenses forecasted this deficit to be closed in FY09 in addition to ending the year with a positive $100,194 Budget Balance. We were previously transferring $.45 of our wastewater rate (or $648,972 of revenue for FY09) to this budget balance in order to close out this deficit. The FY10 Budget no longer has the $.45 transfer built into the budget since the Deficit Balance was projected to end in FY09. Therefore no rate increase was recommended in FY10. The Finance Staff is analyzing this account to provide assurance all accounting has been done properly.

Budget = Beg. Budget Balance ($545,326) + Revenue $4,080,950 – Expense $3,435,430 = End. Bal. $100,194
Actual = Beg. Budget Balance ($545,326) + Revenue *$3,733,645 – Expense $3,585,791= End. Bal. ($397,473)
*The actual revenue of $3,733,645 includes $648,972 for the $.45 rate adjustment.

(2) The Electric Utility favorability came from the following revenue & expense factors.
Unfavorable Revenue of ($648,000) – we generated $3.0 Million extra in revenue because our actual kwh rates were higher than we budgeted, however our kilowatt hours sold were down 27 million, so it reduced the favorability we received from the higher rates by $3.7 million.

Power Supply Expense was favorable $3.4 Million because we purchased 37 million less kilowatts than budgeted.

Other comments –

As has been previously explained, these are all preliminary numbers. Today, August 14, we received two invoices related to FY09. One was a May invoice for an amount over $265,000 related to the 69kv project, and the other was a $2,800 invoice for chemicals at the Water Treatment Plant. This is not unusual; we have been as late as November in receiving prior year invoices.

We stop adjusting our financial statements for invoices in September so we can get them completed for the auditors, unless the invoice is significant.

On another note, our Transfer Taxes for July 2009 came in at $60,168, as compared to $101,810 July 2008, and $243,227 July 2007.