

**CITY OF DOVER ORDINANCE #2009-17 WITH AMENDMENT #1**

**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 to read 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) *Board of Assessment Appeals.* Each appointed member of the board sitting to hear appeals from the municipal assessment shall receive \$75.00 per diem reimbursement for expenses for the preparation and attendance at each meeting of the board of assessment appeals.

(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.

(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 to read as follows:

**Sec. 102-1. Valuation and assessment.**

Section 47 of the Charter provides that an impartial valuation and assessment of all real property within the city shall be conducted by the city assessor every third year. 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 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 valuation and assessment of all real property shall be conducted by an outside appraiser chosen by the council. All property shall be valued as to its status; as of its ownership; and as of its current market value as of the January 1<sup>st</sup> assessment date; except if improvements are not deemed by the assessor to be complete; property shall be partially valued if construction has ceased for 90 days as of the January 1<sup>st</sup> assessment date.

**BE IT FURTHER ORDAINED THAT**

Chapter 102 – Taxation, Article VI - Exemptions; Tax Appeals Committee, be amended to read as follows:

**ARTICLE VI. EXEMPTIONS; BOARD OF ASSESSMENT APPEALS\***

**Sec. 102-181. Board of Assessment Appeals.**

There shall be a board of assessment appeals, which shall be designated by the city council, to be composed of not less than three civilian members, and such 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;

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

The city council shall have the power to exempt real property located within the city from municipal property taxes when, in the opinion of the board 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.

**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.
- (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 board of assessment appeals. The 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.

- (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.
- (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.

ADOPTED: NOVEMBER 9, 2009

#### 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

October 26, 2009 - First Reading

October 12, 2009 - Reconsidered at Legislative, Finance, and Administration Committee

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