

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE A G E N D A



MAY 27, 2014 - 6:00 P.M.

CITY HALL COUNCIL CHAMBERS
15 LOOCKERMAN PLAZA
DOVER, DELAWARE

Public comments are welcomed on any item and will be permitted at appropriate times. When possible, please notify the City Clerk (736-7008 or e-mail at CityClerk@dover.de.us) should you wish to be recognized.

AGENDA ADDITIONS/DELETIONS

- 1. Discussion - Fiscal Year 2014 Audit Program**
(Staff recommends acceptance of the audit program)
- 2. Proposed Grant-In-Aid Policy**
- 3. Request of Dover Housing Authority for City of Dover to Serve as Responsible Entity for Environmental Reviews**
(Staff recommends that City Council not agree to be the Dover Housing Authority's Responsible Entity for Environmental Reviews)
- 4. Proposed Ordinance #2014-16 Amending Appendix E - Commercial and Industrial Building Redevelopment (Sponsors: Anderson and Townshend)**
(Staff recommends adoption of the proposed ordinance)
- 5. Adjournment by 7:00 p.m.**

/tm

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Auditor's Responsibility for Communicating with Audit Committee

Presented by:
Donna Mitchell, CPA
City Controller



Three Primary Purposes

- To clearly communicate an overview of the audit scope, the timing of the audit, and the auditor's responsibilities.
- To provide timely observations arising from the audit that are relevant to oversight of the financial reporting process.
- To obtain relevant audit-related information from those charged with governance.

Matters to Be Communicated

- Auditor's Responsibilities
 - The auditor's responsibilities under generally accepted auditing standards.
 - This will be detailed in the auditor's engagement letter, a copy of which will be provided to each audit committee member.
- Planned Scope & Timing of Audit
 - An overview of the planned scope and timing of the audit that is not so detailed as to compromise audit effectiveness.
- Significant Findings from the Audit
 - The auditor's views about findings or issues that the auditor considers to be significant and relevant to those charged with governance regarding their oversight of the financial reporting process.
 - These will be communicated near or at the end of the audit.

Audit Calendar

City of Dover 2014 Audit Calendar																					
JUNE							JULY							AUGUST							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
1	2	3	4	5	6	7			1	2	3	4	5						1	2	
8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9	
15	Auditors - preliminary auditwork including walk throughs and inventory testing					21	13	Detail Audit Plan Submitted	15	16	17	18	19	10	11	12	13	14	15	16	
22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23	
29	Fuel measure @ plant						27	28	29	30	31			24	25	26	27	28	29	30	
														31							
SEPTEMBER							OCTOBER							NOVEMBER							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
	1	2	3	4	5	6				1	2	3	4							1	
7	8	9	10	11	Test of Controls Completed	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8	
14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	Draft Report to Auditor	14	15	
21	22	23	24	25	26	27	19	20	21	22	23	Draft Schedules & Statements to Auditor	25	16	17	18	19	20	21	22	
28	29	30					26	27	28	29	30	31		23	24	25	Draft CAFR Completed	27	28	29	
							*Trial Balances & Support Schedules Completed 10/24 & reviewed by Director.							30	Draft CAFR completed by November 26 (includes Notes & Statistical Section)						
DECEMBER																					
S	M	T	W	T	F	S	Holidays - Green														
	1	2	3	4	5	6	Key Dates in Yellow														
7	Draft CAFR - LFA	9	10	11	12	13															
14	15	16	17	18	19	20															
21	22	23	Final Changes	25	26	27															
28	29	30	CAFR to Printer																		
Meetings with Auditors if requested by LFA																					

City of Dover
Finance Department
PO Box 475
Dover DE 19903-0475
Phone: (302)-736-7018
FAX: (302) 760-4930
E-Mail: dmitchell@dover.de.us



MEMORANDUM

To: Legislative, Finance & Administrative Committee

From: Donna Mitchell, Controller/Treasurer

Copy: City Council Members, Scott Koenig, and Traci McDowell

Date: May 21, 2014

Subject: Grant-In-Aid Policy & Procedures

For your re-consideration we have revised the Draft Grant-In-Aid Policy & Procedures. The Grant-In-Aid Application Instructions now includes the following Policy Objective as outlined on page 4.

POLICY OBJECTIVE

The purpose of this policy is to standardize the method by which the City of Dover provides financial assistance for community events sponsored by non-profit organizations that benefit all of the Citizens of Dover or enhances the City's Economic Development initiatives.

The applicant must be a non-profit organization incorporated in the State of Delaware and physically located in the City of Dover. Any public funding request will be limited to the purpose of this policy as described above.

All City of Dover policies are to subject to the City of Dover Charter Part II Code of Ordinances Chapter 2, Article 1, Division 4 "Code of Conduct", which is "**applicable to all elected and appointed officials and to all employees of the City of Dover.**"

In consideration of these guidelines and policies, one's interpretation should be on a strict, rather than loose, construction basis, and obviously, the objective should not be to rationalize ways and means for circumvention.

The City of Dover Grant-In-Aid Policy will be reviewed every three years by the Mayor and City Council.



CITY OF DOVER

GRANT-IN-AID APPLICATION INSTRUCTIONS

Funding Requests Are Due No Later Than 4:30 p.m., Friday, November 1, 20xx.

City of Dover
Finance Department
P.O. Box 475
Dover, Delaware 19903

OR

Finance Department
Weyandt Hall
5 E. Reed Street, Suite 300
Dover, Delaware 19901

Applications can be downloaded from the City
website

To save the document to your computer from the website you
must do the following:

- ◆ Go the <http://>
- ◆ Click on the Grant-In-Aid Application link;
- ◆ Right-click on the Word document (FY15 GIA Application.doc);
- ◆ Left click on Save As or Save Target As;
- ◆ Select where to save the file.

**For technical assistance for downloading document please call the Finance Department
at 302-736-7018.**

**FUNDING REQUESTS ARE DUE ON OR BEFORE FRIDAY
NOVEMBER 1, 20xx.**

This funding request format has been designed to provide for a tightly focused and informative presentation of the organization's request for funds based on a clear statement of the organization's purpose (or goals and objectives); a concise description, the financing requirements, and anticipated accomplishments for each of the programs or services being offered to meet these purposes; and the resulting total organization projections of income and expenses.

PLEASE READ ALL THE MATERIAL CAREFULLY BEFORE PREPARING THE REQUEST.

Additional supplemental material may be requested by the Grant-in-Aid Committee.

We are requesting that each organization provide the **original** and **one copy** of the funding request **and one copy of your most recent audit and the audit's management letter or a compilation statement, by a Certified Public Accountant or independent Public Accountant.**

DO NOT SUBMIT TAX FORMS.

Please number each page and indicate organization name on each page. Please do not staple your application.

GENERAL DIRECTIONS

1. Fiscal Year - Your budget request from the State of Delaware is for the period July 1, 2014 through June 30, 2015.

Information involving audited data or historical financial data will be based on your organization's fiscal year. The information for prior year would be taken from your organization's audit or compilation statement.

PLEASE NOTE:

Organizations using fiscal years should apply the following:

Prior Year -	FY 2013
Current Year -	FY 2014
Proposed Year -	FY 2015

Organizations using calendar years should apply the following:

Prior Year -	2012
Current Year -	2013
Proposed Year -	2014

2. Rounding Figures - All figures should be rounded to the nearest hundred dollar.
3. Labeling - Please type the organization name clearly on each form as the forms may be separated during processing.
4. COMPLETE ENTIRE APPLICATION - ANSWER ALL QUESTIONS; EXPLAIN WHY A PARTICULAR QUESTION MAY NOT APPLY TO YOUR ORGANIZATION.
5. Forward completed application by November 1, 20xx, to:

Finance Department
Weyandt Hall
P.O. Box 475
Dover, Delaware 19903

OR

Controller/Treasurer
Weyandt Hall
5 E. Reed Street, Suite 300
Dover, Delaware 19901

POLICY OBJECTIVE

The purpose of this policy is to standardize the method by which the City of Dover provides financial assistance for community events sponsored by non-profit organizations that benefit all of the Citizens of Dover or enhances the City's Economic Development initiatives.

The applicant must be a non-profit organization incorporated in the State of Delaware and is located in the City of Dover. Any public funding request will be limited to the purpose of this policy as described above.

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In consideration of these guidelines and policies, one's interpretation should be on a strict, rather than loose, construction basis, and obviously, the objective should not be to rationalize ways and means for circumvention.

The City of Dover Grant-In-Aid Policy will be reviewed every three years by the Mayor and City Council.

DRAFT

GUIDELINES FOR FY 2015 GRANTS-IN-AID

- A. Only non-profit organizations are eligible to apply for Grant-In-Aid.
- B. No funds will be appropriated for the purpose of paying personnel cost, relocation, purchasing buildings or rehabilitation or renovation of buildings.
- C. In order for an organization to be considered for a Grant-In-Aid for FY 2015, the organization must:
 - 1. Be incorporated, non-profit (or under umbrella of parent organization which is incorporated, non-profit). Your organization must be incorporated and in operation for at least two years prior to July 1, 2014.
 - 2. Have By-laws that clearly state the purpose of the Corporation and include definition of duties of Board of Directors.
 - 3. Have an active, community-represented, volunteer Board of Directors that sets policies, goals and objectives, and maintains minutes of regularly scheduled meetings and any special meetings. Have programs that are unduplicated, and satisfy unmet human needs of the community.
 - 4. Have personnel policies, including job descriptions and classifications.
 - 5. No organization shall use Grant-in-Aid funding to pay any part of an elected official's salary.
 - 6. Have competent executives, competent staffing and reasonable facilities.
 - 7. Practice non-discrimination.
 - 8. Have accounting (budget) procedures and an annual audit.
 - 9. Use funds in accordance with the application.
 - 10. Demonstrate community support.
 - 11. Request funds only for a program which does not receive full funding from other sources of revenue.

Instructions: Form 1

MANAGEMENT ORGANIZATION

- Official Name: Indicate legal name of organization on Incorporation Certificate or other legal documents. Please list any additional names your organization uses-if a trade name or other operating name is used.
- Address of Management Office: Where should correspondence and checks, etc., be forwarded? **If you use a P.O. Box, please include your street address.**
- Physical Address This is to be provided in case a site visit by a member of the City Council or their staff is required.
- Contact Representative: List name, address, daytime phone number and e-mail address of the individual who would best be able to provide any additional information that may be requested.
- Indicate: Names of Directors and Officers.

Instructions: Form 2

**ORGANIZATION
BACKGROUND**

Please provide the organization background in a concise narrative as follows:

1. Organization mission statement;
2. **Organization location(s), days and hours of operation.**

Instructions: Form 3

REVENUE

This form requests the total revenue for your organization.

Note that the categories are by sources of revenue as follows:

Federal Government
State Government
City Government
In-Kind City Services (estimated value)
Investment
Sale of Materials Dues
Contributions or Donations
Miscellaneous Other

Also, Federal Government and State Government require further breakdowns as shown on the form. Be sure to include details on all sources for Federal and State Government revenues.

The total of all revenue should be shown on the Total Revenue Line.

Note that the GIA received for the prior and current fiscal years is requested. However, for the proposed year, Grant in Aid under City of Dover is blanked out. The GIA for the proposed fiscal year is to be reflected on Form 6, Line 6.

Instructions: Form 4

DISBURSEMENTS

This form is used to report all disbursements by your organization by category of disbursements.

The top portion of the page is used to report operating expenses of your organization.

The lower portion is used to report non-expense disbursements by various categories.

Total Expenses and the Total Non-Expense Disbursements should be reported on the Total Disbursement line at the bottom of the form.

Instructions: Form 5

FEDERAL & STATE GRANTS

This form requests a reporting of all funding your organization has received through the Federal & State Grants.

List the project name, fiscal year in which the award was made, and the amount.

DRAFT

Instructions: Form 6

SUMMARY

This report consolidates the revenue (Form 3) and disbursements (Form 4).

- Line 1 Total revenue from Form 3.
- Line 2 Total disbursements from Form 4.
- Line 3 Operating surplus/deficit - difference between Line 1 and Line 2.
- Line 4 Carryover - This line should reflect for the previous year's column the available balance from the beginning of the year.
- For the current year's balance, this line should reflect the amount on Line 5 for the previous year.
- For the proposed year, this line should reflect the amount on Line 5 for the current year.
- Line 5 Net surplus/deficit - combine Lines 3 and 4.
- Line 6 Grant-in-Aid Request. Please show awards for the previous year and current year in the first two columns. The amount of the Grant-in-Aid your organization is requesting should be reflected on this line for the proposed year.
- If you are using more than one Form 7, the total of all these forms (Form 7, Line 12) should total Form 6, Line 6.
- Line 7 **The total of all your programs (Line 7) should equal your Proposed Year Grant-in-Aid Request (Line 6).**

Instructions: Form 7

PROGRAM INFORMATION

Note: One page is required for each program.

- Line 1 Program Name & Target Population: indicate name of program and who the service is targeting. How do you make the target population aware of the service?
- Line 2 Program Description - indicate the activities associated with this program.
- Line 3 Which other community organizations provide this or similar services? Indicate what other community organizations are providing similar services.
- Line 4 How will the program obtain its objective & how will the outcomes be measured? Describe how these activities will address the program description and how you will measure your success.
- Line 5 What progress has been made in the past year to achieve program objectives? How successful were you in the last year in meeting program objectives?
- Line 6 Number of people served.
- Line 7 Service measure - what measurable means are there to reflect the service provided.
Example: Hours of training provided, nights of shelter provided.
- Line 8 Amount of service provided - this should reflect the total number of people served by the measure selected.
Example: If ten people (the same people or different people) were trained for five hours per day, 250 days per year, the amount of service would be 12,500 hours of training.
- Line 9 Program revenue.
- Line 10 Program disbursements
- Line 11 Difference between Lines 9 and 10.
- Line 12 Program Grant-in-Aid - Proposed year should reflect that portion of Form 6, Line 6 that applies to this program.

Instructions: Form 8

SCHEDULE OF POSITIONS & SALARIES

Please list all positions filled by your organization, the number of employees in each position, and the salary and salary range of each position.

Instructions: Form 9

LETTER OF BOARD APPROVAL

Indicate that your organization meets the provisions of the six conditions and the date that the application was approved by the Board of Directors of your organization.

FINANCIAL STATEMENT – Form 10

A copy of an audit along with the management letter or a compilation statement, by a Certified Public Accountant or independent Public Accountant, is requested. If this is unavailable, please complete the Sample Forms (A-B-C) in order to comply with the request for an audit.

The audit and the management letter or compilation statement should be for the fiscal year most recently completed.

DO NOT SEND TAX FORMS IN PLACE OF AN AUDIT OR FINANCIAL STATEMENTS.

ACTION FORM

PROCEEDING: Legislative, Finance and Administration Committee	
DEPARTMENT OF ORIGIN: Planning & Inspections	DATE SUBMITTED: May 19, 2014
PREPARED BY: Ann Marie Townshend, AICP, Director of Planning and Community Development	
SUBJECT: Request from Dover Housing Authority for City of Dover to Serve as Responsible Entity for Environmental Reviews.	
REFERENCE: N/A	
RELATED PROJECT: N/A	
APPROVALS: Scott D. Koenig, P.E., City Manager	
EXHIBITS:	
EXPENDITURE REQUIRED: No direct expenditure of City funds, but Staff time is involved.	
AMOUNT BUDGETED: FUNDING SOURCE (Dept./Page in CIP & Budget):	
TIMETABLE: Would begin immediately upon Council approval.	
RECOMMENDED ACTION: Staff recommends that City Council not agree to be the Dover Housing Authority's Responsible Entity for Environmental Reviews.	

BACKGROUND AND ANALYSIS

In July 2013 the Dover Housing Authority requested that the City of Dover serve as its Responsible Entity for Environmental Reviews in accordance with Department of Housing and Urban Development (HUD) regulations. The City Manager, City Planner, and Community Development Manager met with Dover Housing Authority Staff to discuss a draft agreement and the expectations of the City under the draft agreement. Based on the information presented, staff verbally agreed that the commitment was acceptable.

Following this discussion with the Dover Housing Authority, the Community Development Manager attended HUD training and discussed the Responsible Entity responsibilities with a HUD staff person responsible for Environmental Reviews. Based on the information obtained in this interaction with HUD, the City's responsibilities as the Responsible Entity would be far more significant than originally conveyed by the Dover Housing Authority.

The City's Community Development Manager was reclassified to a Planner I last year, and she assumed a number of responsibilities under the Planning Office that are not related to Community Development and Housing. Additionally, if the City became the Responsible Entity, the scope of our role for Environmental Reviews would grow exponentially. Currently, the City receives approximately \$250,000 annually in Community Development Block Grant funds. Of this, less than \$100,000 is used for rehabilitation and renovation projects that would require some level of Environmental Review. Dover Housing Authority's allocation of capital funds for FFY2013 was \$400,000. Additionally, any small renovations that are paid out of the operating budget would also be under the City's responsibility for Environmental Review. While the actual environmental work could be contracted out, City staff would need to review each project to determine if an environmental review is necessary or if it is exempt, and complete all associated paperwork and maintain records associated with it. The Planning Office cannot absorb this workload with our current staffing level.

After discussing this matter with HUD, we have been advised that if the City of Dover does not agree to serve as the Responsible Entity, the Delaware State Housing Authority or HUD could perform the role. The decision of the City not to enter into an agreement to serve as the Responsible Entity would not inhibit the Dover Housing Authority's eligibility to accept HUD funding, as another agency would take on this responsibility.

CITY OF DOVER PROPOSED ORDINANCE #2014-16

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

3 That Appendix E - Commercial and Industrial Building Redevelopment, Article VI - Severability and
4 Effective Dates, Section 2 - Effective Dates of the Dover Code be amended by deleting the text indicated
5 in bold, red, strikethrough, and inserting the text indicated in bold, blue text, as follows:

6 Section 2. Effective dates.

7 This ordinance ~~shall be~~ **became** effective ~~as of~~ April 15, 2012. The provisions of this ordinance shall
8 no longer apply after December 31, ~~2015~~ **2018**.

9 **ADOPTED:** *
10 S:\ORDINANCES\2014\DRAFT\Ordinance #2014-16 Amending Appendix E - Commercial and Industrial Building Redevelopment.wpd

SYNOPSIS

11 The proposed amendment extends the sunset provision for the tax abatement, impact fee
12 waiver, and building permit waiver incentives for three (3) years.

13 (SPONSORS: ANDERSON AND TOWNSHEND)
14

15 Actions History
16 05/27/2014 - Scheduled for Introduced at Legislative, Finance, and Administration Committee