

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2018-32

A RESOLUTION OF THE UNALASKA CITY COUNCIL CERTIFYING THE 2018 REAL AND PERSONAL PROPERTY TAX ROLLS

WHEREAS, the City Council of the City of Unalaska convened as the Board of Equalization on May 8, 2018, and heard appeals for the 2018 property tax assessment roll; and

WHEREAS, Unalaska City Code of Ordinances § 6.32.110 provides that "the Board of Equalization shall certify its actions to the assessor within seven days".

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Unalaska, Alaska hereby accepts and certifies the property tax assessment roll for 2018 as follows:


REAL PROPERTY

Total Assessed Value.....\$665,483,019
Total Taxable.....\$427,989,557

BUSINESS PERSONAL PROPERTY


Total Assessed Value.....\$168,679,055
Total Taxable.....\$166,579,055

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on May 8, 2018.



Frank Kelly
Mayor

ATTEST:



Marjie Veeder
City Clerk



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Marjie Veeder, City Clerk
Through: Thomas Thomas, City Manager
Date: May 8, 2018
Re: Resolution 2018-32, a Resolution of the Unalaska City Council certifying the 2018 real and personal property tax rolls

SUMMARY: Unalaska City Code § 6.32.110 provides that “the Board of Equalization shall certify its actions to the assessor within seven days.” Council’s adoption of Resolution 2018-32 accomplishes that certification. Staff recommends adoption of the resolution.

PREVIOUS COUNCIL ACTION: The Council certifies the tax roll annually. The Council will sit as the Board of Equalization prior to the regular meeting on May 8, 2018.

BACKGROUND:

Real Property: Alaska Statutes and the Unalaska Code of Ordinances state the following: “The assessor shall assess property at its full and true value as of January 1 of the assessment year, except as provided in this section. The full and true value is the estimated price that the property would bring in an open market and under the then prevailing market conditions in a sale between a willing seller and a willing buyer both conversant with the property and the prevailing general price levels.”

The City reevaluates taxable personal property on an annual basis per UCO 6.32.010-020. In addition, the city’s contract assessor, Appraisal Company of Alaska, reviews real property in Unalaska, and reviews building permits and new subdivision plats, and conducts a physical inspection of select properties.

When these new figures are received by the Clerk’s Office, the next year’s tax roll is prepared, and assessment notices are mailed to property owners on or before April 1. The period to appeal the assessment runs for thirty days.

After the appeal period closes, the contract assessor contacts the property owners who have filed appeals. They discuss the valuation and attempt to come to an agreement. If the appeal is settled, the property owner withdraws the appeal. If not, the appeal is presented to the Board of Equalization for final decision.

Business Personal Property: Each year, the Clerk’s Office mails licensed businesses a business personal property assessment form on which the businesses list the cost of all business inventories, supplies, furnishings and equipment. Utilizing a standard depreciation form, the Clerk’s Office depreciates the costs and mails each business an assessment notice. The same appeal process applies to both business personal property and real property. If a business files an appeal, they also file an amended assessment form.

After the mill rate is established and the tax roll is certified by council, tax statements are mailed on or before June 30. Property taxes are due in two installments: the first half is due on August 20, and the second half is due on October 22.

DISCUSSION: Property owners had until April 30 to file an appeal of their assessment amount, and as of that date, three appeals of real property assessments were filed.

Real Property: The preliminary 2018 real property total value is \$665,483,019. Of that, \$232,401,510 is exempt from taxation for various reasons such as native allotments or property owned by government or a religious organization. After applying the allowed exemptions of \$5,091,952, the taxable net value is \$427,989,557. This represents an increase in taxable net value of approximately \$11 million over last year. This increase can be attributed to new commercial construction, new parcels and possessory interest in state owned leased property.

Business Personal Property: The total reported value of business personal property is \$168,679,055. After applying allowed exemptions, the net taxable value of business personal property is \$166,579,055. This is a decrease of approximately \$7 million compared to last year due to a decrease in reported personal property values.

ALTERNATIVES: There are no alternatives. Certification of the tax roll is required by the state assessor.

FINANCIAL IMPLICATIONS: Total taxable property is \$594,568,612. The City will realize annual property tax revenue of \$6,242,970 at a mill rate of 10.5.

LEGAL: None.

STAFF RECOMMENDATION: Staff recommends certification of the tax rolls.

PROPOSED MOTION: This is a Consent Agenda item. The total taxable real property assessed value will be determined following the Board of Equalization meeting. Any required corrections will be made to the resolution following the BOE meeting but prior to the Regular Meeting.

CITY MANAGER COMMENTS: I recommend council adopt Resolution 2018-32.