

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2019-25

A RESOLUTION OF THE UNALASKA CITY COUNCIL CERTIFYING THE 2019 REAL AND PERSONAL PROPERTY TAX ROLLS

WHEREAS, four appeals were filed by property owners regarding the assessment of real property; and

WHEREAS, the City Assessor reviewed the appeals and relevant information regarding each parcel and successfully settled each appeal to the satisfaction of the property owner and the City of Unalaska, and all four appeals have been withdrawn; and

WHEREAS, there is no need to convene the Board of Equalization because all four appeals have been withdrawn.

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 2019 as follows:

REAL PROPERTY

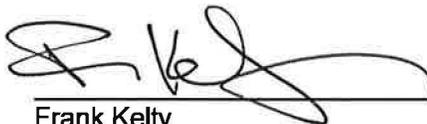
Total Assessed Value.....\$671,827,320
Taxable.....\$433,920,858

BUSINESS PERSONAL PROPERTY

Total Assessed Value.....\$247,534,805
Taxable.....\$243,687,026

TOTAL TAXABLE.....\$677,607,884

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on May 14, 2019.



Frank Kelty
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 14, 2019 – *edited at 4:00 p.m., 5/14/2019, changes highlighted*
Re: Resolution 2019-25, a Resolution of the Unalaska City Council certifying the 2019 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 2019-25 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 14, 2019.

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 tax payments are due in two installments: the first half is due on August 20, and the second half is due on October 21.

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

Real Property: The total 2019 real property value is \$671,815,320, which includes property not subject to taxation valued at \$232,951,410. Non-taxable property includes native allotments and property owned by government or religious organizations.

After applying allowed exemptions of \$4,943,052, for property owned by senior citizens, active fire/EMS volunteers and fire suppression sprinkler systems, the taxable net value is \$433,920,858.

| | |
|---------------------------|-----------------------|
| Non Taxable Property | \$ 232,951,410 |
| Taxable Property | \$ 438,863,910 |
| TOTAL | \$ 671,815,320 |
| | |
| Less Non Taxable Property | \$ 232,951,410 |
| Less Exemptions | \$ 4,943,052 |
| NET TAXABLE | \$ 433,920,858 |

Business Personal Property: The total assessed value of business personal property is \$247,523,524. After applying the exemption for the first \$30,000 in value of all personal property, the net taxable value of business personal property is \$243,675,745:

| TAX ROLL | Total Value | Exempt | Net Taxable |
|----------------------------------|-----------------------|---------------------|----------------------|
| Voluntary (report filed) | \$ 205,518,209 | \$ 2,638,352 | \$202,879,857 |
| Supplemental (filed late) | \$ 32,512,583 | \$ 566,934 | \$ 31,945,649 |
| Involuntary tax roll (not filed) | \$ 9,504,013 | \$ 642,493 | \$ 8,861,520 |
| Total | \$ 247,534,805 | \$ 3,847,779 | \$243,687,026 |

Please remember these numbers are preliminary. The figures may change between publication of the packet and the May 14 meeting if the contract assessor settles with appellants, and they may change further if there are appeals that go to the Board of Equalization hearing.

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

FINANCIAL IMPLICATIONS: Total taxable property is \$677,607,884. If 100% collected, the City can expect FY20 property tax revenue of \$7,114,883 at a mill rate of 10.5.

LEGAL: None.

STAFF RECOMMENDATION: Staff recommends certification of the tax rolls. 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.

PROPOSED MOTION: I move to approve Resolution 2019-25.

CITY MANAGER COMMENTS: I recommend council adopt Resolution 2019-25.

PROPERTY TAX MILL RATE OPTIONS

| Rate of Levy | | Assessed Value | | Taxes | |
|--------------|---------------|--------------------|----------------------------|------------|---------------------|
| | | Real Property | Business Personal Property | Total Tax | Increase / Decrease |
| Mill Rate | Percent Rate | 433,920,858 | 243,687,026 | | |
| 5.00 | 0.500% | 2,169,604 | 1,218,435 | 3,388,039 | (3,726,843) |
| 5.50 | 0.550% | 2,386,565 | 1,340,279 | 3,726,843 | (3,388,039) |
| 6.00 | 0.600% | 2,603,525 | 1,462,122 | 4,065,647 | (3,049,235) |
| 6.50 | 0.650% | 2,820,486 | 1,583,966 | 4,404,451 | (2,710,432) |
| 7.00 | 0.700% | 3,037,446 | 1,705,809 | 4,743,255 | (2,371,628) |
| 7.50 | 0.750% | 3,254,406 | 1,827,653 | 5,082,059 | (2,032,824) |
| 8.00 | 0.800% | 3,471,367 | 1,949,496 | 5,420,863 | (1,694,020) |
| 8.50 | 0.850% | 3,688,327 | 2,071,340 | 5,759,667 | (1,355,216) |
| 9.00 | 0.900% | 3,905,288 | 2,193,183 | 6,098,471 | (1,016,412) |
| 9.50 | 0.950% | 4,122,248 | 2,315,027 | 6,437,275 | (677,608) |
| 10.00 | 1.000% | 4,339,209 | 2,436,870 | 6,776,079 | (338,804) |
| 10.50 | 1.050% | 4,556,169 | 2,558,714 | 7,114,883 | - |
| 11.00 | 1.100% | 4,773,129 | 2,680,557 | 7,453,687 | 338,804 |
| 11.50 | 1.150% | 4,990,090 | 2,802,401 | 7,792,491 | 677,608 |
| 11.78 | 1.178% | 5,111,588 | 2,870,633 | 7,982,221 | 867,338 |
| 12.00 | 1.200% | 5,207,050 | 2,924,244 | 8,131,295 | 1,016,412 |
| 12.50 | 1.250% | 5,424,011 | 3,046,088 | 8,470,099 | 1,355,216 |
| 13.00 | 1.300% | 5,640,971 | 3,167,931 | 8,808,902 | 1,694,020 |
| 13.50 | 1.350% | 5,857,932 | 3,289,775 | 9,147,706 | 2,032,824 |
| 14.00 | 1.400% | 6,074,892 | 3,411,618 | 9,486,510 | 2,371,628 |
| 14.50 | 1.450% | 6,291,852 | 3,533,462 | 9,825,314 | 2,710,432 |
| 15.00 | 1.500% | 6,508,813 | 3,655,305 | 10,164,118 | 3,049,235 |
| 15.50 | 1.550% | 6,725,773 | 3,777,149 | 10,502,922 | 3,388,039 |
| 16.00 | 1.600% | 6,942,734 | 3,898,992 | 10,841,726 | 3,726,843 |
| 16.50 | 1.650% | 7,159,694 | 4,020,836 | 11,180,530 | 4,065,647 |
| 17.00 | 1.700% | 7,376,655 | 4,142,679 | 11,519,334 | 4,404,451 |
| 17.50 | 1.750% | 7,593,615 | 4,264,523 | 11,858,138 | 4,743,255 |
| 18.00 | 1.800% | 7,810,575 | 4,386,366 | 12,196,942 | 5,082,059 |
| 18.50 | 1.850% | 8,027,536 | 4,508,210 | 12,535,746 | 5,420,863 |
| 19.00 | 1.900% | 8,244,496 | 4,630,053 | 12,874,550 | 5,759,667 |
| 19.50 | 1.950% | 8,461,457 | 4,751,897 | 13,213,354 | 6,098,471 |
| 20.00 | 2.000% | 8,678,417 | 4,873,741 | 13,552,158 | 6,437,275 |

Example: Homeowner with assessed value of \$200,000 at the current rate of 10.5 mills

| Mill Rate | Percent Rate | Assessed Value | Tax |
|-----------|--------------|----------------|----------|
| 10.5 | 1.050% | \$ 200,000 | \$ 2,100 |