

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2022-21

A RESOLUTION OF THE UNALASKA CITY COUNCIL CERTIFYING THE 2022 REAL AND PERSONAL PROPERTY TAX ROLLS

WHEREAS, the City Assessor settled all appeals of the 2022 real property tax assessments to the satisfaction of the property owners; and

WHEREAS, Unalaska's Code of Ordinances at § 6.32.110 provides that the City Council shall certify the tax roll to the Assessor by resolution.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council hereby accepts and certifies the property tax assessment rolls for 2022 as follows:

REAL PROPERTY

Total Assessed Value.....\$928,281,500
Total Taxable.....\$551,990,800

BUSINESS PERSONAL PROPERTY

Total Assessed Value.....\$265,818,501
Total Taxable.....\$262,121,944

TOTAL\$814,112,744

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on May 24, 2022.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Marjie Veeder, City Clerk
Through: Erin Reinders, City Manager
Date: May 24, 2022
Re: Resolution 2022-21: Certifying the 2022 Real and Personal Property Tax Rolls

SUMMARY: Each year, Council certifies the tax roll pursuant to code. Adoption of Resolution 2022-21 accomplishes certification of the tax roll and Staff recommends approval.

PREVIOUS COUNCIL ACTION: Council certifies the tax roll annually.

BACKGROUND:

Real Property: Alaska Statutes and the Unalaska Code of Ordinances provide that the assessor shall assess property at its full and true value as of January 1 of the assessment year. The full and true value is the estimated price that the property would bring in an open market under the 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 retains a professional contract Assessor, Appraisal Company of Alaska. The Assessor reviews changes in the condition of real property, both permitted and un-permitted, new subdivision plats, and conducts a physical inspection. The Assessor also studies costs of new construction, the area's market of existing property and how these factors affect current valuations. If there are any changes in real estate market values, assessed values are adjusted accordingly, while striving to adjust the model each year to ensure every category of property is valued as uniformly as possible.

When the updated assessed values were received by the Clerk's Office, the tax roll was prepared and assessment notices mailed to property owners by March 25. The period to appeal the assessment ran for thirty days. After the appeal period closed, the contract assessor contacted appellants to discuss the valuation and attempt to come to an agreement. If the appeal was settled, the appeal is withdrawn. If not, the appeal is presented to the Board of Equalization for final decision.

Business Personal Property: Each year, licensed businesses are to report the value of all business inventory, supplies, furnishings and equipment to the City Clerk. Late reports are included in the "supplemental" roll; non-filers are assessed an estimated property value and are included on the "involuntary" roll. Clerk's staff applies a standard depreciation calculation, and mails each business an assessment notice. The same appeal process applies to both business personal property and real property.

After the mill rate is established and the tax roll is certified by council, tax statements will be 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 20.

DISCUSSION: Twenty-three appeals of real property assessment were submitted this year. All appeals were settled by the assessor to the satisfaction of the property owners. Therefore, there was no need to convene the Board of Equalization in 2022.

Real Property: Total real property value in the city is \$928,281,500, which includes property not subject to taxation due to being owned by the City, State or Federal government, native allotments and property owned by non-profit organizations. After adjusting values for allowed exemptions such as property owned by senior citizens, active fire/EMS volunteers and property containing fire suppression systems, the taxable net value is \$551,990,800.

Business Personal Property: The total assessed value of business personal property is \$265,818,501. After applying the exemption for the first \$30,000 in value of all personal property, the net taxable value of business personal property is \$262,121,944.

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|------------------------------|--|-------------------------|
| Total Assessed Value: | | |
| | Business Personal Property | \$ 265,818,501 |
| | Real Property | \$ 928,281,500 |
| | | \$ 1,194,100,001 |
| Less: | | |
| Non-Taxable: | Government, AHA, Native, Nonprofit owned | 367,256,600.00 |
| Exemptions: | Fire/EMS Volunteers | 30,000.00 |
| | Fire Suppression Systems | 933,300.00 |
| | Senior Citizens | 3,641,200.00 |
| | Possessory Interest Adjustments | 4,429,600.00 |
| | Real Property Exemptions | \$ 376,290,700 |
| Exempt: | 1st \$30K Business Personal Property | \$ 3,696,557 |
| Taxable Values: | | |
| | Real Property | \$ 551,990,800 |
| | Personal Property | \$ 262,121,944 |
| | TOTAL TAXABLE | \$ 814,112,744 |
| | FY23 Revenue at Levy of 9 Mills | \$ 7,327,014.70 |

ALTERNATIVES: There are no alternatives. Certification of the tax roll is required by the State of Alaska and Unalaska’s Code of Ordinances.

FINANCIAL IMPLICATIONS: Total taxable property is \$814,112,744. If 100% collected, the City can expect FY22 property tax revenue of \$7,327,014.70 at a mill rate of 9 adopted on May 12, 2022.

LEGAL: None.

STAFF RECOMMENDATION: Staff recommends certification of the tax rolls.

PROPOSED MOTION: I move to adopt Resolution 2022-21.

CITY MANAGER COMMENTS: I support staff’s recommendation.