

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2023-26

A RESOLUTION OF THE UNALASKA CITY COUNCIL CERTIFYING THE 2023 REAL AND PERSONAL PROPERTY TAX ROLLS

WHEREAS, the City Assessor valued all real property within the City of Unalaska for property tax purposes and notices of assessed value were sent to the owners of record; and

WHEREAS, the Assessor settled all appeals of the 2023 real property tax assessments to the satisfaction of the property owners, with one exception; and

WHEREAS, one appeal was heard by the Board of Equalization and the assessment was found not to be in error; 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 calendar year 2023 as follows:

REAL PROPERTY

Total Assessed Value.....	\$952,490,900
Exempt	\$379,400,000
Taxable.....	\$573,090,900

BUSINESS PERSONAL PROPERTY

Total Assessed Value.....	\$269,379,475
Exempt	\$4,035,187
Taxable.....	\$264,344,288

TOTAL TAXABLE.....\$838,435,188

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on May 23, 2023.

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: William Homka, City Manager
Date: May 23, 2023
Re: Resolution 2023-26: Certifying the 2023 Real and Personal Property Tax Rolls

SUMMARY: Each year, Council certifies the tax roll pursuant to code. Adoption of Resolution 2023-26 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 24. The period to appeal the assessment ran for thirty days. After the appeal period closed, the contract assessor contacted appellants to discuss the valuation, providing information and attempting 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. There was one appeal heard by the Board of Equalization in 2023.

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. No appeals of business personal property assessments were received.

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 21, and the second half is due on October 20.

DISCUSSION: Five appeals of real property assessment were submitted this year. Four appeals were settled by the assessor to the satisfaction of the property owners. One appeal proceeded to the Board of Equalization, which found the adjusted assessment was not in error.

Real Property: Total real property value in the city is \$952,490,900, 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 (property owned by disabled veterans, senior citizens, active fire/EMS volunteers; property containing fire suppression systems; and possessory interest), the taxable net value is \$573,090,900.

Business Personal Property: The total assessed value of business personal property is \$269,379,475. After applying the exemption for the first \$30,000 in value of all personal property, the net taxable value of business personal property is \$265,344,288. The following table provides additional detail, along with a comparison to last year's values:

Assessed Values:		2023	2022	Difference
	Business Personal Property	\$ 269,379,475	\$ 265,818,501	\$ 3,560,974
	Real Property	\$ 952,490,900	\$ 928,281,500	\$ 24,209,400
		\$ 1,221,870,375	\$ 1,194,100,001	\$ 27,770,374
Less:				
<i>Non-Taxable:</i>	Government, AHA, Native, Nonprofit owned	\$ 368,718,300	\$ 367,256,600	\$ 1,461,700
<i>Exemptions:</i>	Fire/EMS Volunteers	\$ -	\$ 30,000	\$ (30,000)
	Disabled Veteran	\$ 150,000	\$ -	\$ 150,000
	Fire Suppression Systems	\$ 933,300	\$ 933,300	\$ -
	Senior Citizens	\$ 3,791,200	\$ 3,641,200	\$ 150,000
	Possessory Interest Adjustments	\$ 5,807,200	\$ 4,429,600	\$ 1,377,600
	Real Property Exemptions	\$ 379,400,000	\$ 376,290,700	\$ 3,109,300
				\$ -
<i>Exempt:</i>	1st \$30K Business Personal Property	\$ 4,035,187	\$ 3,696,557	\$ 338,630
Taxable Values:				
	Real Property	\$ 573,090,900	\$ 551,990,800	\$ 21,100,100
	Personal Property	\$ 265,344,288	\$ 262,121,944	\$ 3,222,344
	TOTAL TAXABLE	\$ 838,435,188	\$ 814,112,744	\$ 24,322,444
				\$ -
Revenue:		\$ 8,803,569	\$ 7,327,014.70	\$ 1,476,555
		(10.5 mills)	(9 mills)	

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 \$838,435,188. If 100% collected, the City can expect FY24 property tax revenue of \$8,803,569 at the millage rate of 10.5 adopted on March 28, 2023.

LEGAL: None.

STAFF RECOMMENDATION: Staff recommends certification of the tax rolls.

PROPOSED MOTION: I move to adopt Resolution 2023-26.

CITY MANAGER COMMENTS: I support staff's recommendation.