

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2021-29

A RESOLUTION OF THE UNALASKA CITY COUNCIL CERTIFYING THE 2021 REAL AND PERSONAL PROPERTY TAX ROLLS

WHEREAS, the City Assessor settled all appeals of the 2021 real property tax assessments to the satisfaction of the property owners; and

WHEREAS, Unalaska City Code of Ordinances § 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 roll for 2021 as follows:

REAL PROPERTY

Total Assessed Value.....\$743,886,400
Total Taxable.....\$462,227,563

BUSINESS PERSONAL PROPERTY

Total Assessed Value.....\$263,544,027
Total Taxable.....\$259,864,538

TOTAL\$722,092,101

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on May 11, 2021.

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 11, 2021
Re: Resolution 2021-29: Certifying the 2021 real and personal property tax rolls

SUMMARY: Each year, Council certifies the tax roll pursuant to code. If property tax appeals are heard by the Board of Equalization, certification takes place following the BOE hearing. At the writing of this memo, the Assessor has received verbal confirmation of settlement of all appeals, but is waiting on written confirmation, which we hope to have before the May 11 meeting.

Adoption of Resolution 2021-29 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 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 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 effects in real estate market values, assessments 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 are received by the Clerk's Office, the tax roll is prepared and assessment notices are mailed to property owners by March 30. The period to appeal the assessment runs for thirty days. After the appeal period closes, the contract assessor contacts appellants to 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, licensed businesses are to report the value of all business inventory, supplies, furnishings and equipment. 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 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 20.

DISCUSSION: Sixteen appeals of real property assessments were submitted. As of this writing, the Assessor has received written confirmation of all but five appeals; and has received verbal confirmation of settlement of those remaining five. We hope to have written confirmation of all appeals before the May 11 BOE.

Real Property: Total real property value in the city is \$743,886,400, which includes property not subject to taxation valued at \$276,370,400. Non-taxable property includes native allotments and property owned by government or religious organizations. After applying allowed exemptions of \$5,288,437, for property owned by senior citizens, active fire/EMS volunteers and property containing fire suppression systems, the taxable net value is \$462,227,563.

Land		\$ 187,444,800
Improvements		\$ 556,441,600
TOTAL		\$ 743,886,400
Less Non-Taxable Property (Gov/Native)		\$ 276,370,400
Less Exemptions (Sr/Sprinkler/FEMS)		\$ 5,288,437
		\$ 281,658,837
NET TAXABLE		\$ 462,227,563

Business Personal Property: The total assessed value of business personal property is \$263,544,027. After applying the exemption for the first \$30,000 in value of all personal property, the net taxable value of business personal property is \$259,864,538.

TAX ROLL	Total Assessed	Exempt (1st \$30K)	Net Taxable
Voluntary	\$ 231,574,136	\$ 2,752,716	\$ 228,821,420
Involuntary (Non-Fileers)	\$ 31,969,891	\$ 926,773	\$ 31,043,118
Total	\$ 263,544,027	\$ 3,679,489	\$ 259,864,538

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

FINANCIAL IMPLICATIONS: Total taxable property is \$722,092,101. If 100% collected, the City can expect FY22 property tax revenue of \$7,581,967 at a mill rate of 10.5.

LEGAL: None.

STAFF RECOMMENDATION: Staff recommends certification of the tax rolls.

PROPOSED MOTION: I move to adopt Resolution 2021-29.

CITY MANAGER COMMENTS: I support staff's recommendation.