

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2021-30

A RESOLUTION OF THE UNALASKA CITY COUNCIL ESTABLISHING THE RATE OF LEVY ON ASSESSED PROPERTY WITHIN THE CITY OF UNALASKA FOR FISCAL YEAR 2022

WHEREAS, Unalaska City Code § 6.28.010(B) states, “the Council shall annually by resolution establish the rate of levy on assessed property within the City”; and

WHEREAS, the Unalaska City Council reviewed options and information regarding the rate of levy.

NOW THEREFORE BE IT RESOLVED that the rate of levy on assessed property within the City of Unalaska, Alaska for Fiscal Year 2022 shall be set at 10.5 mills.

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 21, 2021
Re: Resolution 2021-30 establishing the rate of levy on assessed property within the City of Unalaska for Fiscal Year 2022

SUMMARY: Unalaska City Code Section 6.28.010(B) provides that “the Council shall annually by resolution establish the rate of levy on assessed property within the city. The annual rate of levy shall be determined before June 15.” By adopting Resolution 2021-30, Council will set the mill rate for FY22.

PREVIOUS COUNCIL ACTION: Council establishes the rate of levy each year.

DISCUSSION: One component of the annual property tax cycle is setting the mill rate. This rate is applied to both real property and business personal property values. In FY92, the mill rate was reduced from 12.78 mills to 11.78 mills. It remained at 11.78 mills until FY09 when it was reduced to 10.5 mills. A mill rate of 10.5 mills equates to \$1,050 per \$100,000 in assessed valuation. The attached chart indicates the impact on property tax revenue with changes in the mill rate using this year’s assessed values.

ALTERNATIVES: Council may raise or lower the mill rate, or Council may choose to maintain the rate of levy at 10.5 mills.

FINANCIAL IMPLICATIONS: The attached spreadsheet shows increases or decreases in revenue based on a change in the mill rate, using current property tax values.

LEGAL: None.

STAFF RECOMMENDATION: Staff recommends adoption of Resolution 2021-30.

PROPOSED MOTION: I move to adopt Resolution 2021-30.

CITY MANAGER COMMENTS: I support Staff’s recommendation. A mill rate increase does not appear to be necessary at this time, but one may be warranted in the years to come in order to cover the cost of operations and maintain existing levels of service.

ATTACHMENT: Chart with mill rate levy options

PROPERTY TAX MILLAGE RATE OPTIONS

Rate of Levy		Assessed Value		Taxes	
		Real Property	Business Personal Property	Total Tax	Increase / Decrease
Mill Rate	Percent Rate	462,227,563	259,864,538		
5.00	0.500%	2,311,138	1,299,323	3,610,461	(3,971,507)
5.50	0.550%	2,542,252	1,429,255	3,971,507	(3,610,461)
6.00	0.600%	2,773,365	1,559,187	4,332,553	(3,249,414)
6.50	0.650%	3,004,479	1,689,119	4,693,599	(2,888,368)
7.00	0.700%	3,235,593	1,819,052	5,054,645	(2,527,322)
7.50	0.750%	3,466,707	1,948,984	5,415,691	(2,166,276)
8.00	0.800%	3,697,821	2,078,916	5,776,737	(1,805,230)
8.50	0.850%	3,928,934	2,208,849	6,137,783	(1,444,184)
9.00	0.900%	4,160,048	2,338,781	6,498,829	(1,083,138)
9.50	0.950%	4,391,162	2,468,713	6,859,875	(722,092)
10.00	1.000%	4,622,276	2,598,645	7,220,921	(361,046)
10.50	1.050%	4,853,389	2,728,578	7,581,967	-
11.00	1.100%	5,084,503	2,858,510	7,943,013	361,046
11.50	1.150%	5,315,617	2,988,442	8,304,059	722,092
11.78	1.178%	5,445,041	3,061,204	8,506,245	924,278
12.00	1.200%	5,546,731	3,118,374	8,665,105	1,083,138
12.50	1.250%	5,777,845	3,248,307	9,026,151	1,444,184
13.00	1.300%	6,008,958	3,378,239	9,387,197	1,805,230
13.50	1.350%	6,240,072	3,508,171	9,748,243	2,166,276
14.00	1.400%	6,471,186	3,638,104	10,109,289	2,527,322
14.50	1.450%	6,702,300	3,768,036	10,470,335	2,888,368
15.00	1.500%	6,933,413	3,897,968	10,831,382	3,249,414
15.50	1.550%	7,164,527	4,027,900	11,192,428	3,610,461
16.00	1.600%	7,395,641	4,157,833	11,553,474	3,971,507
16.50	1.650%	7,626,755	4,287,765	11,914,520	4,332,553
17.00	1.700%	7,857,869	4,417,697	12,275,566	4,693,599
17.50	1.750%	8,088,982	4,547,629	12,636,612	5,054,645
18.00	1.800%	8,320,096	4,677,562	12,997,658	5,415,691
18.50	1.850%	8,551,210	4,807,494	13,358,704	5,776,737
19.00	1.900%	8,782,324	4,937,426	13,719,750	6,137,783
19.50	1.950%	9,013,437	5,067,358	14,080,796	6,498,829
20.00	2.000%	9,244,551	5,197,291	14,441,842	6,859,875

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