

**CITY OF UNALASKA
UNALASKA, ALASKA**

RESOLUTION 2017-35

**A RESOLUTION OF THE UNALASKA CITY COUNCIL ESTABLISHING THE
RATE OF LEVY OF ASSESSED PROPERTY WITHIN THE CITY OF
UNALASKA, ALASKA FOR FISCAL YEAR 2018**

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

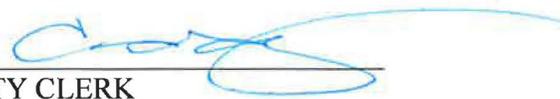
WHEREAS, Unalaska City Council has reviewed options and information regarding the mil rate for Unalaska;

NOW THEREFORE BE IT RESOLVED BY THE UNALASKA CITY COUNCIL THAT the rate of levy on assessed property within the City of Unalaska, Alaska for Fiscal Year 2018 shall be set at 10.5 mils.

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE UNALASKA CITY COUNCIL THIS 9TH DAY OF MAY 2017.


MAYOR

ATTEST:


CITY CLERK



MEMORANDUM TO COUNCIL

TO: MAYOR AND CITY COUNCIL MEMBERS

THRU: DAVID MARTINSON, CITY MANAGER

FROM: CAT HAZEN, CITY CLERK

DATE: MAY 9, 2017

RE: RESOLUTION 2017-35 – ESTABLISHING THE RATE OF LEVY FOR ASSESSED PROPERTY WITHIN THE CITY OF UNALASKA FOR FY18

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 2017-35, Council will set the mil rate for FY18.

PREVIOUS COUNCIL ACTION: On May 10, 2016, through Resolution 2016-26, Council set the mil rate for FY17 at 10.5 mils.

BACKGROUND: The Council sets the mil rate annually.

DISCUSSION: One component of the annual property tax cycle is the setting of the mil rate. This rate is applied to both real and business personal property values. In FY92, the mil rate was reduced from 12.78 mils to 11.78 mils. It remained at 11.78 mils until FY09 when it was reduced to 10.5 mils. A mil rate of 10.5 mils equates to \$1,050 per \$100,000 in assessed valuation. The FY16 property tax yielded \$5.96 million in revenues at 10.5 mils. The attached chart indicates the impact of various changes in the mil rate.

The preliminary 2017 real property total value is \$646,181,956. Of that, \$229,334,562 is exempt. The taxable value total is \$416,847,394. This represents an increase of approximately \$13,788,028 over last year. Business personal property taxable values for 2017 total \$173,925,097. This is an increase of approximately \$8,759,510 from last year.

Please remember these numbers are preliminary. They may change between publication of the packet and the May 9th meeting if the Appraisal Company of Alaska settles with appellants, and they may change further after the Board of Equalization hearing.

ALTERNATIVES: Council may raise or lower the mil rate, or Council may choose to maintain the status quo at 10.5 mils.

FINANCIAL IMPLICATIONS: The attached spreadsheet outlines the revenues that would be generated by lower or raising the mil rate.

LEGAL: None

STAFF RECOMMENDATION: Staff recommends approval of Resolution 2017-35.

PROPOSED MOTION: This item is on the Consent Agenda.

CITY MANAGER'S COMMENTS: I recommend Council concur with this resolution.

Property Taxes

Fiscal Year 2018
 Calendar Year 2017

Tax Rate		Assessed Value		Taxes		
		Real	Business Personal	Total	Inc(Dec)	
Mill Rate	Percent Rate	416,847,394	173,925,097			
5.00	0.500%	2,084,237	869,625	2,953,862	(3,249,249)	
5.50	0.550%	2,292,661	956,588	3,249,249	(2,953,862)	
6.00	0.600%	2,501,084	1,043,551	3,544,635	(2,658,476)	
6.50	0.650%	2,709,508	1,130,513	3,840,021	(2,363,090)	
7.00	0.700%	2,917,932	1,217,476	4,135,407	(2,067,704)	
7.50	0.750%	3,126,355	1,304,438	4,430,794	(1,772,317)	
8.00	0.800%	3,334,779	1,391,401	4,726,180	(1,476,931)	
8.50	0.850%	3,543,203	1,478,363	5,021,566	(1,181,545)	
9.00	0.900%	3,751,627	1,565,326	5,316,952	(886,159)	
9.50	0.950%	3,960,050	1,652,288	5,612,339	(590,772)	
10.00	1.000%	4,168,474	1,739,251	5,907,725	(295,386)	
current rate	10.50	1.050%	4,376,898	1,826,214	6,203,111	-
	11.00	1.100%	4,585,321	1,913,176	6,498,497	295,386
	11.50	1.150%	4,793,745	2,000,139	6,793,884	590,772
	11.78	1.178%	4,910,462	2,048,838	6,959,300	756,189
	12.00	1.200%	5,002,169	2,087,101	7,089,270	886,159
	12.50	1.250%	5,210,592	2,174,064	7,384,656	1,181,545
	13.00	1.300%	5,419,016	2,261,026	7,680,042	1,476,931
	13.50	1.350%	5,627,440	2,347,989	7,975,429	1,772,317
	14.00	1.400%	5,835,864	2,434,951	8,270,815	2,067,704
	14.50	1.450%	6,044,287	2,521,914	8,566,201	2,363,090
	15.00	1.500%	6,252,711	2,608,876	8,861,587	2,658,476
	15.50	1.550%	6,461,135	2,695,839	9,156,974	2,953,862
	16.00	1.600%	6,669,558	2,782,802	9,452,360	3,249,249
	16.50	1.650%	6,877,982	2,869,764	9,747,746	3,544,635
	17.00	1.700%	7,086,406	2,956,727	10,043,132	3,840,021
	17.50	1.750%	7,294,829	3,043,689	10,338,519	4,135,407
	18.00	1.800%	7,503,253	3,130,652	10,633,905	4,430,794
	18.50	1.850%	7,711,677	3,217,614	10,929,291	4,726,180
	19.00	1.900%	7,920,100	3,304,577	11,224,677	5,021,566
	19.50	1.950%	8,128,524	3,391,539	11,520,064	5,316,952
	20.00	2.000%	8,336,948	3,478,502	11,815,450	5,612,339

Example: homeowner with assessed value of \$300,000

	Tax Rate		for a home assessed at	Tax
	Mill Rate	Percent Rate		
current rate	10.5	1.050%	\$ 300,000	\$ 3,150.00