

Mayor
James Kacsh

Council Members
Kristin Carpenter
Tim Joyce
David Allison
Bret Bradford
EJ Cheshier
David Reggiani
James Burton

Interim City Manager
Donald Moore

City Clerk
Susan Bourgeois

Deputy Clerk
Tina Hammer

Student Council
Sarah Hoepfner
Gabrielle Brown

**COUNCIL SPECIAL MEETING
MAY 17, 2013 @ 12:00 PM
LIBRARY MEETING ROOM**

AGENDA

A. CALL TO ORDER

B. ROLL CALL

Mayor James Kacsh, Council members Kristin Carpenter, Tim Joyce, David Allison, Bret Bradford, EJ Cheshier, David Reggiani and James Burton

C. APPROVAL OF AGENDA..... (voice vote)

D. DISCLOSURES OF CONFLICTS OF INTEREST

E. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

- 1. Audience Comments regarding agenda items

F. NEW BUSINESS

- 1. Certification of 2013 property tax roll..... (voice vote)(page 1)
- 2. City Clerk contract update
- 3. Interim City Manager contract extension..... (voice vote)(page 12)
- 4. City Manager Candidate Review
(Portions of this discussion may be conducted in executive session in order to discuss subjects that tend to prejudice the reputation and character of any person; provided that the person may request a public discussion)

G. AUDIENCE PARTICIPATION

H. COUNCIL COMMENTS

I. EXECUTIVE SESSION

- 5. City Manager position & job search

J. ADJOURNMENT

Executive Sessions: Subjects which may be discussed are: (1) Matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government; (2) Subjects that tend to prejudice the reputation and character of any person; provided that the person may request a public discussion; (3) Matters which by law, municipal charter or code are required to be confidential; (4) Matters involving consideration of governmental records that by law are not subject to public disclosure.

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All City Council agendas and packets available online at www.cityofcordova.net

A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

DATE: May 8, 2012
TO: Mayor and City Council
SUBJECT: 2013 Property Assessment Roll Certification

Attached is the Clerk's certification of the 2013 property assessment roll with the reports of total assessed value, taxable value and exempt value. A brief analysis follows:

- 1) In ten years Cordova's total assessed value has gone up an average of **3.8%** per year yet taxes collected have gone up an average of **1.4%** per year over the same 10 years (hugely due to the \$500K cut in revenue goal between 2010 and 2011 and also to 2012 and 2013)
- 2) Taxable vs. exempt has been gradually shifting but staying close to 50%:50% and taxable has been slightly greater than exempt for the past 10 years but this year there has been a big change. Taxable is at **46.7%**: exempt at **53.3%**. The best explanation of this is the substantial increase in value of 4 City-owned, and therefore exempt properties a) Cordova Center, b) Elementary School, c) High School and d) hospital (attached is a spreadsheet of these four properties as well as the "summary report" for each which is basically the assessor's calculation of value)

A "mill rate scenarios" worksheet has been provided to assist Council in establishing a mill rate for the 2013 tax year. The 2013 budget includes \$1.5 million for property tax revenues. The dollar amount in the column second from the right, inside the box, indicates the total that would be collected at the specified mill rates. Council needs to establish the mill rate by June 15, 2013. I will bring a resolution to the June 5, 2013 meeting for your approval. I ask that you consider giving direction tonight as to what **other** scenarios you would like to see on the worksheet provided for the June 5 Regular Meeting or if 9.43 & 8.43 should be used or if 9.19 & 8.19 should be the mill rates inserted in the resolution.

Also attached to this memo are citations from Cordova Municipal Code 5.36.190, 5.36.230, 5.36.240 & 5.36.245 all referring to certifying the roll and setting the mill rate (tax levy) and dates that those are required to be done.

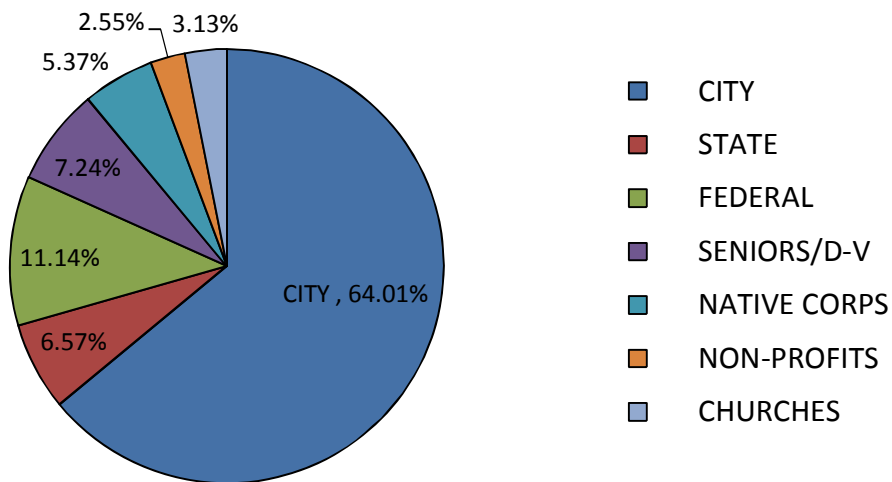
STAFF RECOMMENDATION: Move to certify the 2013 property assessment roll.

REQUIRED ACTION: Majority voice vote.

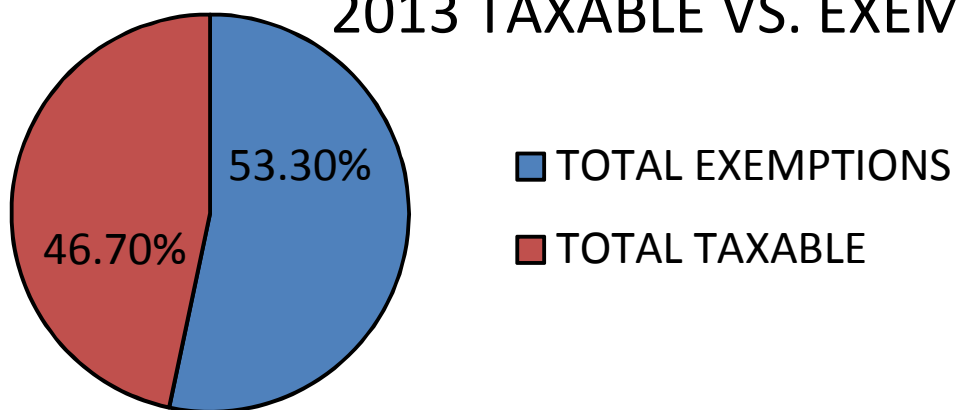
THREE YEARS COMPARISON OF EXEMPT VALUE TO TAXABLE VALUE

	2013	%	2012	%	2011	%
TOTAL LAND	\$80,282,400		\$76,701,400		\$76,537,700	
TOTAL IMPROVEMENTS	\$277,770,800		\$216,785,860		\$210,943,760	
TOTAL ASSESSED VALUE	\$358,053,200	100%	\$293,487,260	100%	\$287,481,460	100%
TOTAL EXEMPTIONS	\$190,837,600	53.30%	\$130,722,764	44.54%	\$128,619,400	44.74%
TOTAL TAXABLE	\$167,215,600	46.70%	\$162,764,496	55.46%	\$158,862,060	55.26%
EXEMPTIONS:						
CITY	\$122,155,400	64.01%	\$65,527,700	50.13%	\$63,665,000	49.50%
STATE	\$12,530,400	6.57%	\$12,211,300	9.34%	\$11,895,600	9.25%
FEDERAL	\$21,251,600	11.14%	\$21,165,000	16.19%	\$20,752,500	16.13%
SENIORS/ D-V	\$13,818,700	7.24%	\$13,253,064	10.14%	\$13,835,900	10.76%
NATIVE CORPS	\$10,247,300	5.37%	\$9,836,200	7.52%	\$9,798,800	7.62%
NON-PROFITS	\$4,868,900	2.55%	\$4,682,900	3.58%	\$4,494,400	3.49%
CHURCHES	\$5,965,300	3.13%	\$4,046,600	3.10%	\$4,177,200	3.25%
TOTAL EXEMPTIONS	\$190,837,600	100%	\$130,722,764	100%	\$128,619,400	100%

2013 EXEMPTION CATEGORIES



2013 TAXABLE VS. EXEMPT



**CITY OF CORDOVA
PROPERTY ASSESSMENTS COMPARISON**

TAX YEAR	PROP TAX COLLECTED	MILL RATES	TAXABLE ASSESSMENT	EXEMPTED ASSESSMENT	TOTAL ASSESSMENT
2000	\$1,334,448	13.50 & 10.99	\$103,604,891	\$95,222,444	\$198,827,335
2001	\$1,380,837	13.50 & 10.99	\$106,648,368	\$96,542,662	\$203,191,030
2002	\$1,398,363	13.50 & 12.50	\$105,559,408	\$97,613,212	\$203,172,620
2003	\$1,455,977	13.50 & 12.50	\$109,433,718	\$97,741,372	\$207,175,090
2004	\$1,493,619	14.00 & 13.00	\$109,591,140	\$100,413,210	\$210,004,350
2005	\$1,584,360	14.00 & 13.00	\$114,867,647	\$106,751,693	\$221,619,340
2006	\$1,599,752	13.35 & 12.35	\$121,859,603	\$115,678,687	\$237,538,290
2007	\$1,621,154	13.35 & 12.35	\$123,424,858	\$114,058,652	\$237,483,510
2008	\$1,660,068	13.00 & 12.00	\$129,773,078	\$122,555,522	\$252,328,600
2009	\$1,756,300	14.50 & 13.50	\$137,305,360	\$123,808,050	\$261,113,410
2010	\$2,093,027	13.90 & 12.90	\$146,419,540	\$124,237,950	\$270,657,490
2011	\$1,506,150	9.70 & 8.70	\$158,862,060	\$128,619,400	\$287,481,460
2012	\$1,500,605	9.43 & 8.43	\$162,764,496	\$130,722,764	\$293,487,260
2013	unknown	not yet set	\$167,215,600	\$190,837,600	\$358,053,200
2013	tbd	ORIG CITY AREA	\$131,646,300	\$166,514,200	\$298,160,500
2013	tbd	ANNEXED AREA	\$35,569,300	\$24,323,400	\$59,892,700

Property ID	Location/bldg	2012 assessed	2013 assessed	increase
02-072-950	CCMC	\$10,628,400	\$25,822,600	143.0%
02-173-549	Cordova Center	\$37,400	\$23,502,300	62740.4%
02-273-162	Mt. Eccles	\$7,466,000	\$13,699,000	83.5%
02-473-470	High School	\$13,391,300	\$23,819,500	77.9%



hospital

Summary Report



Estimate Number : 14
 Property Owner : city of cordova
 Property City : cordova
 State/Province : alaska
 ZIP/Postal Code : 99574

Section 1

Occupancy

	<u>Class</u>	<u>Height</u>	<u>Rank</u>
100% Hospital	Masonry bearing walls	12.00	4.0
Total Area	: 28,710		
Number of Stories (Section)	: 1.00		
Shape	: 4.00		

Components

	<u>Units/%</u>	<u>Other</u>
Exterior Walls:		
Concrete, Formed	100%	
HVAC (Heating):		
Hot Water	100%	Climate : 2

Cost as of 01/2011

	<u>Units/%</u>	<u>Cost</u>	<u>Total</u>
Basic Structure			
Base Cost	28,710	687.10	19,726,641
Exterior Walls	28,710	78.04	2,240,528
Heating & Cooling	28,710	29.96	860,152
Basic Structure Cost	28,710	795.10	22,827,321
Basement			
finished basement	26,850	102.56	2,753,736
Building Cost New	28,710	891.02	25,581,057

Cordova Center

11/27/2012

Summary Report

Page: 1

Estimate Number :
 Property Owner : city of cordova
 Property City : cordova
 State/Province : alaska
 ZIP/Postal Code : 99574
 Building Name : cordova center

Section 1

Occupancy	<u>Class</u>	<u>Height</u>	<u>Rank</u>
19% Library, Public	Metal frame and walls	14.00	4.0
29% Office Building	Metal frame and walls	10.00	4.0
21% Theater - Live Stage	Metal frame and walls	22.00	4.0
21% Museum	Metal frame and walls	16.00	4.0
10% Community Service Building	Metal frame and walls	12.00	4.0
Total Area	: 35,518		
Number of Stories (Building)	: 3.00		
Number of Stories (Section)	: 1.00		
Shape	: 4.00		

Components	<u>Units/%</u>	<u>Other</u>
Exterior Walls:		
Concrete, Formed	100%	
HVAC (Heating):		
Complete HVAC	100%	Climate :2
Elevators:		
Passenger #	1	
Sprinklers:		
Sprinklers	100%	
Miscellaneous:		
Fire Alarm System	35,518	

Cost as of 01/2011

Basic Structure	<u>Units/%</u>	<u>Cost</u>	<u>Total</u>
Base Cost	35,518	489.80	17,396,716
Exterior Walls	35,518	63.89	2,269,245
Heating & Cooling	35,518	69.10	2,454,294
Elevators	1	246,497.00	246,497
Sprinklers	35,518	11.56	410,588
Fire Alarm System	35,518	5.48	194,639
Basic Structure Cost	35,518	646.77	22,971,979
Basement			
A001001	984	367.35	361,472
Building Cost New	35,518	656.95	23,333,451

w/ 3.0 multiplier

Estimate Number : -17
 Property Owner : city of cordova
 Property City : cordova
 State/Province : alaska
 ZIP/Postal Code : 99574

Section 1

Occupancy

	<u>Class</u>	<u>Height</u>	<u>Rank</u>
100% Elementary School (Entire)	Wood or steel framed exterior walls	10.00	4.0
Total Area	: 27,292		
Number of Stories (Building)	: 2.00		
Number of Stories (Section)	: 1.00		
Perimeter	: 667		

Components

	<u>Units/%</u>	<u>Other</u>
Exterior Walls:		
Stud -Textured Plywood	100%	
HVAC (Heating):		
Hot Water	100%	Climate : 2
Sprinklers:		
Sprinklers	100%	
Miscellaneous:		
Fire Alarm System	100	

Cost as of 01/2011

	<u>Units/%</u>	<u>Cost</u>	<u>Total</u>
Basic Structure			
Base Cost	27,292	398.16	10,866,583
Exterior Walls	27,292	42.76	1,167,006
Heating & Cooling	27,292	31.83	868,704
Sprinklers	27,292	13.81	376,903
Fire Alarm System	100	6.27	627
Basic Structure Cost	27,292	486.58	13,279,823

Elementary School

Estimate Number : -18
 Property Owner : city of cordova
 Property City : cordova
 State/Province : alaska
 ZIP/Postal Code : 99574

Section 1

Occupancy

	<u>Class</u>	<u>Height</u>	<u>Rank</u>
100% Lumber Storage Bldg., Vert.	Wood or steel framed exterior walls	20.00	3.0
Total Area	: 2,736		
Number of Stories (Building)	: 1.00		
Number of Stories (Section)	: 1.00		
Perimeter	: 220		

Cost as of 01/2011

	<u>Units/%</u>	<u>Cost</u>	<u>Total</u>
Basic Structure			
Base Cost	2,736	47.03	128,674
Exterior Walls	2,736	8.46	23,147
Basic Structure Cost	2,736	55.49	151,821

elementary playground

Estimate Number : -19
 Property Owner : city of cordova
 Property City : cordova
 State/Province : alaska
 ZIP/Postal Code : 99574

Section 1

Occupancy

	<u>Class</u>	<u>Height</u>	<u>Rank</u>
100% High School (Entire)	Wood or steel framed exterior walls	12.00	4.0
Total Area	: 49,545		
Number of Stories (Building)	: 1.00		
Number of Stories (Section)	: 1.00		
Perimeter	: 1,124		

Components

	<u>Units/%</u>	<u>Other</u>
Exterior Walls:		
Stud -Metal Siding	50%	
Stud -Hardboard Siding	50%	
HVAC (Heating):		
Hot Water	100%	Climate : 2
Sprinklers:		
Sprinklers	100%	
Miscellaneous:		
Fire Alarm System	100	

Cost as of 01/2011

	<u>Units/%</u>	<u>Cost</u>	<u>Total</u>
Basic Structure			
Base Cost	49,545	376.58	18,657,656
Exterior Walls	49,544	42.89	2,124,695
Heating & Cooling	49,545	32.89	1,629,535
Sprinklers	49,545	12.53	620,799
Fire Alarm System	100	6.27	627
Basic Structure Cost	49,545	464.90	23,033,312

high school

MILL RATE SCENARIOS 2013

**TOTAL TAXABLE VALUE IS \$167,215,600, THEREFORE,
EACH MILL GAINS \$167,215.60 IN PROPERTY TAXES**

IF MILL RATES STAY THE SAME AS LAST YEAR

		Total Tax Revenue by Area	
In Town Total Taxable	\$131,646,300.00		\$1,241,424.61
in town mill rate		9.43	
Out of Town Total Taxable	\$35,569,300.00		\$299,849.20
out of town mill rate		8.43	
total taxable	\$167,215,600.00		\$1,541,273.81 TOTAL PROPERTY TAXES

CLOSEST TO BUDGETED REVENUE AMOUNT OF \$1.5M

mill rate decrease of .24 mills or 2.55%

		Total Tax Revenue by Area	
In Town Total Taxable	\$131,646,300.00		\$1,209,829.50
in town mill rate		9.19	
Out of Town Total Taxable	\$35,569,300.00		\$291,312.57
out of town mill rate		8.19	
total taxable	\$167,215,600.00		\$1,501,142.06 TOTAL PROPERTY TAXES

5.36.190 - Appeal—Entry of changes by assessor.

Except as to supplementary assessments, the assessor shall enter the changes so certified upon his records, and certify the final assessment roll by June 1st.

(Ord. 777 (part), 1996: prior code § 13.121, as amended during 1979 codification).

5.36.230 - Delivery of statement to council.

When the final assessment records have been completed by the assessor as provided in this chapter, the assessor shall deliver to the council on or before June 1st of each year a statement of the total assessed valuation of all real property within the city.

(Ord. 777 (part), 1996: prior code § 13.125, as amended during 1979 codification).

5.36.240 - Amount set by resolution.

The council shall thereupon by resolution annually before June 15th fix a rate of tax levy and designate the number of mills upon each dollar of value of assessed taxable real property that shall be levied.

(Ord. 777 (part), 1996: prior code § 13.126, as amended during 1979 codification).

5.36.245 - Rural zone and mill rate differential.

There shall be a differential tax zone, known as the rural zone. The rural zone shall encompass the 68.23 square miles of land annexed to the city in March 1993. All property taxes on property in the rural zone shall be levied at mill rate 1.00 mills less than all other property in the city. This mill rate differential is based upon the lower levels of service in the rural zone for the following services: police protection (.30 mills), fire and emergency medical services (.23 mills), parks and recreation (.26 mills), library and museum services (.16 mills) and public works (.05 mills).

FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

This First Amendment to the Employment Agreement by and between the City of Cordova, Alaska, ("Cordova"), a municipal corporation, and Donald L. Moore ("City Manager"), is made effective as of May 31, 2013 ("Effective Date").

WHEREAS, City Manager is currently employed by Cordova pursuant to that certain Employment Agreement, effective January 1, 2013 ("Agreement"); and

WHEREAS, the Agreement expires by its terms on May 31, 2013; and

WHEREAS, Cordova and City Manager wish to amend the Agreement to provide for a temporary extension of the Agreement until June 30, 2013.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, Cordova and City Manager agree as follows:

1. **TERM.** The term of the amended Agreement is from June 1, 2013 to June 30, 2013 unless the Agreement is terminated earlier pursuant to Paragraph 5 of the Agreement.
2. **SAVINGS CLAUSE.** Save and except as hereinabove expressly amended, the Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the City Council of the City of Cordova has caused this First Amendment to be signed and executed on the City Council's behalf by its Major and duly attested by its City Clerk, and Donald L. Moore has executed this First Amendment for and on behalf of himself, as of the Effective Date.

City Council of the City of Cordova, Alaska

By: _____

James Kacsh, Mayor

Interim City Manager of City of Cordova, Alaska

Donald L. Moore

Attest: City Clerk

Susan Bourgeois