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Alice Ruby

Acting Manager
Jack Savo Jr.

CITY OF DILLINGHAM ALASKA

Dillingham City Council
Triston Chaney
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Kevin McCambly

MEMORANDUM TO COUNCIL

To:	Mayor and City Council Members
From:	Abigail Flynn, City Clerk's Department
Through:	Jack Savo Jr, Acting City Manager
Date:	November 25, 2025
Re:	Ordinance 2025-04 DMC 4.15.125 Settled appeals v1

SUMMARY: Staff is requesting Council authorization to introduce a draft ordinance amending Dillingham Municipal Code (DMC) 4.15.125(D) to streamline the process for handling settled property assessment appeals and set a public hearing date. The proposed amendment replaces the current requirement that the Assessor prepare a memorandum explaining the reasons for each revised assessment with a more efficient summary-reporting approach. This change would reduce administrative burden, decrease contract-assessor costs, improve clarity for taxpayers, and maintain transparency for the Board of Equalization (BOE).

Council action is needed to introduce the ordinance for consideration and set it for public hearing.

PREVIOUS COUNCIL ACTION: There has been no recent Council action modifying DMC 4.15.125. The current settled-appeal requirements remain unchanged since initial code adoption. The Code Committee recommended at their November 13th meeting that this Ordinance be approved.

BACKGROUND: Under AS 29.45.190(a) and DMC 4.15.125, property owners may appeal their assessments to the BOE if they cannot reach agreement with the Assessor regarding valuation. State law requires BOE hearings only when a dispute remains unresolved. If the Assessor and the taxpayer reach a settlement prior to the hearing, the BOE is not required to convene.

While State law does not obligate the BOE to review settled appeals, current City code requires the Assessor to prepare a memorandum detailing the reasons for each revised assessment and to seek BOE ratification at its organizational meeting. This process has become increasingly resource-intensive due to the annual volume of appeals, the cost of additional assessor labor, and the administrative burden placed on BOE members and staff.

The draft ordinance proposes replacing the existing memorandum requirement with a simplified summary report listing:

• the original assessed value;

• the taxpayer's proposed valuation; and

• the revised assessment mutually agreed upon by the taxpayer and the Assessor.

This alternative maintains transparency, preserves checks and balances, and provides BOE members with visibility into settled appeals while reducing workload for all parties.

DISCUSSION: The proposed amendment to DMC 4.15.125(D) aims to achieve four objectives:

1. Reduce Administrative Costs
   The existing requirement obligates the Assessor to generate detailed case-specific memoranda. Transitioning to a standardized summary format significantly decreases contract-assessor time and associated cost.

2. Increase Process Efficiency
   High volumes of settled appeals have made the current process time-consuming for staff and BOE members. A summary report streamlines workflow while ensuring consistency.

3. Continue Transparency and Oversight
   The BOE would still receive information for each settlement in a clear and accessible format. The change ensures the BOE remains informed without being required to formally ratify every settlement.

4. Improve Predictability for Taxpayers
   Simplifying the review framework minimizes uncertainty and delays for residents whose appeals are resolved directly with the Assessor.

The ordinance does not alter taxpayer rights, the Assessor's authority, or the standards for valuation review. It only modifies the format and administrative steps involved when a settlement is reached before a scheduled BOE hearing.

ALTERNATIVES: Leave the code requirements as they are.

FINANCIAL IMPLICATIONS:

Adopting the proposed amendment is expected to:

• reduce contract-assessor costs by decreasing the time required to prepare detailed memoranda;

• reduce administrative burden on staff supporting the BOE; and

• simplify meeting preparation, potentially lowering the number or length of BOE sessions.

There are no anticipated negative financial impacts.

LEGAL: The draft ordinance is consistent with AS 29.45.190(a), which does not require BOE hearings for settled appeals. The proposed revisions maintain full compliance with State law governing property assessments and taxpayer appeal rights. No legal concerns have been identified.

STAFF RECOMMENDATION: Staff recommends that the Council introduce the draft ordinance 2025-04 for first reading and schedule it for public hearing.

PROPOSED MOTION:

"I move to introduce Ordinance No. 2025-04, an ordinance of the Dillingham City Council amending Dillingham Municipal Code Section 4.15.125, Appeals to the Board of Equalization, regarding settled appeals."

"I move to schedule a public hearing for Ordinance No. 2025-04 to be held on [insert date], 2025."

Proposed motion after the public hearing is held, if this process goes ahead,

"I move to adopt Ordinance No. 2025-04, an ordinance amending Dillingham Municipal Code Section 4.15.125 to revise the process for settled assessment appeals before the Board of Equalization."

ATTACHMENTS: Draft Ordinance 2025-04