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Mayor Charlie Pierce  
Kenai Peninsula Borough Administration Building  
144 N. Binkley Street  
Soldotna, AK 99669  
**Subject:** Extension of Deadline for City of Seldovia FY2022 Mill Rate Levy

June 15, 2021

Mayor Pierce,

Seldovia City Council, like all municipalities, has been discussing Seldovia's mill rate levy for the upcoming fiscal year. A big part of that discussion has been the decrease of the city's assessment roll and how that impacts the city. Prior to April 1, 2021, the assessment roll for properties within city limits totaled \$41,624,998.67 and the City's 7.5 mill rate levy generated \$312,187.49 in property tax revenue. Per the 2021 certified main roll taxable values, the assessment roll now totals \$39,590,315 which would generate \$297,927.36 in revenue for FY22 and would be a decrease of \$14,260.13 in property tax revenue compared to FY21.

Seldovia's resolution maintaining the city's mill rate at 7.5 was originally introduced on May 24<sup>th</sup> but was postponed for consideration until last night. At the June 14<sup>th</sup> council meeting, an amendment was made and passed 4-1 to increase the mill rate levy to 7.75. This morning, Seldovia's mayor Jeremiah Campbell elected to exercise his veto powers to prevent the passage of the resolution. Finance Director Harbough shared with me that if the resolution setting the mill rate failed, Seldovia's mill rate would be maintained at 7.5 for the upcoming fiscal year.

Given the Borough's deadline to set the mill rate before June 15<sup>th</sup>, Seldovia Councilmembers would not be able to exercise their powers to consider overturning the mayor's veto in order to maintain the mill rate increase. Borough Attorney Thompson shared with me that the deadline to set the mill rate could be extended if an agreement is reached between the Borough and the City.

On behalf of the Seldovia Councilmembers wishing to discuss the mayor's actions on this matter, I am requesting the Kenai Peninsula Borough grant the City of Seldovia an extension to set its mill rate from June 15<sup>th</sup> to June 18<sup>th</sup>. This will allow the council to exercise their powers as outlined in Seldovia Municipal Code 2.08.050 (enclosed) during a special meeting. I understand and apologize that this extension may compromise when the tax bills are sent to all constituents on the Kenai Peninsula Borough, which is why the request would be for the end of this week. If this extension is not granted, it is my understanding Seldovia's mill rate will be maintained at 7.5 since Seldovia Councilmembers could not meet to consider overturning the mayor's veto.

Thank you for your consideration,

Rachel Friedlander  
City Manager

**Seldovia Municipal Code 2.08.050 Duties -- Powers.**

It shall be the duty of the Mayor to preside at meetings of the Council and to participate in discussion of matters before the Council. The Mayor may vote only in the case of a tie. The Mayor may veto any ordinance, resolution, motion or other action of the Council and may, by veto, strike or reduce items in appropriations, except when prohibited by law. He shall submit to the Council at its next regular meeting a written statement advising of his veto and giving his reasons. A veto is overridden by the vote of two-thirds of the authorized membership of the Council within 21 days following the veto, or at the next regular meeting whichever is later. (Ord. 87-1 Sec. 1, 1987)