



FINANCE AND BUDGET COMMITTEE

Monday, September 23, 2024 at 5:30 PM

CALL TO ORDER

The Finance and Budget Committee met on Monday, September 23, 2024, in the City Council Chambers, Dillingham, AK, and via Zoom video conference call. Curt Armstrong called the meeting to order at 5:30 p.m.

ROLL CALL

Committee members present and establishing a quorum (a quorum being four):

Curt Armstrong
Anita Fuller

Alice Ruby
Daniel Decker

Committee members absent:
Michael Bennett

Kaleb Westfall

APPROVAL OF MINUTES

No minutes to approve

APPROVAL OF AGENDA

Daniel Decker asked to amend the agenda to change the title of New Business over the Fish Tax to read Old Business.

MOTION: Alice Ruby moved to approve the agenda as amended seconded the motion to approve the agenda

VOTING: the motion passed by unanimous consent.

STAFF REPORTS

2. July 2024 Financial Report

- Fund balance impact is an increase of \$2,762,495.
- Real and Personal property tax are invoiced for the full amount effective 07/01/2024.
- Target goal is to reach 8% for revenues and expenses.
- PERS forfeiture funds will need a budget revision for FY25.
- Harbor revenue is higher than expected since the bulk of stickers are purchased at the end of the year.
- Transfers are as expected.
- General funds and special revenue are also as expected.
- IT expenses are high due to finishing the migration to Sharepoint being completed.
- LGLR Grant and the SRF Loan have been spent on the Lagoon Aeration Project.
- Capital Improvement has not had further progress.

1. Finance & Budget Staff Report

- Questica project is ongoing, historical data has been imported.

- FY24 Audit test work is being pulled and the state and federal schedules have been completed. The first review is scheduled for September 30, 2024, and the second review is scheduled for November 4, 2024. Audit is on track for completion on time.
- Staffing updates with the Finance Director starting a remote work rotation that began in July. Switched Basil Tilden and Kortney Johnson job duties. Retention levels have improved, and staff have expressed job satisfaction and a willingness to stay long term.
- Personal property tax escaped taxes are still being reviewed and disputed. Daniel Decker is requesting that the contract for the assessors is reviewed to better assist with personal property tax values. Do not want to repeat the level assessment value used in CY24. Alice Ruby suggests using the CFEC registration to pull the information for proper valuation and does wants to caution to not forget aircraft.
- Collection efforts have focused on property taxes with an emphasis on the foreclosure list as well as monitoring the promissory notes for lack of payment.
- Budget discussions are projected to start when the audit work is completed.
- Lagoon aeration project is asking for a change order and will be discussed in new business.

OLD BUSINESS

3. Fish Tax

- Alice Ruby asked if we have been able to find the report that the attorney that we shouldn't establish a percentage excise tax. Daniel Decker was unable to find that report.
- Daniel Decker has been working with the Port Director to look into how other communities are managing a similar tax.
- Curt Armstrong would like us to consider a Bay wide fish tax with a review of annexation.

NEW BUSINESS

5. Udelhoven contract is asking for a change order that will exceed the original budget for the project in the amount of \$70,609.
 - Phillip Baumgartner, Public Works Director, presented the reason for the change order is to change the gravel pad required for vehicles to access the lagoon and add the proper fencing and a gate to secure the facility. Some of the work has been done by Udelhoven in good faith knowing that the work is necessary for a proper job.
 - Alice Ruby asked if we could go back to the contractor for not designing this correctly.
 - Phillip Baumgartner felt that the City signed off on the project and for the dollar amount it would not be worth the process it would take. Daniel Decker agreed that the time lapse would make it challenging to contest.
 - This increase will require a budget revision that will come from the wastewater budget.
4. Harbor RFP for the cleanup to 1000 Kananak Harbor lot would clean up the lot, demo any buildings, remove fishing vessels, and demo the concrete pad to make this location a viable commercial property. The full cost of the bid would be \$167,347.
 - Phillip Baumgartner, brought to the committee attention that this would not include the costs of any contaminates and any necessary remediation.
 - Alice Ruby asked if work is done would this prevent the city from getting Brownsfield funding and support to clean up the contamination. Both Phil and Dan indicated it would not.
 - Daniel Decker indicated that if waiting on the cleanup the costs are only going to get higher in future years and this will improve the appearance of the area
 - Alice Ruby encouraged that whatever is done with the area it should add to the function of the harbor.

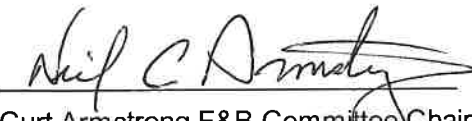
- Curt Armstrong wants City Staff to oversee the project to ensure that all contaminants are managed properly.
- This will require a budget revision.

PUBLIC/COMMITTEE COMMENT(S)

- Daniel Decker discussed that the RFP for the new lobbyist have been selected and will be presented at the next council meeting.
- Alice Ruby thanked staff for the work they are doing.

ADJOURNMENT

- Adjourned at 7:11pm


Curt Armstrong F&B Committee Chair
[SEAL]

ATTEST:


Abigail Flynn, Acting City Clerk

Approval Date: 12/05/2024