



FINANCE AND BUDGET COMMITTEE

Monday, August 18, 2025 at 5:30 PM

MINUTES

Our Vision. To have an infrastructure and city workforce that supports a sustainable, diversified and growing economy. We will partner with others to achieve economic development and other common goals that assure a high quality of living, and excellence in education.

MEETING INFORMATION FINANCE & BUDGET COMMITTEE MEETING

CITY HALL COUNCIL CHAMBERS

141 Main Street, Dillingham, AK 99576 (907) 842-5212

This meeting will also be available at the following online location:

Zoom ID: 920 483 0473

passcode: 999576

dial (719) 359-4580

Dial in Zoom is more stable than video. If Zoom freezes or crashes, video access will be limited.

CALL TO ORDER

Meeting called to order at 5:32 PM.

ROLL CALL

- Members Present: Kurt Armstrong, Michael Bennett, Caleb Westfall, Anita Foran, and Jack Savo
- Members Absent: Mayor (excused, out of town) Michael arrived at 5:35, after roll call
- Quorum established.

APPROVAL OF MINUTES

1. Motion: Approve minutes of March 12, 2025, and May 17, 2025, as a block.
- Moved by Anita, seconded by Steve.
 - Vote: No objections. Motion passed unanimously.

APPROVAL OF AGENDA

- Motion: Approve agenda as presented.
- Moved by Steve, seconded by Anita.
- Vote: No objections. Motion passed unanimously.

STAFF REPORTS

2. Finance and Budget Staff Report

Finance & Budget Staff Report – Anita

- Harbor Fund Deficit: FY25 harbor fund ended with ~\$80,000 deficit. Options discussed: to cover with general fund or transfer from Port Fund balance (~\$662,000 available). Anita recommended using Port Fund to maintain general fund stability.

- Fund Balance Overview: Reviewed historical fund balances from 2016–2025. General fund increased with grants (e.g., LGLR) but saw declines due to deferred maintenance and capital projects.

- Questica Budget Software: Implementation nearly complete; staff rollout planned by end of August, then expanded for Council and eventually public access.

- FY25 Audit: Scheduled for October 13 (initial test) and December 1 (final). Preparing for in-depth review following FY24 findings.

- Staffing: Two part-time finance positions left vacant to save costs. Staff undergoing training.

- Property Taxes: Active outreach to clarify assessments. Discussion raised on:

- Public concerns over property tax increases (13% equity hike perception).

- Potential for workshops with appraisers to improve transparency.

- Exploration of tax base expansion (native allotments sunset, annexation of waterways).

- Internal Controls: ACH transfers could improve oversight; updated process will require Council review/sign-off. Retroactive FY25 ACH records will be compiled for Council.

- Contracts: Appraiser and auditor contracts will go out for competitive bid (typically three-year cycles).

- Leases: Reviewing all City lease/rental properties

3. Financial Reports

- April–June 2025 revenue/expense reports presented (unaudited).

- Final fund balance impacts are less than budgeted, however still subject to audit reconciliation.

- Transfers: No transfers required between water and wastewater funds.

- Equipment shipping costs noted as higher than anticipated due to timing and shipping delays in the equipment fund.

4. Balance Sheet presented

5. City of Dillingham Cash Vest Report introduced

OLD BUSINESS

6. Fish Tax- nothing new to report

- Fish Tax: Committee discussed code authority to levy raw fish tax within city limits. Revenues earmarked for port. Potentially small revenue source but would reduce need for transfers to Harbor.

NEW BUSINESS

7. Investment Draft Policy Investment Draft Policy: Deferred for future discussion.

8. Senior Center Budget Revision

Senior Center Budget Revision: Added to agenda; to be addressed once Questica is fully implemented.

- Revenue Expansion Items (Added in Discussion):
- Exploration of taxing improvements on native allotments (sunset clause).
- Annexation of waterways as potential significant revenue stream.
- Workshop to be scheduled with staff, assessor, and public participation for analysis of revenue options.

PUBLIC/COMMITTEE COMMENT(S)

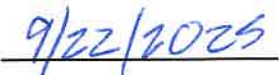
- Members emphasized need for transparency with public regarding property taxes and new revenue options.
- Suggested public workshops and proactive communication to frame potential revenue changes positively.
- Next Finance & Budget meeting scheduled for September 15, 2025 (tentatively rescheduled to September 16 or 20).

ADJOURNMENT

- Meeting adjourned at approximately 8:02 PM.

ATTEST:
Abigail Flynn; Acting City Clerk

[SEAL]


Date Approved: