

**Mayor**  
Alice Ruby

**Acting Manager**  
Jack Savo Jr



**Dillingham City Council**  
Triston Chaney

Steven Carriere  
Curt Armstrong  
Kaleb Westfall  
Kevin McCambly

## MEMORANDUM

**Date:** 06/12/2026

**To:** Jack Savo, City Manager

**From:** Anita Foran, Finance Director

**Subject:** Finance & Budget Report 06/15/2026

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### **Council Considerations/Recommendations:**

None at this time.

### **Department Accomplishment and Opportunities:**

Sales tax reporting has been improved by providing more thorough audits of the sales tax reports. This has increased compliance with City code by increasing the vendors understanding on how exemptions work, generating more business licenses that had not been submitted and educating vendors on how to properly calculate sales tax.

Generated several promissory notes and removed several people from the foreclosure list as a result as full payouts.

Payroll reviews of personnel files have been audited to ensure entries have been done correctly and all benefits are being reported properly.

Accounts receivable training has continued to develop the amount of tasks completed and a better understanding of what the job requires to allow for more independence on working on tasks.

Title 47 reports have been filed for PDF processing.

### **Audit Update:**

FY25 Audit –Audit work has continued. Discoveries have been made during this review of software setup issues dating back to the original start-up date of 2012. Corrections are being made that will correct the FY25 subledger balance issues that have accumulated since the software implementation.

**Department staffing:**

Assistant Finance Director – Revenue Cycling Manager has been filled. The AFD Purchasing Manager has resigned to be effective 07/31/2026. This position will be replaced with an Accounting Technician III to manage the grant reporting, major purchases and collections. Advertisement will not begin until later to provide a reduced budget.

Training of the Assistant Finance Department has begun.

**Property Tax:**

2026 certified tax roll has been approved by the council for real and personal property tax. Invoices for those taxes are to be mailed out on 07/01/2026.

**Collections:**

2018-2022 Foreclosure (3DI-24-00061CI) one-year redemption period has closed. The 4 remaining properties have been foreclosed. Next step in the process is to present options to the council to determine further actions.

2020-2024 Foreclosure (3DI-25-00062CI) properties have until July 24, 2026, before the redemption period is closed. There are 11 remaining properties on this list.

2025 Foreclosure list is in final review. Collections letters went out April 5, 2026.

Write off lists are being prepared and will be ready for the next F&B meeting for review.

**Grants:****Grant Updates**

- BBEDC Interns have been hired for EMS, Library and Harbor offices.
- A replacement for the library LINKED grant has been submitted for approval with the school district.
- Jail Contract budget requests have been submitted for the new fiscal year.

**Budget:**

FY26 Budget amendment 2 was introduced and failed to pass the council level.

FY27 Budget was introduced at the council level on 06/10/2026 and is scheduled for public hearing and approval consideration on 06/18/2026:

FY28-FY29 creation began with the FY27 Budget.

**Internal Controls:**

- Review of the document is on hold.

**Other News:**

- APRA insurance renewal application has been received and ready for approval.

**Upcoming Calendar Items:**

- End of Fiscal Year 2026 is on 06/30/2026.
- 15<sup>th</sup> of each month utility payments due; on the last day of month utility bills are sent.
- July 1, 2026 property tax invoices are to be mailed out.

**Revenue and Expense Report – April 2026:**

- Target percentage for March activity is 83%. Explanations provided in this report are for those items below 63% and above 120%. These are unaudited items and will have adjustments as the audit work is completed.
- Fund balance is a decrease of \$2,850,593.
- General fund revenue is on target at 80%.
- Remote online sales tax returns are at 59%. Reports have only been submitted as of February 2026. Returns have increased over the following months. This item was impacted by FY25 budget adjustments.
- Tobacco Excise tax returns are low at 59%.
- Payments of property tax are recorded at 103% & 105%. Actual amount received is 96% for real property and 83% for personal property.
- Property tax penalty and interest adjustments have corrected the prior months high reporting.
- Raw Fish tax reports were lower than originally budgeted and is received at only 40%.
- Lease and Rental income will be low until the end of the fiscal year when an annual lease payment is received from one of the vendors.
- Administrative overhead is reduced in all areas due to reduced spending in special revenue funds.
- PERS Forfeiture funds have returned higher than expected.

***Special Revenues & Other Funds Revenue***

- Dock Revenue is 35% and will not rise much until May when the main barges arrive.

- Harbor revenue is at 41% and as the harbor season starts when most revenue is recognized.
- Library grants are at 56% as funds are received after expenses are met.
- The investments are low for the Mary Carlson Estate and has a revenue of 56%.
- Special revenues is received at 68%.

#### *Transfers*

- Transfers to the landfill have been reduced due to reduced spending that is expected to happen in the final quarter and is at 56% of the budget.
- Equipment replacement of \$2,805 reflects expenses for the K-9 unit requested in FY25 but received in FY26. The \$111,000 budget is for the annual payment for the grader loan. The grader is expected to arrive in the summer of 2026.
- Debt Service payments have been made. Payments towards the Sewer Lagoon due on May 1, 2026 were paid in April. The \$17,378 payment causes the 34% overage.
- Transfers from Dock to Harbor have not happened due to Dock revenue being less than expenditures.

#### *General Fund Expenditures*

- City council expenditures are at 53% due to reduced spending for a lobbyist.
- Foreclosure expenditures are at 34% and will increase as the foreclosure process continues.
- IT Expenditures are at 58% due to reduction in hardware purchases.
- K-9 Unit is at 13% for a veterinary expenditures.
- The Fire Department donation expenses are at 16%, most funds were spent at the banquet held in June.
- Public Works Administration is low at 55% due to past staff openings
- Shop (41%) & streets (46%) expenditures are low due to an open staff position.
- Repairs to Grandma's house is low at 46%. The purpose of the building is still in debate.
- General fund expenditures are at 75% as expected.

#### *Special Revenues & Other Funds Expenditures*

- Water and Wastewater are low due to the not having purchased major equipment. As a result of holding major purchases until an asset replacement schedule is approved.

- Landfill expenditures are low due to timing of expenses to be further in the year.
- Dock expenditures are low due to normal timing of operation.
- Harbor expenditures are lower due to an open staff position for the month.
- Asset forfeiture funds are spent at only 26%.
- Senior Center grants are high due to the budget revision not being passed.
- Library grant expenditures are low at 52%.
- Ambulance reserve fund expenditures are low at 31% due to a refund in an expense from FY25.
- Debt services expenses are on time as expected. Payments towards the Sewer Lagoon forgivable loan were paid on \$17,378 payment causes the 34% overage.
- Equipment replacement expenditures reflect K-9 expenditures that arrived late.
- Average expenditures are at 58%.

#### *Grant and Bond Revenues/Expenditures*

- EPA Landfill grant and the Snagpoint erosion grant. No expenses at this time.
- PFAS Improvements have begun and 63% of the budgeted amount has been spent for the fiscal year.
- State jail medical is a reimbursement from the state when medical services are required.
- Legislative Harbor grants have revenue at 17% and expenditures at 52%.
- Curyung support for the ice machine are at 27% for revenue and 32% for expenses.
- BBEDC Intern program is at 11% from the past summer for revenue and expenses.

#### *Capital Project Revenues/Expenditures*

- No activity.