



FINANCE AND BUDGET COMMITTEE

Thursday, April 23, 2026 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

Zoom call-in instructions used for all public meetings:

Zoom call-in: 1-719-359-4580, Meeting ID: 920 - 483 - 0473, Passcode: 99576

Phone access is more stable than video access. If the Zoom meeting freezes or drops, video access will be limited.

CALL TO ORDER

Chair Curt Armstrong called the Finance & Budget Committee meeting to order at **5:33 p.m.**

ROLL CALL

Present:

- Curt Armstrong, Council Member, Chair
- Alice Ruby, Mayor
- Steve Carriere, Council Member
- Anita Foran, Finance Director
- Jack Savo Jr., Acting City Manager

Excused:

- Kaleb Westfall, Council Member
- Jean Barrett, Council Member

A quorum was established.

APPROVAL OF MINUTES

2. Minutes

03/26/2026

Steve Carriere initially moved to approve all minutes included in the packet. During discussion, committee members discussed whether workshop minutes should be formally approved. Following discussion, the original motion was rescinded.

Motion: Approve the March 26, 2026 Finance & Budget Committee meeting minutes.

Moved by: Steve Carriere

Seconded by: Jack Savo Jr

Discussion:

- Committee discussed whether workshop minutes should be approved as part of the regular minutes process.
- Members noted workshops are generally informational and have historically not required formal minutes.
- It was noted that workshop summaries may still provide value for public information purposes.

Vote: By unanimous consent; no objection.

Action: Motion carried.

APPROVAL OF AGENDA

Motion: Approve the agenda as presented.

Moved by: Steve Carriere

Seconded by: Jack Savo Jr.

Vote: By unanimous consent; no objection.

Action: Motion carried.

STAFF REPORTS

3. Staff Report for 04/23/2026

Finance Director Anita Foran provided the staff report and updates on ongoing financial and administrative activities.

Audit

- Annual audit remains in progress.

Staffing

- Vacant positions have been advertised.
- Temporary staffing support has been secured through available on-call personnel.

Property Taxes

- Property assessment notices were mailed in March and statutory deadlines have been met.
- Aircraft assessment notices were completed.
- Property tax collections remain on schedule.

- One foreclosure action involving four remaining properties has been completed.
- A second foreclosure action involving seventeen properties remains open through July 24, 2026.
- Collection letters were mailed April 5, 2026.
- Additional delinquent property tax accounts are being reviewed.

Grants

- FY2027 NTS Senior Center Continuation Grant application for approximately \$56,000 was submitted.
- FY2026 NTS quarterly reports are being finalized.
- BBEDC internship funding opportunities remain available.
- Reports were completed and submitted for:
 - Downtown Fire Hall
 - PFAS Project
 - Curyung Ice Machine
 - Snag Point Federal Grant
- Additional reports due by month-end include:
 - Jail Contract
 - Library LINK Grant
 - Harbor Float State Grant
 - Senior Center NTS grant

Budget

- FY2026 Budget Amendment No. 2 was introduced and scheduled for Council adoption on May 7, 2026.
- FY2027 budget preparation has begun.
- Staff presented preliminary salary schedule adjustments and organizational changes for committee consideration.

Other Business

- Insurance renewal application was submitted.
- Janitorial Request for Proposals was opened and scored.
- Letter of intent is expected to be presented to Council on May 7, 2026.
- Utility payments remain due on the 15th of each month.
- Property tax billing activities will begin July 1.

Revenue and Expense Report

- Staff reported revenues and expenditures are generally tracking as expected.
- Fund balance drawdown remains consistent with budget projections.
- State revenue sharing reimbursement was received at the anticipated reduced level.

Committee members asked questions regarding grants, revenue and expense reporting, and state revenue sharing projections.

UNFINISHED BUSINESS

4. Fish Tax

City Manager Jack Savo presented research regarding enforcement of Dillingham Municipal Code 4.21 concerning the City's raw fish tax.

Discussion

- Staff reviewed legal analysis prepared by the City Attorney regarding enforceability of the tax.
- Committee discussed:
 - Definitions of first purchaser and point of sale.
 - Fish delivered by tender to processors located within city limits.
 - Economic nexus and use-tax theories supporting collection.
 - Potential taxation of fish harvested in other districts and processed in Dillingham.
 - Processor reporting requirements and implementation procedures.
 - Historical collection practices and fish ticket documentation.
 - Potential challenges regarding double taxation.
 - Coordination and communication with neighboring boroughs and processors.

Committee members generally agreed the City should continue evaluating implementation while ensuring all legal and administrative questions are addressed before proceeding.

Committee Direction

- Staff was directed to continue researching remaining questions.
- Staff was directed to develop an implementation strategy, communication plan, and additional legal clarification regarding taxation scenarios involving other taxing jurisdictions.
- Committee expressed support for moving the concept forward pending completion of the additional research and implementation review.

NEW BUSINESS

5. FY27 Wages and Benefits Proposed

Finance Director Anita Foran presented the proposed FY2027 wages and benefits budget.

Discussion

Key components of the proposal included:

- A 1% Cost of Living Adjustment (COLA).
- Reinstatement of a Step 12 cap.
- Grandfathering existing employees above Step 12.
- Addition of EMS Driver classification.

- Reclassification of the Deputy Clerk/Admin Assistant position.
- Elimination of Level 12 and adjustment of Deputy City Manager compensation.
- Consideration of a 0% increase for Level 11 positions.
- Projected personnel expenditures totaling approximately \$8.86 million at full staffing.
- Projected increases in health insurance, dental insurance, and workers' compensation costs.
- Staff reported the proposal would maintain personnel costs at or below FY2026 levels while meeting contractual obligations and maintaining staffing capacity.

Committee members discussed:

- Collective bargaining agreements.
- Future budget constraints.
- Staffing assumptions.
- Employee benefits costs.
- Long-term financial sustainability.

Action

No formal motion was made.

Committee members expressed support for staff using the proposed wage and benefit framework as the basis for continued FY2027 budget development.

6. FY27 Salary Schedule Proposed

Finance Director Anita Foran reviewed the proposed FY2027 salary schedule.

Discussion

Topics discussed included:

- Step progression requirements.
- Merit-based advancement criteria.
- Salary level adjustments.
- Budget impacts of wage changes.
- Alignment with collective bargaining agreements.
- Strategies for maintaining competitive compensation while controlling costs.

Staff noted that the proposed schedule would result in personnel expenditures remaining below FY2026 levels while providing a 1% increase to most employees.

Action

No formal motion was made.

Committee members indicated support for utilizing the proposed salary schedule during preparation of the FY2027 budget.

7. Organizational Chart for FY2027

City Manager Jack Savo presented the proposed FY2027 organizational chart.

Discussion

Administration

- Assignment of project management responsibilities among the City Manager, Deputy City Manager, and Planner.
- Organizational structure intended to improve continuity of operations and project oversight.

Port and Harbor

- Proposed consolidation of Port Director and Harbor Master duties.
- Planned implementation following the 2026 summer season.

Finance and Administration

- Reduction from two assistant finance positions to one.
- Reinstatement of the Deputy Clerk/Admin Assistant position.
- Shared support responsibilities between Planning and the Clerk's Office.

Police Department

- Conversion of the Animal Control Officer position from part-time to full-time.

Community Services

- Increase of Senior Center Kitchen Manager from half-time to full-time.
- Increase of driver position from half-time to three-quarter time.

Seasonal and Internship Positions

- Discussion regarding seasonal staffing, BBEDC-funded positions, EMS staffing, and Harbor staffing.
- Members encouraged maintaining flexibility for grant-funded and seasonal positions.

Committee members expressed general support for the organizational structure while emphasizing flexibility and effective use of employee skills.

Action

No formal motion was made.

Committee members supported staff continuing budget development utilizing the proposed organizational structure.

PUBLIC/COMMITTEE COMMENT(S)

Committee members discussed:

- The value of internship and seasonal employment programs.
- Maintaining flexibility in organizational structures.
- Importance of Council oversight when establishing new programs or positions.
- Interest in reviewing the complete FY2027 budget as development continues.

ADJOURNMENT

There being no further business before the Committee, Chair Armstrong adjourned the meeting at **7:23 p.m.**

ATTEST

Abigail Flynn, City Clerk

Approval Date