



FINANCE AND BUDGET COMMITTEE

Monday, January 17, 2022 at 5:30 PM

MINUTES

CALL TO ORDER

The Finance and Budget Committee met on Monday, January 17, 2022, in the City Council Chambers, Dillingham, AK, and via Zoom video conference call. Curt Armstrong called the meeting to order at 5:35 p.m.

ROLL CALL

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

Alice Ruby	Mark Lynch	Curt Armstrong
Perry Abrams	Anita Fuller	

APPROVAL OF MINUTES

1. Minutes of December 20, 2021, Finance & Budget Committee Meeting

MOTION: Alice Ruby moved and Perry Abrams seconded the motion to approve the minutes of December 20, 2021.

VOTING: the motion to approve the minutes passed by unanimous consent.

APPROVAL OF AGENDA

MOTION: Alice Ruby moved and Perry Abrams seconded the motion to approve the agenda.

VOTING: the motion to approve the agenda passed by unanimous consent.

STAFF REPORTS

2. Staff Report

- Account Tech III position vacated.
- Staff from Carmen Jackson's firm on site next week. They will be working on completion of audit items.
- FY22 Budget Amendment No. 2 is in process.
- Funds to offset balance for emergency communication system to be explored.

NEW BUSINESS

3. Revenue Options

Marijuana
DMC Exemptions
Fish Tax

- Marijuana: It has been determined the most efficient way to increase taxation on marijuana is a wholesale excise tax (THC containing products), similar to tobacco. Taxation on importing a product not a sale of product. Vendor education will be necessary. 8 – 12% excise tax was discussed. Requested forms be easy to use. Waste and shrinkage, rather

than returns are dealt within the industry. Concerns about increased prices and the black market were expressed. Both local marijuana vendors will be contacted.

MOTION: Alice Ruby moved and Perry Abrams seconded the motion that staff draft an ordinance for the next meeting based on estimated 10%, brought back to the committee for review.

VOTING: the motion passed by unanimous consent.

- Fish Tax: 4.2% average from communities researched. 4% processor tax, implemented as an excise tax, recommended by the City Manager. Dillingham does have a tax for raw fish in code approved by voters. Language can be updated to incorporate SCOTUS Wayfair decision. A flat excise tax could also be considered.

MOTION: Perry Abrams moved and Alice Ruby seconded the motion that staff draft an ordinance for the next meeting to implement an excise fish tax at 4% brought back to the committee for review.

VOTING: the motion passed by unanimous consent.

- DMC Exemptions: there is nothing new to report.

PUBLIC/COMMITTEE COMMENT(S)

- Committee was thanked for their time and effort.
- Excise tax was noted as a good direction to move forward.
- Public was thanked for their attendance and participation.

ADJOURNMENT

The meeting adjourned at 6:57 p.m.

Neil C. Armstrong, Chair

ATTEST:

Lori Goodell, City Clerk

Approved: _____