



## **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:**

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Abigail Flynn, Acting City Clerk

[SEAL]

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Date Approved: