Mayor
Alice Ruby

Manager
Jack Savo Jr

CITY OF DILLINGHAM ALASKA

Dillingham City Council
Triston Chaney
Tracy Hightower
Steven Carriere
Curt Armstrong
Kaleb Westfall
Kevin McCambly

MEMORANDUM

Date: 08/24/2026

To: Jack Savo, City Manager

From: Anita Foran, Finance Director

Subject: Finance & Budget Report 08/26/2026

Council Considerations/Recommendations:

Review of Dock and Harbor Revenue and Expenses attached as asked at the last council meeting.

Department Accomplishment and Opportunities:

Setup of Positive Pay has been started with Wells Fargo to increase security of checks issued by the city.

Sales tax reporting reviews have been ongoing with a deeper review of exemption log accuracy.

Accounts payables training was conducted for Public Works and Public Safety staff.

Audit Update:

FY25 Audit –Audit work is in final review. Documentation has been provided to audit firm.

FY26 Audit – Dates for the testwork have been set for October 12-16th. Final work is scheduled for December 7-11, 2026.

Department staffing:

No changes at this time.

Assistant Finance Director – Procurement resignation has been accepted for end of August, will work as on-call for a period of time to assist with close of projects and training of new staff.

Assistant Finance Director – Revenue Cycling will been reclassed as Assistant Finance Director and has assumed responsibility for supervising all staff.

Review of all staff tasks has begun, training has been conducted as needed when deficiencies have been identified.

Property Tax:

Mailing of real and personal property taxes were issued 07/01/2026. Payments are due 11/01/2026. If the first half is paid on 11/01/2026 the second half can be paid on 12/01/2026.

The annual state assessment report has been submitted to the State Assessor.

Continue to answer questions that taxpayers have.

Collections:

2018-2022 Foreclosure (3DI-24-00061CI) one-year redemption period has closed. The 4 remaining properties have been foreclosed. Awaiting council direction to determine further actions.

2020-2024 Foreclosure (3DI-25-00062CI) properties have until July 24, 2026, before the redemption period is closed. There are 6 remaining properties on this list.

2025 Foreclosure list finalized. Due to timing will follow legal advice and will combine with the 2026 Foreclosure list.

Denied City Service list has been posted and was beneficial in getting some property taxes paid in full.

Write off lists has been started, review of all accounts and what can be done to collect funds is being explored first.

Utility collections process is under review with Public Works staff.

Grants:

Grant Updates

- Grant reports were submitted for the all grants in July.
- Library submitted the OWL E-rate reports in August.
- FY28 Jail Contract submitted in August.
- NTS FY27 Acceptance was submitted.
- NTS FY26 Final report is in process.

Budget:

FY27 Budget is approved and implemented. Revenue Expense report will be presented in the next months meeting which included a COLA of 1%. All pay changes were completed for employees affected by the increase on 07/01/2026.

FY28-FY29 creation began with the FY27 Budget.

Internal Controls:

- Review of the document has started with review of staff tasks.

Other News:

- APRA insurance renewal has been finished.

Upcoming Calendar Items:

- Start of the new fiscal year began 07/01/2026.
- 15th of each month utility payments due; on the last day of month utility bills are sent.

Revenue and Expense Report – May and June 2026:

- Target percentage for June activity is 100%. Explanations provided in this report are for those items below 80% and above 120%. These are unaudited items and will have adjustments as the audit work is completed.

- Fund balance is a decrease of $2,936,962.
- Preliminary adjustments have been made to reflect corrected sales tax reporting, online reporting, transient lodging, tobacco excise tax, and Marijuana tax.
- Payments of property tax are recorded at 103% & 104%. Actual amount received is 97% for real property and 84% for personal property.
- Shared Fisheries is expected to cross fiscal years.
- Raw Fish tax reports received at only 40%.
- Administrative overhead is reduced to 64% due to reduced spending in special revenue funds.
- PERS Forfeiture funds have returned higher than expected at 128%.

Special Revenues & Other Funds Revenue

- Dock Revenue is 58%, audit review is incomplete.
- The investments are low for the Mary Carlson Estate at 58%.
- Special revenues is received at 90%.

Transfers

- Transfers to the landfill is at 55% as a result of revenue received at 100% and expenses low at 70%.

- Debt Service 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 54% due to reduced spending for a lobbyist.
- Legal has ended at 137% as a result of legal disputes made against the city.
- Foreclosure expenditures are at 43% as a result of a delay in processing.
- IT Expenditures are at 73% due to reduction in hardware purchases.
- K-9 Unit is at 13% for veterinary expenditures.
- Public Works Administration is low at 55% due to past staff openings
- Shop (49%) & streets (54%) expenditures are low due to an open staff position.
- Repairs to Grandma's house is low at 53%. The purpose of the building is still in debate.
- General fund expenditures are at 89%.

Special Revenues & Other Funds Expenditures

- Water and Wastewater, Landfill, Dock, Harbor expenditures are down in all areas as a result of open positions, hold on equipment spending and other projects pending staffing to complete the tasks.
- Asset forfeiture funds are spent at only 26%.
- Senior Center grants are high due to the budget revision not being passed.
- Ambulance reserve fund expenditures were high at 125% due to payments
- 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.
- Average expenditures are at 85%.

Grant and Bond Revenues/Expenditures

- Final audit reviews are in progress for the year.
- EPA Landfill grant and the Snagpoint erosion grant. No expenses at this time.
- PFAS Improvements have begun and 174% 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 52% and expenditures at 62%.

- Curyung support for the ice machine are at 32% for revenue and 39% for expenses.
- BBEDC Intern program is at 11% revenue from the past summer for revenue and 37% expenses for the current fiscal year.

Capital Project Revenues/Expenditures

- No activity.