



FINANCE AND BUDGET COMMITTEE

Monday, September 29, 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:

<https://us02web.zoom.us/j/83223633340?pwd=czBpd2czN2JjOU45NUhiazNzQW9EQT09>

M 92;

passcode: 602042

or dial (346) 248-7799; or (669) 900-6833

CALL TO ORDER at 5:30 by Chair, Curt Armstrong

ROLL CALL by the chair.

- Members Present: Alice Ruby, Jack Savo Jr, Anita Foran, and Chair Curt Armstrong.
- Members Absent: Kaleb Westfall, Steve Carriere, Michael Bennett.
- A quorum was established.

Staff members present: Kyle Johnson (in place of Abigail who was sick)

APPROVAL OF MINUTES

- No minutes were available for approval.

APPROVAL OF AGENDA

- Moved by: Jack
- Seconded by: Alice
- **Vote:** Motion passed without objection.

STAFF REPORTS

- No staff reports were presented.

NEW BUSINESS

1. Budget Amendment 1

- Finance staff presented the draft FY2026 revenue and expense report.

• **Revenue Updates:**

- Community shares increased by approx. \$8,000.

- Jail contract reduced to \$584,764 due to state budget cuts, not local performance. Discussion held on potential renegotiation and state cost-sharing.
- Bond reimbursement reduced from \$815,000 to \$594,000 following state legislative action.
- Grant revenue increased significantly (from \$3.2M to \$7.9M) due to new EPA landfill grant, PFAS funding, and MARAD project support.
- Dock and harbor revenues projected to rise if Resolution 25-41 (terminal tariff changes) is adopted.

Expenditure Updates:

- Personnel costs adjusted to reflect delayed hourly wage reductions that went in effective October 1 instead of July 1.
- Administrative budget reduced due to City Manager transition; discussion held on potential addition of a grant writer.
- Clerk's budget increased modestly for subscription and publication costs.
- Legal budget may decrease pending updated insurance costs.
- Planning budget reduced by \$24,000 through contract changes and cancelled projects.

Public Safety:

- Patrol budget increased slightly due to salary adjustment.
- Corrections budget increased after retaining a staff position; overtime/fringe benefits rose.
- Animal Control budget increased with euthanasia training and travel costs.
- Fire Department budget increased by ~\$33,000 due to additional EMT staffing.

Public Works:

- Savings realized due to unfilled positions in administration, shop, and streets.
- Discussion on vehicle allocation and reducing duplication across departments.
- Water/Wastewater: budget reduced due to vacancies; members discussed financing equipment and addressing fire hydrant replacements.

Community Facilities:

- Library budget increased modestly due to staffing adjustments; periodicals reduced, summer reading program partly grant-funded.
- Grandma's House: Decision made to winterize the vacant building to reduce costs (budget cut from \$90,000 to \$41,000). Extensive discussion held on risks of winterization, security, and possible future use for employee housing or senior/community needs.

Harbor & Dock:

- Dock budget revenues projected to increase by ~\$19,000 if tariff resolution passes.
- Harbor budget includes \$16,000 for Harbor Lights repair/extension project; if not covered, other capital items will be reduced.

General Notes:

- Fund balance spending projected at -\$213,423 (deficit spending).
- Committee discussed prioritizing reductions and reviewing lobbying contracts for cost-effectiveness.
- Future Council direction needed on use of Grandma's House and lobbying services.
- Committee agreed to minor changes to the budget amendment in all areas discussed during the meeting that could be realized on the budget introduced on 10/16/2025.

PUBLIC/COMMITTEE COMMENT(S)

- Committee members noted concern about state cost-shifting for jail services.
- Members emphasized the need for vehicle use policies and better cost-benefit analysis for lobbyist contracts.
- Additional follow-up requested on:
 - Jail cost-sharing history and thresholds.
 - Fire hydrant replacement project and grant opportunities.
 - Insurance cost updates for the legal budget.
 - Grandma's House long-term use options.

ADJOURNMENT

- Meeting adjourned at approximately 7:30 PM.

ATTEST:

Abigail Flynn, Acting City Clerk

[SEAL]

Date Approved: