



CITY COUNCIL SPECIAL MEETING

Thursday, May 21, 2026 at 5:30 PM

AGENDA

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

CITY COUNCIL SPECIAL MEETING CITY HALL COUNCIL CHAMBERS / 5:30 p.m.

141 Main Street, Dillingham, AK 99576 (907) 842-5212

This meeting will also be available at the following online location: Zoom

Meeting ID: 920 483 0473; passcode: 99576

Or dial: 1(719)359-4580 or 1(253)205-0468

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

CITIZEN'S DISCUSSION (Prior Notice or Agenda Items)

SPECIAL BUSINESS

1. Resolution 2026-16: A Resolution of the Dillingham City Council Declaring City Council Seat B Vacant and Soliciting Letters of Interest for Appointment to the Vacant Seat
2. Set a date for R 2026-17 Establishing the level of funding for the Dillingham City School District for FY27
3. (Adopt) Ordinance 2026-06: Budget Amendment 2 Ordinance

An Ordinance of the Dillingham City Council Adopting Budget Amendment No. 2 and Appropriating Funds for the FY 2026 City of Dillingham Budget

COUNCIL COMMENTS

MAYOR'S COMMENTS

ADJOURNMENT

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2026-16

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL DECLARING CITY COUNCIL SEAT B VACANT AND SOLICITING LETTERS OF INTEREST FOR APPOINTMENT TO THE VACANT SEAT

WHEREAS, City Council Member Jean Barrett, who held City Council Seat B, passed away on May 10, 2026, thereby creating a situation where a vacancy on the Dillingham City Council must be declared; and

WHEREAS, pursuant to Dillingham Municipal Code Section 2.03.070, an elected municipal office is vacated upon declaration of vacancy by the City Council; and

WHEREAS, pursuant to Dillingham Municipal Code Section 2.06.060, if a vacancy occurs in the council, the council shall within forty-five (45) days designate a qualified person to fill the vacancy until the next regular election and until a successor is elected and qualified; and

WHEREAS, the Dillingham City Council desires to solicit letters of interest from qualified residents interested in appointment to City Council Seat B.

NOW, THEREFORE, BE IT RESOLVED BY THE DILLINGHAM CITY COUNCIL THAT:

Section 1.
The Dillingham City Council hereby declares City Council Seat B vacant effective May 21, 2026.

Section 2.
Staff is directed to post and publish notice soliciting letters of interest from qualified persons interested in appointment to the vacant council seat.

Section 3.
Letters of interest shall be submitted to the City Clerk no later than 5:00 p.m. on June 4, 2026.

Section 4.
Interested persons must meet the qualifications established in Dillingham Municipal Code Section 2.06.020.

Section 5.
The City Council intends to consider appointment to the vacant seat at a regular City Council meeting occurring within the forty-five-day period required by Dillingham Municipal Code Section 2.06.060.WHEREAS, City Council Member Jean Barrett, who held City Council Seat B, passed away on May 10, 2026; and

PASSED and ADOPTED by the Dillingham City Council on this 21st day of May, 2026.

Alice Ruby, Mayor

ATTEST:

[SEAL]

Curt Armstrong, Council Member

Mayor
Alice Ruby

City Manager
Jack Savo Jr.



Dillingham City Co

Section . Item 1.

Triston Chaney
Jean Barrett
Steven Carriere
Curt Armstrong
Kaleb Westfall
Kevin McCambly

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Abigail Flynn, City Clerk's Department
Through: Jack Savo Jr, City Manager
Date: May 13, 2026
Re: Resolution No. 2026-16 Declaring City Council Seat B Vacant and Soliciting Letters of Interest.

SUMMARY: Staff is requesting Council approval of Resolution No. 2026-16 declaring City Council Seat B vacant and authorizing solicitation of letters of interest from qualified residents interested in appointment to the vacant seat.

City Council Member Jean Barrett, who held Seat B, passed away on May 10, 2026. Pursuant to Dillingham Municipal Code Sections 2.03.070 and 2.06.060, the Council must formally declare the vacancy and appoint a qualified person within forty-five (45) days.

The proposed resolution directs staff to advertise the vacancy and establish a deadline of June 4, 2026 at 5:00 p.m. for submission of letters of interest.

Council action is needed to declare the vacancy and initiate the appointment process.

PREVIOUS COUNCIL ACTION:

- The City Council has previously declared council vacancies and solicited letters of interest for appointment to vacant council seats.
- Previous vacancy appointments have been completed pursuant to DMC 2.03.070 and DMC 2.06.060.

BACKGROUND: Dillingham Municipal Code Section 2.03.070 provides that an elected municipal office is vacated upon declaration of vacancy by the Council under qualifying circumstances. DMC 2.06.060 further requires the Council to appoint a qualified person to fill the vacancy within forty-five (45) days.

Because DMC 2.03.070 does not expressly identify death of a sitting council member as a vacancy condition, the Council must make a finding under subsection D that the council member is physically unable to perform the duties of office. Subsection D requires a two-thirds vote of the Council. With five remaining council members, four affirmative votes are required to declare the vacancy.

If the Council declares the vacancy on May 21, 2026, the appointment must occur no later than July 5, 2026. There are two regular council meetings scheduled within that period: June 4 and June 18, 2026.

Staff proposes the following timeline:

- May 21, 2026 — Council declares vacancy
- May 22, 2026 — Public notice posted locally and on the website and social media
- May 28, 2026 — Public notice published in the Bristol Bay Times
- June 4, 2026 at 5:00 p.m. — Letters of interest due
- June 4, 2026 — Letters of interest provided to Council as laydown materials
- June 18, 2026 — Council consideration of appointment, if not completed June 4

DISCUSSION: The attached public notice provides instructions for submission of letters of interest to the Mayor, care of the City Clerk’s Office.

Interested persons must meet the qualifications established in Dillingham Municipal Code Section 2.06.020, including:

- being a registered voter in Dillingham; and
- having resided in Dillingham for at least one year.

The individual appointed by the Council will serve until the October 2026 Regular Municipal Election and until a successor is elected and qualified.

The vacancy notice will be:

- published in the Bristol Bay Times;
- posted locally;
- posted on the City website and Social Media; and

For procedural clarity, the Council should first make the finding required under DMC 2.03.070(D) before considering Resolution No. 2026-16.

Suggested motion language:

“I move that pursuant to DMC 2.03.070(D), the Dillingham City Council determine that Council Member Jean Barrett is physically unable to perform the duties of office and declare Seat B vacant effective May 21, 2026.”

Following approval of that motion, the Council may make a motion to consider Resolution No. 2026-16.

Letters of interest received by the June 4, 2026 deadline will be provided to the Council as laydown materials at the June 4, 2026 regular meeting.

The Council may appoint a qualified applicant by motion at the June 4, 2026 regular meeting if it chooses to do so. Alternatively, staff may prepare a resolution for the June 18, 2026 regular meeting appointing an applicant to fill the vacant seat.

If the Council elects to appoint by resolution on June 18, the proposed resolution will be prepared in advance with a blank space for the appointee’s name. Following Council discussion and vote selecting an applicant, the selected applicant’s name would be inserted into the resolution prior to final signature and attestation.

ALTERNATIVES:

1. Approve Resolution No. 2026-16 and direct staff to solicit letters of interest.
2. Amend the proposed resolution or application timeline.
3. Decline to approve the resolution.

FINANCIAL IMPLICATIONS: Advertising and public notice costs are minimal and can be absorbed within the existing administrative budget.

LEGAL: The proposed resolution is consistent with Dillingham Municipal Code Sections 2.03.070 and 2.06.060 governing council vacancies and appointments.

STAFF RECOMMENDATION: Staff recommends approval of Resolution No. 2026-16 declaring City Council Seat B vacant and authorizing solicitation of letters of interest.

PROPOSED MOTION:

"I move to adopt Resolution No. 2026-16 declaring City Council Seat B vacant and soliciting letters of interest for appointment to the vacant seat."

ATTACHEMENTS: Draft Public Notice

DMC 2.03.070 Vacancies.

An elected municipal office, except for that of mayor or school board member, is vacated under the following conditions and upon the declaration of vacancy by the council. The council shall within forty-five days appoint a qualified person. If less than thirty days remain in a term, a vacancy may not be filled unless the vacancy reduces the body to less than a quorum, in which case the remaining member shall appoint a number of qualified persons to constitute a quorum within seven days. The council shall declare an elective office vacant when the person elected:

- A. Fails to qualify or take office within thirty days after his or her election or appointment;
- B. Is physically absent from the municipality for a consecutive ninety-day period, unless excused by the council;
- C. Resigns and the resignation is accepted;
- D. Is physically or mentally unable to perform the duties of his or her office as determined by two-thirds vote of the council;
- E. Is removed from office in accordance with Section [2.06.030](#) herein;
- F. Misses three consecutive regular meetings unless excused; or
- G. No longer physically resides in the municipality and two-thirds of the council members vote the seat vacant.

DMC 2.06.060 Vacancies

If a vacancy occurs in the council, the council, by vote of a majority of its remaining members, shall within forty-five days designate a person to fill the vacancy until the next regular election and until a successor is elected and has qualified. The term of office at the next regular election shall be for the unexpired term only.

**PUBLIC NOTICE
DILLINGHAM CITY COUNCIL
Seat B Vacancy**

Submit letters of interest by 5:00 p.m. on June 4, 2026, addressed to:

Mayor Alice Ruby
c/o City Clerk's Office
City of Dillingham
PO Box 889
Dillingham, AK 99576
or email cityclerk@dillinghamak.us

Interested persons must meet the qualifications outlined in Dillingham Municipal Code 3.10.020. The person appointed by the City Council will fill the vacancy until the October 2026 Regular Municipal Election.

If you have any questions, please contact the City Clerk's office at (907) 842-5212 or email cityclerk@dillinghamak.us.

Week of May 18 – May 24
Mon 05/18 – Finance & Budget (clerk can't attend)
City Hall — 5:30 PM
Thu 05/21- Special Council Meeting

Week of May 25 – May 31
May 25th- Holiday
Thu 05/28 – Friends of the Landfill (Not a Council Committee)
City Hall — 10:00 AM

Week of June 1 – June 7 Jun-26
Thu 06/04 – Regular Council Meeting
City Hall — 7:00 PM
June 2nd or 3rd – School Facility Committee
Location City Hall — 5:30 PM

Week of June 8 – June 14
Wed 06/10 – Planning Commission (Not a Council Committee)
City Hall — 5:30 PM
Thu 06/11 – Code Review Committee- may move this meeting to another day
City Hall — 5:30 PM

Week of June 15 – June 21
Mon 06/15 – Finance & Budget (may need multiple meetings)
City Hall — 5:30 PM
Thu 06/18 – Regular Council Meeting
City Hall — 7:00 PM

NON-CODE ORDINANCE

Introduced:

April 16, 2026

Public Hearing Scheduled for:

May 7, 2026

Enacted:

CITY OF DILLINGHAM, ALASKA

ORDINANCE NO. 2026-06

AN ORDINANCE OF THE DILLINGHAM CITY COUNCIL ADOPTING THE BUDGET AMENDMENT NO. 2 AND APPROPRIATING FUNDS FOR THE FY 2026 CITY OF DILLINGHAM BUDGET

WHEREAS, the City Council has approved the Operating Budget and Capital Improvement Budget for FY26 to the City Council in accordance with Title 4 of the Dillingham Municipal Code pursuant to A.S. 20.20.500(3); and

WHEREAS, duly advertised public workshops were held and the City Council reviewed the budget amendment recommendations presented; and

WHEREAS, the City Council has set the rate of levy of property tax for the City of Dillingham for FY 2026 budget at 13 mills; and

WHEREAS, the budget presented, reviewed and changed is in accordance with sound and efficient municipal management principles. The City Council should have the power to transfer appropriated monies from one General Government Fund or Special Revenue Fund to another and from one Capital Project to another by resolution and the City Manager should have the power to transfer funds from one line item object to another object code within a fund and within a Capital Improvement Project; and

WHEREAS, additional FY 2026 funds are available for appropriation by ordinance;

NOW, THEREFORE, BE IT RESOLVED by the Dillingham City Council that:

1. The FY 2026 Operating Budget and Capital Improvement Amendment No.2 as recommended by the City Manager is hereby adopted for the City of Dillingham.
2. The amounts set forth in the budget by the City Council for the respective departments and/or funds shall be, and hereby are, appropriated for the fiscal year ending June 30, 2026.
3. The City Council shall have the power to transfer approved and appropriated General Fund or Special Revenue Fund monies from one to another and from one Capital Project to another by resolution.
4. The City Manager shall have the power to transfer funds from one line item object code to another within a fund and within a Capital Improvement Project.

BE IT ENACTED BY THE COUNCIL OF THE CITY OF DILLINGHAM that:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Severability. If any portion of this ordinance or any application thereof to any person or circumstances is held invalid, the remainder of the ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Appropriation summary. The total appropriation from the Treasury in Section 6 was a total of \$ 28,293,545

Section 4. Revenues

General Fund

Taxes

General Sales Taxes	3,000,000
Remote Sales Taxes	700,000
Alcohol Sales Taxes	280,000
Transient Lodging Sales Taxes	175,000
Gaming Sales Tax	23,000
Tobacco Tax	204,000
Marijuana Tax	94,000
Penalty & Interest – Sales Tax	17,000
Real Property Taxes	2,600,000
Personal Property Taxes	700,000
Penalty & Interest – Property Tax	130,000
Business License	17,000

Other Revenue

Telephone Gross State Tax	70,000
Raw Fish Tax	150,000
Shared Fisheries	7,900
Revenue Sharing (community support)	83,543
Payment in Lieu Taxes (PILT)	540,000
Jail Contract Revenue	584,764
Motor Vehicle Tax	25,000
Ambulance Fees	60,000
Lease and Rental Income	35,000
Administrative Overhead	172,705
PERS on Behalf	266,499
PERS Forfeiture Fund	25,000
All Other Revenues	252,050

Total General Fund Revenues

10,212,461

Special Revenue & Other Funds Revenues

Water	231,200	
Waste Water	422,100	
Landfill	321,100	
Port – Dock	801,180	
Port – Harbor	187,100	
Asset Forfeiture	400	
E-911	67,000	
Senior Center (Includes grants)	102,494	
Library Grants	65,477	
Debt Service	594,000	
Mary Carlson Estate	10,000	
Ambulance Reserve	0	
Total General Fund & Special Revenues		<u>2,802,051</u>

Project Revenue

EPA Federal Grant - Landfill	3,882,500	
State Jail Medical Funding	11,000	
AML Energy Efficiency Grant	50,000	
State Appropriations	1,357,500	
Curyung - Ice Machine	6,000	
BBEDC Intern	107,400	
EPA Federal Grants	3,209,387	
SOA SRF Loan - Lagoon Aeration	0	
SOA SRF Loan - Water Improv PFAS	200,000	
Total General Fund & Special Revenues		<u>8,823,787</u>
TOTAL REVENUES		<u>21,838,299</u>

Section 5. Transfers

Transfers from General Fund to Other Funds

Water	0	
Wastewater	0	
Landfill	597,400	
Harbor	0	
Senior Center	265,047	
Ambulance Replacement	70,000	
Equipment Replacement	113,800	
Capital Projects	121,000	
SRF Loans Payments	82,011	
Streets Bond Payment	156,000	
Firehall Bond Payment	47,000	
School Bond payment	550,750	
Total Transfers from Gen. Fund		<u>2,003,008</u>

Transfers from Dock Fund to Harbor Funds		
Harbor Operations	225,480	
Ice Machine	0	
Bathhouse	10,920	
Total Transfers from Dock Fund	236,400	
Transfers from Department to Department		
From E-911 to Dispatch	67,000	
From Mary Carlson Estate to Library	4,000	
From Landfill to Landfill Closure	25,000	
From Wastewater to Water	0	
Total Transfers between Departments	96,000	
TOTAL TRANSFERS	2,335,408	
TOTAL REVENUES, TRANSFERS, AND FUNDS		24,173,707

Section 6. Appropriations.

General Fund Government Operations

City Council	75,100	
City Clerk	317,000	
Administration	502,050	
Finance	1,457,850	
Legal	126,400	
Insurance	344,000	
Planning	312,700	
Foreclosures	20,000	
IT	365,900	
PS Administration	447,850	
PS Dispatch	751,450	
PS Patrol	1,535,550	
PS Corrections	873,300	
PS DMV	92,980	
PS Animal Control Officer	96,490	
PS Fire Department	597,800	
PS Volunteer Fire Donation	5,000	
PS K-9	2,000	
PW Administration	449,000	
PW Buildings & Grounds	904,100	
PW Shop	450,700	
PW Streets	441,450	
Library	177,320	
City School District	1,702,000	
Grandma's House	89,900	
Transfer Subsidy for Special Revenue	2,003,008	
Total General Fund Appropriations	14,140,898	

Special Revenue & Other Funds Appropriations

Water	393,350
Waste Water	462,700
Landfill	918,500
Port-Dock	831,146
Port-Harbor	503,430
Port Harbor – Ice Machine	700
Port Harbor – Bathhouse	16,200
Asset Forfeiture	25,000
E-911	67,000
Senior Center	367,541
Library Grants	65,477
EPA Federal Grant Landfill	3,882,500
State Jail Medical Funding	3,000
AML Energy Efficiency Grant	50,000
State Appropriations Grants	1,357,500
SRF Loans	200,000
EPA Federal Grant Snagpoint	3,209,387
BBEDC Grants	107,400
Curyung Grant	6,000
Mary Carlson Estate	6,255
Ambulance Replacement Fund	15,000
Debt Service	1,429,761
Equipment Replacement/Reserve	113,800
Capital Project (Planning) Fund	121,000

Total Special Rev & Other Appropriations	14,152,647	
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TOTAL APPROPRIATIONS

28,293,545

Total Revenues and Transfers

24,173,707

Total Appropriations

28,293,545

Net Increases (Decreases) to Balance

(4,119,838)

Section 7. Fund Balance Explanation

(3,857,437) General Fund Reserves
(202,750) Water/Sewer Fund Reserves
(29,966) Port-Dock Fund Reserves
(96,830) Port-Harbor Fund Reserves
(24,600) Asset Forefeiture
3,745 Mary Carlsons Estate
55,000 Ambulance Reserve Capital Project
8,000 Jail Contract Medical Reimb
25,000 Landfill Closure Fund Reserves

(4,119,838)

Section 8. Effective Date. This Ordinance is effective upon passage

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on _____.

SEAL

Alice Ruby, Mayor

ATTEST:

Abigail Flynn, City Clerk

Mayor
Alice Ruby

Manager
Jack Savo Jr.



Dillingham City Co

Section . Item 3.

Triston Chaney
Jean Barrett
Steven Carriere
Curt Armstrong
Kaleb Westfall
Kevin McCambly

MEMORANDUM TO COUNCIL

To: Mayor and Council Members
From: Anita Foran, Finance Director
Through: Jack Savo Jr, City Manager
Date: April 30, 2026
Re: FY26 Budget Amendment #2

SUMMARY:

Budget revisions throughout the year allow for adjustments that happen over the fiscal year as needs change.

PREVIOUS ACTION:

The original FY26 budget O 2025-01, was adopted 06/19/2025 with revenues at \$18,831,317 and expenditures of \$23,191,120, this reduces the fund balance by \$4,359,803.

FY26 budget amendment #1 O 2025-03, was adopted 11/06/2025 with revenues at \$23,917,197 and expenditures of \$28,197,223, changes the reduction of the fund balance to be \$4,280,026.

BACKGROUND: City of Dillingham adopts budget annually with budget revisions as needed.

DISCUSSION: All budget revisions have been discussed in Finance and Budget workshops held on 04/06/2026 and 04/09/2026.

ALTERNATIVES: None

FINANCIAL IMPLICATIONS: This action will change the revenues to \$24,173,707 and expenditures of \$28,293,545, this reduces the fund balance by \$4,119,838.

Revenue changes based on current activity:

- 6% Sales Tax reduction of \$500,000
- 6% Sales Tax remote sales increase of \$50,000
- 10% Transient Lodging increase of \$50,000
- 6% Gaming tax increase of \$8,000
- Tobacco Excise tax decrease of \$76,000
- Marijuana Excise tax increase of \$4,000
- Shared Fisheries Business tax decrease of \$12,100 based on the amount received
- Administrative Overhead reduction of \$27,400 based on reduction of expenses for

- special revenue funds
- PERS on Behalf from SOA of \$9,300
- Other revenue reduction of \$47,150 including but not limited to:
 - Apartment rent reduction of \$10,950
 - Reduction of patrol grant revenue of \$12,400
 - Reduction of investment income of \$20,000
- General Fund appropriation changes
 - Council reduced by \$46,450 due to lobbying contract reduced
 - City Clerk budget is reduced by \$1,600. Includes a decrease in wages and benefits of \$2,900 and an increase in codification by \$1,000
 - Administration budget is increased by \$29,500 which includes an increase of wages and benefits by \$52,00 as a result of manager changes and a decrease in advertising, travel and training, food and supplies and minor tools for \$20,000
 - Finance is reduced by \$90,090 which is due to a reduction in wages and benefits of \$71,000 in wages and benefits due to open positions and a further reduction of \$19,000 due to advertising, travel, training and building rent.
 - Legal is increased by \$26,400 due to general legal fees of \$23,000 and union negotiations of \$3,400.
 - Insurance is decreased by \$31,000 due to a reduction in general liability and property insurance.
 - Planning is increased by \$15,700 due to an increased need in wages and benefits.
 - IT Budget is decreased by \$6,600 mainly due to a decrease in hardware purchases.
 - Public Safety is decreased by \$1,000 which involves a decrease in contractual/professional by \$10,000 and an increase in refuse and equipment maintenance of about \$9,300.
 - PS Dispatch is a decrease of \$91,400 as a result in a reduction in wages and benefits because of changes in supervisors.
 - PS Patrol has decreased by \$36,150 due to a decrease in wages and benefits due to open positions. This involves a decrease of \$71,700 in wages and an increase to overtime by \$97,000. Further changes include a decrease of \$7,500 for recruiting bonuses and a decrease of \$9,750 in vehicle leases.
 - PS Correction budget is an increase of \$53,255 due to an increase of wages and benefits due to positions being filled for most of the year and a period of time when staff incurred overtime due to an open position.
 - PS DMV budget was increased by \$830 due to an increase in wages and benefits.
 - PS ACO budget was increased by \$8,140 due to an increase in wages and benefits due to cost of training as well as a decrease in Gas, oil and grease of \$2,500
 - Fire Department budget decrease of \$6,700 due to a combination of wages and benefit increase due to overtime and a decrease of \$4,000 in emergency response. There is an increase in equipment maintenance of \$22,000 to repair radios and a decrease in required inspections of \$35,000.
 - Volunteer Fire Department Donation is decreased by \$5,000 in member recognition.
 - PW Administration is decreased by \$24,700 due to a decrease in wages and benefits due to an open position and increase in \$7,500 for computer

- software.
- PW Buildings & Grounds has a decrease of \$72,700 due to an increase of \$27,500 in wages and benefits and an increase of \$9,000 for AED machines and \$8,000 for refuse services. There is also a decrease in travel of \$2,500, used oil management of \$12,000 and minor tools of \$10,000 and a decrease of \$96,000 in building maintenance. There is a decrease in vehicle maintenance of \$40,000
 - PW Shop budget has a decrease of \$159,900 as a result of a decrease in wages and benefits of \$49,400, There is a decrease in supplies of \$10,000 and an increase in gas, oil and grease of \$20,000 and a decrease in equipment maintenance of \$80,000 largely due to an open position for the entire year.
 - PW Streets budget has a decrease of \$184,650 due to a decrease in wages and benefits of \$75,200 and a decrease of \$90,000 in gravel due to the current stockpile that is available. Remaining decreases are contractual/professional of \$8,000, general liability of \$1,700 and travel and training of \$8,000
 - The Library budget has a decrease of \$9,555 due to recognition of the linked grant of \$25,000. Wages decreased as a result in staffing changes; however, benefits did increase for a net increase of \$16,820.
 - Grandma's House budget decreased by \$1,000 with an increase in heating fuel.
 - Transfer changes are an increase from the general fund of \$215,392
 - Landfill is an increase of \$3,000
 - Senior Center is an increase of \$37,192
 - Equipment replacement is an increase of \$2,800
 - Capital Project is an increase of \$121,000 for the PW Septic System
 - Lagoon loan is an increase of \$31,000
 - Special Revenue fund changes are:
 - Water revenue is a decrease of \$600 based on a reduction of hookup fees charged. Appropriations decreased by \$90,050, this a combination of benefit increases of \$6,100 due to employee election options, an increase of minor tools of \$20,000, and a decrease of major equipment of \$80,000 as we delayed the purchase of a new vehicle. In addition, there is an increase in building maintenance of \$10,000, an increase of \$5,000 for equipment maintenance and \$7,500 for sample testing and a decrease of required inspections of \$50,500 that ARWA can assist with for free. Administrative overhead is decreased by \$8,200.
 - Wastewater budget revenue decreased \$36,200 due to a reduction in connect fees, wastewater sales. The appropriations are decreased by \$21,700 due to an increase in wages and benefits by \$7,400. Contractual/professional costs increased by \$70,000 to cover the manual required for operation of the lagoon aeration improvements. Chemicals increased by \$5,000 and minor tools increased by \$7,000, major equipment decreased by \$90,000 as vehicle purchase is delayed to FY27. Heating fuel increased by \$6,000 to cover winter needs. Building maintenance decreased by \$25,000 and sample testing increased by \$10,000 and construction increased by \$3,000. Administrative overhead is decreased by \$4,800.
 - Landfill revenue decreased by \$6,600. Appropriations decreased by \$17,900 which includes a decrease in wages and benefits by \$40,300 and is further decreased by \$5,000 for contractual/professional and travel and training of \$7,000 for travel and training. Further increases are permitting fees by \$6,000, miscellaneous supplies by \$4,000; gravel needs are

increased by \$60,000 for cover at the landfill cell. There is a decrease uniform costs of \$1,000 and a decrease in gas for the incinerator for \$35,000 due to timing of repairs.

- Dock budget revenue is increasing by \$6,180 due to AML contract which at the time of this document is unsettled. Terminal use fees are added for a value of \$30,000, equipment sales are projected for \$70,000. Handling is reduced by \$47,340; fuel flowage fees are increased by \$20,000 and equipment rental is reduced by \$2,000. Appropriations are reduced by \$2,000 for unemployment. Membership and travel are increased by \$2,100. Gas, oil and grease is decrease by \$7,000 and equipment sales decreased by \$140,000 to defer to FY27. Building rent and heating fuel are both increased by \$3,000 while building maintenance is decreased by \$10,000 and equipment maintenance is decreased by \$15,000. Administrative overhead is decreased by \$16,400 and transfers to the harbor are decreased by \$74,100 based on excess available funds.
- Harbor budget appropriations increased by \$22,300. Unemployment compensation decreased by \$1,000, contractual professional increased by \$4,000 to assist with review of the tariff, there is an increase of bad debt of \$10,000 to reduce liability of unpaid charges that are older than 7 years. Building rent and internet costs are each increased by \$3,000. Electricity is increased by \$5,000, heating fuel is increased by \$6,000. Refuse fees are decreased by \$5,000 and administrative overhead is increased by \$2,000.
- Harbor Ice Machine is increased by \$500 for electricity.
- Harbor Bath house is decreased by \$800 with a combination of electricity decrease of \$300, water/sewer decrease of \$1,000 and building maintenance increase of \$500.
- Assess forfeiture funds had no appropriations change but did reallocate expenses from supplies to training of \$6,500.
- The Senior Center budget has had many changes. The revenue has an increase of \$11,608 from the NTS granting agency. The NSIP is reduced by \$2,000 due to reduced funding per meal. The two office spaces were not rented for a decrease of \$14,400 as well as a decrease in fundraising and aluminum recycling of \$2,500. Increased revenue is happening in all areas of rides & donations, congregate, home and guest meals for \$7,250. Appropriations are increased by \$37,100 by a combination of an increase in benefits and wages due to turnover of staffing by \$5,450. Increased operating costs are recognized in food items for \$11,000, propane of \$1,800, gas oil and grease of \$1600, electricity of \$2,900. Heating fuel of \$11,400, refuse of \$2,600 and equipment maintenance of \$1,500.
- Mary Carlson Estate investment revenue is projected to be \$11,000 less than expected.
- Equipment replacement funding increased by \$2,800 to recognize the remaining purchase for FY25 ACO vehicle for items that arrived in FY26.
- Capital Project was increased to move the public works septic system development of \$121,000. Refer to Resolution 2025-03 adopted 04/03/2025.
- Debt services budget increase for the SOA Loan program Lagoon Aeration project reimbursement with an estimate of \$31,000 to be paid on 05/01/2026. Final documents are still in process.
- Grant changes are:
 - Removal of the SOA continuation grant for training of \$1,250.
 - Addition of \$50,000 Alaska Municipal League energy efficiency pass through grant for building improvements to City Hall, Senior Center and

- Public Safety building.
- o Addition of jail medical expense reimbursements for a revenue of \$11,000 and expenditures of \$3,000. \$8,000 was recognized in FY25.
- o Addition of \$600,000 for State Appropriations Grant for designs of the new firehall. Refer to Resolution 2026-01 adopted 01/08/2026
- o Increase of \$13,100 for BBEDC summer internship programs and \$20,900 for BBEDC Fire Department training reimbursement.

LEGAL: None at this time.

STAFF RECOMMENDATION: Passing this ordinance will allow the city to revise the FY26 budget for a final time.

PROPOSED MOTION: I move to adopt ORDINANCE 2026-06, An ordinance of the Dillingham City Council Authorizing the introduction of FY26 Budget Amendment revision number 2.

PROPOSED ALTERNATE MOTION: There is no alternate motion recommended.

CITY MANAGER COMMENTS: City Manager recommends approval of Ordinance 2026-06.

ATTACHMENTS: None.